

Financial Lives reports: addenda et corrigenda

This addenda et corrigenda covers 2 Financial Lives publications:

- Understanding the financial Lives of UK adults (October 2017):
<https://www.fca.org.uk/publication/research/financial-lives-survey-2017.pdf>
- The Financial Lives of consumers across the UK (June 2018):
<https://www.fca.org.uk/publication/research/financial-lives-consumers-across-uk.pdf>

Each report section follows the same order:

- Report additions/changes/deletions
- Additional base information (not applicable to The Financial Lives of consumers across the UK)
- Updated figures and charts

Key:

	Additions/changes
	Exclusions

Changes have been made directly into the published reports. Additional base information is included at the end of each report as appropriate.

Understanding the financial Lives of UK adults:

page	location on page	for	read
17	18-24 summary (Other key facts)	Just 30% have confidence in the UK financial services industry, which may help to explain a reasonably high (58%) preference for sticking with a known brand	Just 31% have confidence in the UK financial services industry, which may help to explain a reasonably high (58%) preference for sticking with a known brand
25	Para 2	Only four in ten (40%) UK adults have confidence in the financial services industry. This may help to explain why two in three (65%) prefer to stick to a financial brand they know.	Fewer than four in ten (38%) UK adults have confidence in the financial services industry. This may help to explain why two in three (65%) prefer to stick to a financial brand they know.
31	Para 6	Two fifths (42%) of all UK adults do not have confidence in the financial services industry. A very similar proportion (44%) of 18-24 year olds also feel this way despite having very limited experience of financial products, providers or mis-selling.	Three in ten (29%) UK adults do not have confidence in the financial services industry. A very similar proportion (30%) of 18-24 year olds also feel this way despite having very limited experience of financial products, providers or mis-selling.
32	Table 2.2, Line 9	Do not have confidence in the UK financial services sector: 42%, 44%	Do not have confidence in the UK financial services sector: 29%, 30%
85	Para 4	55-64 year olds do not feel substantially more knowledgeable about financial matters, or consider themselves to be confident and	55-64 year olds do not feel substantially more knowledgeable about financial matters, or consider

		savvy consumers when it comes to financial services. Two in five (41%) agree that that they have confidence in the UK financial services sector, compared with almost half (47%) of 45-54 year olds, and confidence continues to decrease in the older age groups.	themselves to be confident and savvy consumers when it comes to financial services. Under two in five (37%) agree that that they have confidence in the UK financial services sector, compared with two in five (39%) of 45-54 year olds, and confidence continues to increase in the older age groups.
108	Para 2	...under 0.5% have a loan from an unregistered lender.	... fewer than 0.1% have a loan from an unregistered lender.
113	Para 5	Home collected loans and payday loans are used more by women than men – 1% and 2% for women, respectively, compared with under 1% and with 1% for men.	Home collected loans and payday loans are used equally by women and men: 1% of each use each type of product.
115	Box, bullet 2	Among those with a mortgage, mean debt ...	Among those with a mortgage, mean mortgage debt ...
116	Para 5	We turn now to Figure 8.6, which shows debt levels, ...	We turn now to Figure 8.6, which shows mean mortgage debt, ...
117	Figure 8.6, base information	LTV calculated by comparing outstanding	Notes: LTV calculated by comparing outstanding
122	Top dash	... the majority (68%) of these adults...	... the majority (58%) of these adults ...

125	Final para	... have no private pension provision currently have no private pension currently ...
126	Para 2	These results, at total level (i.e. for all UK adults), are lower than we might expect.	These are lower than we might expect.
127	Para 3	Most DC pension savers state they have relatively little in their pension pot. Around two fifths (22%) have less than £5,000, and a further one in seven (14%) have between £5,000 and £20,000. This reflects the relative immaturity of the UK auto-enrolment market, but pot sizes are expected to grow rapidly. Very few DC pension savers (just 12%) have £100,000 or more. Over one third (36%) do not know how ...	Most DC pension savers state they have relatively little in their pension pot. Around one quarter (24%) have less than £5,000, and a further one in seven (15%) have between £5,000 and £20,000. This reflects the relative immaturity of the UK auto-enrolment market, but pot sizes are expected to grow rapidly. Very few DC pension savers (just 12%) have £100,000 or more. Around one third (32%) do not know how ...
127	Para 4	Not surprisingly, the amount of DC pension savings held increases with age. For example, as Figure 8.13 shows, almost three in five (58%) 18-24 year olds with a DC pension have less than £5,000 in their pot. Fewer than 1% have more than £50,000, while 34% do not know or prefer not to say. For those not retired and aged 55 and over with a DC pension, 11% have less than £5,000; 36% have more than	Not surprisingly, the amount of DC pension savings held increases with age. For example, as Figure 8.13 shows, almost three in five (60%) 18-24 year olds with a DC pension have less than £5,000 in their pot. Fewer than 1% have more than £50,000, while 31% do not know or prefer not to say. For those not retired and aged 55 and over with a DC pension, 8% have

