

Transcript of video 1: Covid-19's impact on financial resilience

Text on screen: *Filming took place during lockdown last year and the video participants have used their own devices. They have all given permission for their recording to be shared.*

Person 1: "Covid has affected me quite severely. I was made redundant at the end of last year and which followed into the Covid outbreak and the lockdowns. And I've just been finding it very, very hard to even get an interview for a job. Uh, lucky enough, my kids don't stay with me, but I am financially struggling because all I'm living on is 300 and ... 350 pounds a month, which that's to cover my electricity, my gas, my food. It's just quite hard. I've been supplementing my income with my redundancy money, which is nearly all the way now, so I really need to get a new job"

Shown on screen during person 1: Did you know? 73% of UK adults who were laid off or made redundant between March and October 2020 say that their financial situation got worse as a result of Covid-19

Person 2: "I was furloughed in April and I fell into the third batch of redundancies, so I was officially made redundant at the end of September. So now I am job hunting"

"I'm feeling increasingly worried because it is really difficult. And I feel like employers have obviously got, um, a lot of capable candidates to pick from."

"I am in a drastic situation. It is having an impact on me."

"When I took the mortgage out which was 3 and a half ...coming up to 3 years ago. I was almost a mug I suppose, I thought 'oh I've got a secure job', so I didn't take out any of the extra insurances, because I was trying to keep costs down. So I haven't got that if you get made redundant, you know that insurance policy whatever it is, mortgage protection."

Shown on screen during person 2: Did you know? 73% of UK adults who were laid off or made redundant between March and October 2020 say that their financial situation got worse as a result of Covid-19

Person 3: "Covid-19 has had a bad financial effect on my household income. My husband is a contract worker and his contract came to an end at the end of February."

"We unfortunately didn't qualify for any of the government grants at all. We didn't get any of the business grants because the business ... the contracting company was too new and it was just really unfortunate, so we are living on savings."

Shown on screen during person 3: Did you know? Overall 20 million say their financial situation overall is worse because of Covid-19 – that is 38% of all UK adults

Person 4: "My contract ended in December last year and so in quarter 1, I wasn't particularly worried, because I had approaches from 2 former clients.

"Also some work expected to start in quarter 1, I was expected to start in March, as what was quoted. I never heard back from them. After March, it's all gone very quiet."

"I was absolutely convinced I was going to be getting contracts within a week or two and then lockdown and nothing's happened. Since then I have just been applying for other roles and uh, singularly getting nowhere."

Interviewer: So what has that meant for household income?

Person 4: Zilch. Absolutely zilch. so a year without work living in London is an expensive thing to have. If it wasn't for the fact my other half has some savings accrued, which we have now been or I have now been helping her spend through this year. um, I wouldn't be solvent.

I wouldn't therefore be able to run my company. I would therefore no doubt have been struck off as a director and I wouldn't therefore be able to do contract work.

Shown on screen during person 4: Did you know? 2.1 million self-employed adults experienced a reduction in income between March and October 2020 – that is 60% of all self-employed adults

Person 5: "My partner was furloughed which meant although our household bills stayed exactly the same and probably increased because of having the children at home all day, the money didn't. The money was a lot less. It has been very very difficult to manage. We have relied a lot on my parents for help. Things have been very difficult. Although Stepchange have been really good with us. They let us have a payment holiday, if you like, to our creditors."

Shown on screen during person 5: Did you know? 1.7 million UK adults used a debt advice or debt management service between March and October 2020



Thank you text: *We would like to thank everyone who took part in the Financial Lives survey. Thank you in particular to those who also agreed to appear in this video.*

Transcript of video 2: How those affected by Covid-19 are having to rein back their spending

Text on screen: *Filming took place during lockdown last year and the video participants have used their own devices. They have all given permission for their recording to be shared.*

Person 1: "Since Covid happened, we have found some finances have been more difficult to manage and we have looked at real ways to cut that down. So we have been shopping around for our food, just to make sure we can reduce our food bill and we have been looking at price comparison websites to change utility providers, any way that we can save our monthly outgoings. We have also reduced what we are spending. So we have looked at recycling some clothes. Basically just looking at more cost effective options when shopping around for items for our children, trying to utilise more special offers, so shopping around shops, in order to make our money stretch a bit further."

"We've been trying to maximise what we have because our income has dropped. My partner, she has had a significant reduction. So she was on furlough and therefore, I was the only breadwinner into the household with a new born baby and a young toddler. So it has been more difficult."

Shown on screen during person 1: Did you know? 9.8 million UK adults have cut back on essentials like food and clothing because of Covid-19 – that is almost 1 in 5 UK adults.

Person 2: "So I hadn't been self-employed long enough to claim on the scheme that the government had put together, um, and that it wasn't terrible for us. We're in a financially quite a stable position. Obviously it did affect us. We have had to put things on hold, um, because my work went away because schools were closed. It meant that my services weren't required."

"So not buying so many clothes, changing where we shop and what sorts of things we were buying, reducing gifts for other people, in particular, was a big one. Considering whether we go down to one car, cause we've got two and just not spending so much on the house. We've been saving up for another bathroom to be fitted and you know, we just didn't do that."

“And not going into work, so you’re not putting as much petrol into the car, I'm just not using the car as often and not buying food when you're out of the house. But it is more of a dip rather than a reach and grab.”

Shown on screen during person 2: Did you know? In October 2020, 37% of UK adults reported an overall decrease in their household spending since March.

Person 3: “The tutoring dried out up and obviously the rowing coaching stopped. So, um, and because it's a temp role, my income has gone down by about £16,000 a year.”

“Um, no, but I'm looking at basically having to start selling stuff, you know, I'm going to have to start selling things out of my house. just to kind of, you know, make ends meet and sort of, I'm just trying to pay off as many bills as