		£50,000, while 32% could not or would not to say.	less than £5,000; 39% have more than £50,000, while 26% could not or would not to say.
142	Figure 9.9	Table description – to be added	See page 186 for defining those in difficulty, surviving or financially resilient
146	Table 9.7	Row 4: Female 59%	Row 4: Female 58%
150	Last para	One possible explanation for this may be that relatively few adults (40%) have confidence in the UK financial services industry. This confidence drops among older adults: 36% for 65-74 year olds, and 30% for adults aged 75 and over.	One possible explanation for this may be that relatively few adults (38%) have confidence in the UK financial services industry. This confidence increases among older adults: 43% for 65-74 year olds, and 49% for adults aged 75 and over.
151	Figure 9.12		Updated figure
152 - 153	Table 9.8 rows: 7 – 10 and rows 25-26 (last two rows)	<p>Row 7: Have a credit card (with a revolving balance) – disagree that they understood their product well when taking it out : 7%</p> <p>Row 8: Have catalogue credit – disagree that they understood their product well when taking it out: 14%</p> <p>Row 9: Have a credit card (with a revolving balance) – did not know the APR on their product when taking it out: 28%</p> <p>Row 10: Have catalogue credit – did not know the APR on their product when taking it out: 44%</p> <p>Row 25: Took out or made a significant change (e.g. internal</p>	<p>Row 7: Have a credit card (with a revolving balance) – disagree that they understood their product well when taking it out: 0.7%</p> <p>Row 8: Have catalogue credit – disagree that they understood their product well when taking it out: 0.6%</p> <p>Row 9: Have a credit card (with a revolving balance) – did not know the APR on their product when taking it out: 2%</p> <p>Row 10: Have catalogue credit – did not know the APR on their product when taking it out: 2%</p>

		<p>switch) to their mortgage in last three years: agree that there was too much information to deal with during the mortgage application process: 60%</p> <p>Row 26: Have a residential mortgage – disagree that information provided by lenders is clear and understandable: 45%</p>	<p>Row 25: Took out or made a significant change (e.g. internal switch) to their mortgage in last three years: agree that there was too much information to deal with during the mortgage application process: 5%</p> <p>Row 26: Have a residential mortgage – disagree that information provided by lenders is clear and understandable: 2%</p>
152-153	Table 9.8		Include base information
158	Table 9.11, RB53b base description	Base: All who have day-to-day...	Base: All UK adults who have day-to-day
159	Table 9.12, RB47b base description	Base: All who have a day-to-day ...	Base: All UK adults who have a day-to-day ...
163	Para 3	<p>Fewer than one in ten (7%) have been contacted in the last 12 months either about a request to transfer money through their account, a request to confirm their account details, password or PIN, or both. As a result, a small proportion, equating to 3% of all UK adults, have lost money.</p>	<p>Fewer than one in ten (7%) have been contacted in the last 12 months either about a request to transfer money through their account, a request to confirm their account details, password or PIN, or both.</p> <p>As a result, a small proportion, equating to 0.4% of all UK adults, have lost money.</p>
163	Table 9.14		Include base information

163	Table 9.14, bottom row	Lost and could not recover money after being contacted by an individual or company about a request to transfer money through their account and/or a request to confirm their account details, password or PIN: 0.3%	Lost and could not recover money after being contacted by an individual or company about a request to transfer money through their account and/or a request to confirm their account details, password or PIN: 0.4%
163	Para 4	Overall, 0.3% of UK adults lost money and tried to recover it without success.	Overall, 0.4% of UK adults lost money and tried to recover it without success.
165	Table 9.15		Include base information
171	Table 9.17		Include base information
182	Figure A.1 Guidance interviews	3,012	3,751
184	2 nd to last paragraph	To be cautious, we always refer to potential vulnerability, to emphasis ...	To be cautious, we always refer to potential vulnerability, to emphasise ...
197	3 rd para	... and Joel Williams (Head of Modelling).	...and Joel Williams (Head of Methods).

Additional base information

Table 9.8 Base information

<i>P_AC8 Please now think about the pension scheme(s) arranged through an employer into which contributions are not currently being made There are two main ways in which your pension entitlement can be worked out in an employer's pension scheme. Base: All UK adults who are contributing to an employer-arranged pension, and do not know if it is a DC or DB pension (u-w:4639/w4747)</i>
<i>PD8 Thinking of the ... in the last 2 years. How well did you understand the different options you could choose from in order to take your pension(s)? Base: All UK adults who have accessed a DC pension(s) in the last two years – did not understand access options ‘very well’ (u-w:275/w202)</i>
<i>PD8 Thinking of the ... in the last 2 years. How well did you understand the different options you could choose from in order to take your pension(s)? Base: All UK adults who have accessed a DC pension(s) in the last two years – did not understand access options at all or even that options exist (u-w:275/w202)</i>
<i>GI40 In your view, do price comparison websites cover all providers? Base: All UK adults who have one or more general insurance and protection (GI&P) products – do not know if price comparison websites cover all providers in the market or think that they do (u-w:1686/w8706)</i>
<i>GI1 (option e) How much do you agree or disagree with the following statements about insurance? No claims protection means my motor insurance premium will not rise as a result of making a claim Base: All UK adults who have motor insurance – do not know what no claims protection means (u-w:1167/w6249)</i>
<i>M105 (option a) How much do you agree or disagree with these statements based on your experience? I feel mortgage products are simple to understand Base: All UK adults who have a residential mortgage – disagree that mortgage products are simple to understand (u-w:1317/w4248)</i>

CC26 (option d) Thinking back to when you took out this [SELECTED PRODUCT], how much do you agree or disagree with each of the following statements? I felt I understood the product well Base: All UK adults who have a credit card (with a revolving balance) – disagree that they understood their product well when taking it out (u-w:364/w1137)
CC10a What is / was the annual percentage rate (APR) of your [selected product]? Base: All UK adults who have a credit card (with a revolving balance) – did not know the APR on their product when taking it out (u-w:364/w1137)
P28 Have you [since / ever] reviewed where your defined contribution pensions(s) are invested? Base: All UK adults who have a DC pension, and have never reviewed where it is invested (u-w:1496/w4752)
P26sum Are you aware of any charges incurred on your defined contribution pension? Base: All UK adults who have a DC pension, and not aware of charges incurred (u-w:1496/w4752)
P7 Have you ever thought about how much you should be paying into your defined contribution pension each year to maintain a reasonable standard of living when you come to retire? Base: All UK adults who have a DC pension, but have never thought about how much they should be saving into it each year to maintain a reasonable standard of living when they come to retire (u-w:1496/w4752)
P8a/bsum1 Do you know how much in total you and/or your employer contribute to your defined contribution pension(s)? Base: All UK adults who have a DC pension, and do not know how much contributing (u-w:1075/w3462)
GI1 (option b) How much do you agree or disagree with the following statements about insurance? When buying insurance, I tend to opt for the cheapest rather than compare what different policies cover Base: All UK adults who have one or more GI&P products – would 'go for the cheapest' rather than compare the cover of different products (u-w:1686/w8706)
M107 How long, approximately, is left on your [residential] mortgage? Please enter to the nearest year. Base: All UK adults who do not know how long they have left to pay on their residential mortgage (u-w:1255/w4116)
M18 What type of interest rate does your [residential] mortgage have? Base: All UK adults who do not know if their residential mortgage is on a fixed or variable rate (u-w:1317/w4248)

<i>M22a Is your mortgage repayment or interest-only? Base: All UK adults who do not know if their residential mortgage is repayment or interest-only (u-w:1255/w4116)</i>
<i>P20a Do you recall receiving an annual statement from your defined contribution pension provider in the last 12 months? Base: All UK adults who have a DC pension, and do not recall receiving an annual statement (u-w:1496/w4752)</i>
<i>P21 And generally, how well do you understand the information in your pension statement(s)? Base: All UK adults who have a DC pension, received and read annual statement, and did not understand it very well or at all (u-w:1496/w4752)</i>
<i>GI1 (option a) How much do you agree or disagree with the following statements about insurance? There is not enough information for me to make decisions on the quality of different insurance policies Base: All UK adults who have one or more GI&P products – do not think they have enough information to decide, on quality, between different policies (u-w:1686/w8706)</i>
<i>GI44 When you [took out / renewed] your [motor insurance], which of the following best describes how you read the policy documentation? Base: All UK adults who have motor insurance (taken out, renewed or switched in the last three years) – do not look at policy documentation at all (u-w:370/w3733)</i>
<i>M77 (option c(3)) Thinking about the mortgage application process, how much do you agree or disagree with these statements based on your recent experience? I felt there was too much information to deal with Base: All UK adults who took out or made a significant change (e.g. internal switch) to their mortgage in last three years: agree that there was too much information to deal with during the mortgage application process (u-w:631/w2016)</i>
<i>M82 Overall, how much would you agree or disagree with the following statement about your [residential] mortgage lender? They provide clear and understandable information Base: All UK adults who have a residential mortgage – disagree that information provided by lenders is clear and understandable (u-w:1255/w4116)</i>
<i>CC25 Thinking back to when you took out this [selected product], which of the following best describes how you read the credit agreement and pre-contract information? Base: All UK adults who have a credit card (with a revolving balance) – looked at their credit agreement and pre contract information briefly when taking out their product (u-w:364/w1137)</i>

Table 9.14 Base information

<i>F13sum1. (Summary of F13 1-4) = Never or only rarely done (one or more) a) Check an internet site is secure before giving your bank or credit card details b) Cover your PIN when withdrawing money from a cashpoint or using your debit or credit cards to pay for goods c) Dispose securely of statements and documents that contain information relating to your financial affairs (e.g. by shredding them) d) Check thoroughly bank and card statements for any unfamiliar transactions (u-w: 1888/w4002)</i>
<i>F12 = 1, 2, or 3 (Shared your current account or credit card PIN or passwords with another person, given your debit or credit card to someone else to use, or provided your current account details through an email or telephone call, following an unsolicited request in the last 12 months) (u-w: 601/1339)</i>
<i>RB84 = 3 (tried to recover but it was not successful) In the last 12 months, have you lost money as a result of the following? (u-w: 11/39)</i>

Table 9.15 Base information

<i>F1A = All UK adults that have experienced any of the following unsolicited approaches in the last 12 months? By an unsolicited approach, we mean a company or person contacting you, without your having contacted them first: (u-w: 1537/w2935)</i>
<i>F2A = All UK adults who took up or responded to any of the offers or requests? (u-w: 73/158)</i>
<i>F2C = 1 All UK adults who, as a result of this approach, paid out any money? (u-w: 13/23)</i>

Table 9.17 Base information

<i>CC54_3 = Disagree: Where you have had contact with your lender(s)/credit provider(s) about your repayment difficulties, overall how much do you agree or disagree with the following statements? I was encouraged to seek free debt advice (u-w: 45/w108)</i>

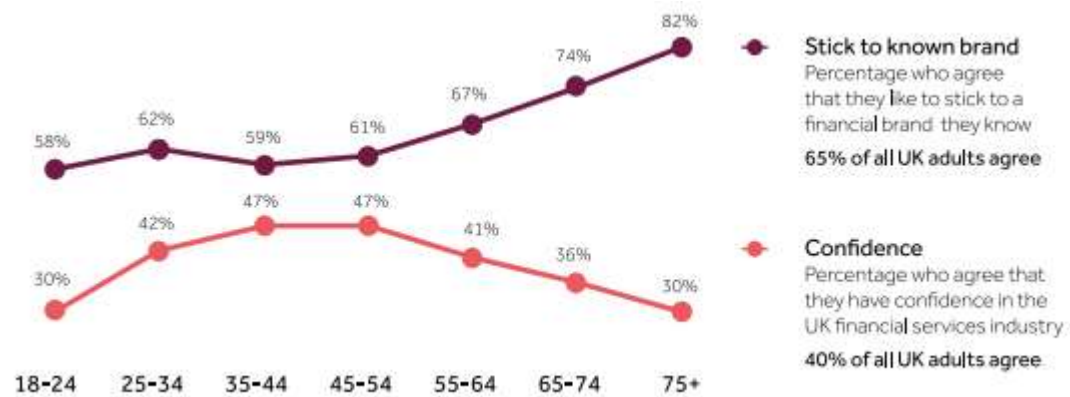
CC54_1 = Disagree: Where you have had contact with your lender(s)/credit provider(s) about your repayment difficulties, overall how much do you agree or disagree with the following statements? My lender(s)/credit provider(s) were sympathetic to my difficulties (u-w: 41/90)

CC54_2 = Disagree Where you have had contact with your lender(s)/credit provider(s) about your repayment difficulties, overall how much do you agree or disagree with the following statements? My lender(s)/credit provider(s) allowed me time to pay (u-w: 30/65)

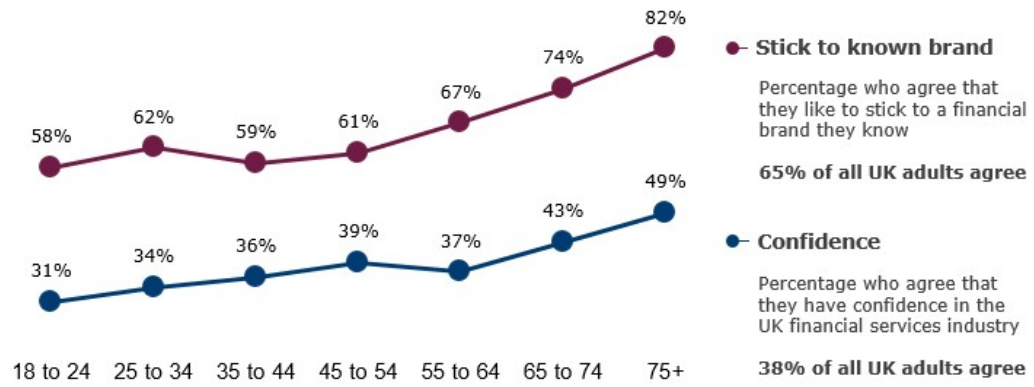
CC54Sum Sum of CC54 (Disagree statements): (u-w: 14/27)

Updated charts/figures

Figure 9.12 Brand loyalty and confidence in the UK financial services industry by age



Updated

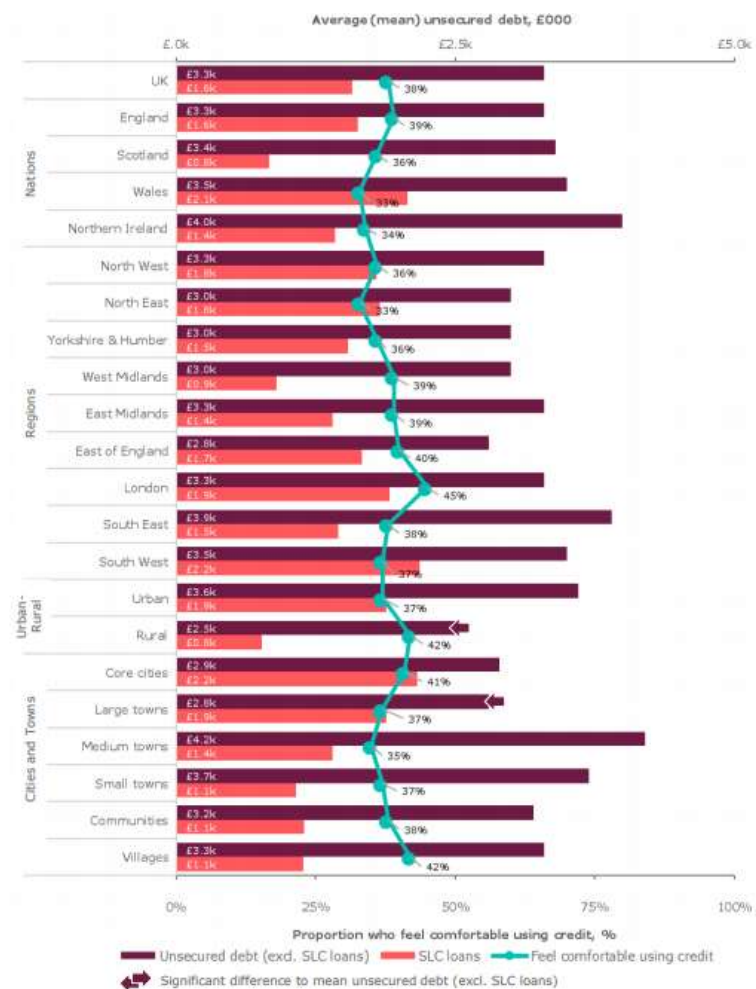


The Financial Lives of consumers across the UK:

page	location on page	for	read
74	Last para	<i>There is little variation by area in the proportions of UK adults claiming to feel comfortable using credit. Results vary from 33% (Wales and the North East) to 45% (London), with a UK average of 38%.</i>	There is little variation by area in the proportions of UK adults claiming to feel comfortable using credit. Results vary from 33% (Wales and the North East) to 45% (London), with a UK average of 38%. 37% (North East) to 44% (South East)
75	Figure 5.5	See below	
85	Confidence in financial services	<p><i>As Figure 7.1 shows, the results are not particularly positive. Two fifths (42%) of UK adults (21.7 million people) are not confident in the UK financial services industry, and a similar proportion (40%) are confident. One in six (17%) adults expressed no view either way.</i></p> <p><i>Figure 7.1 also shows that this lack of trust is pervasive across the UK. For example, while adults living in the South East are the most likely to say they have confidence in the financial services industry, there is still a large minority who do not (39% or 2.7 million adults).</i></p>	<p>As Figure 7.1 shows, three in ten (29%) of UK adults (14.8 million people) are not confident in the UK financial services industry, and a similar proportion (38%) are confident. One-third (33%) of adults expressed no view either way.</p> <p>Figure 7.1 also shows that this lack of trust is pervasive across the UK. For example, while adults living in London are the most likely to say they have confidence in the financial services industry, there is still a large minority who do not (28% or 1.9 million adults).</p>
86	Figure 7.1	See below	

Updated charts/figures

Figure 5.5 Average (mean) unsecured debts among UK adults, and UK adults who feel comfortable using credit



Updated

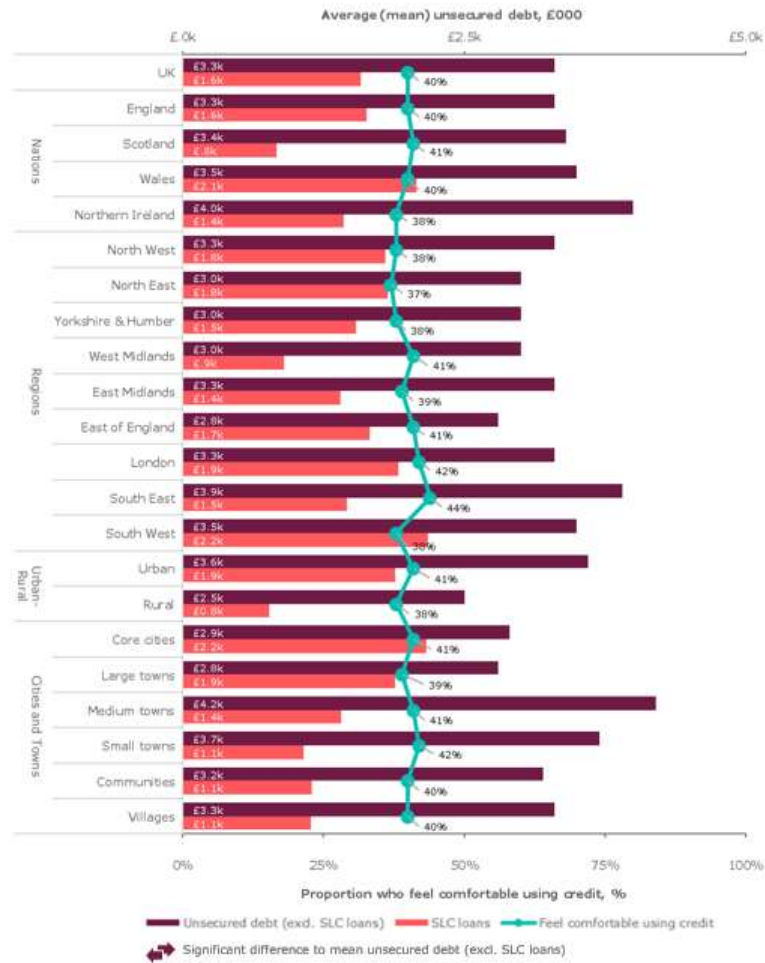
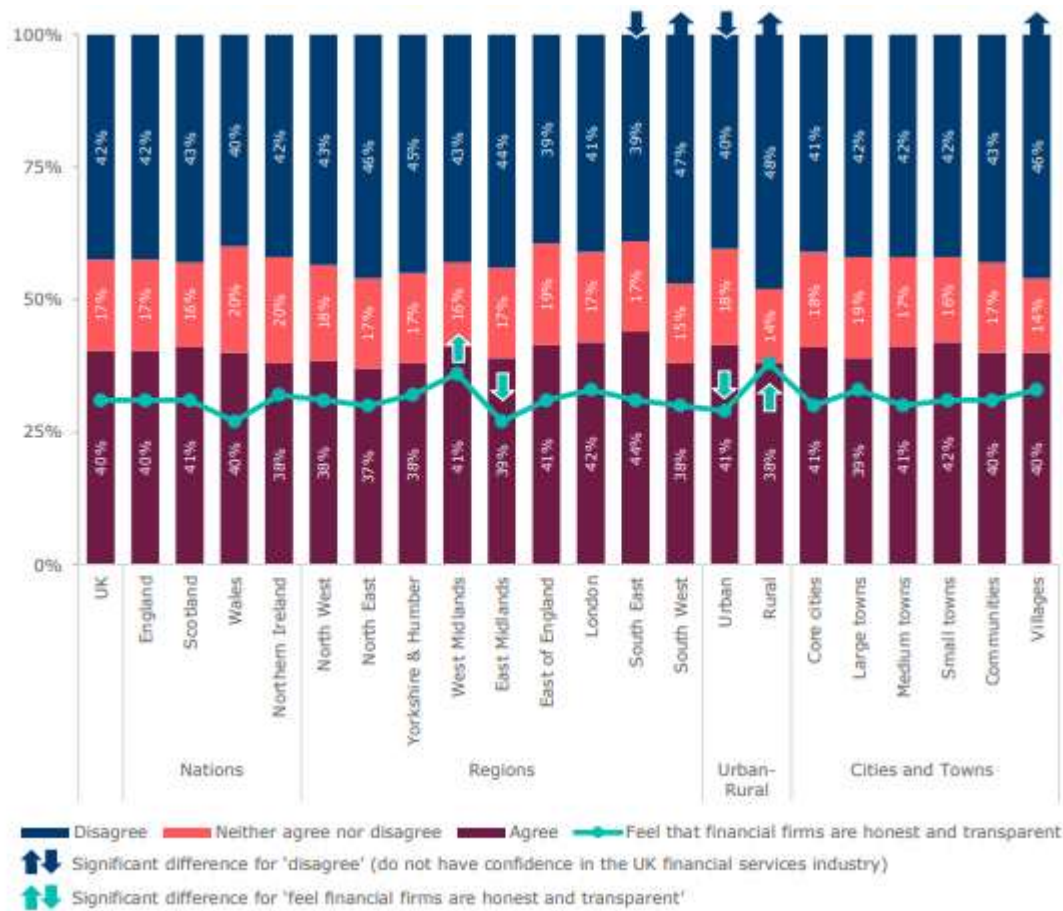


Figure 7.1 UK adults' confidence in the UK financial services industry, and UK adults who feel that financial firms are honest and transparent in the way they treat them



Updated

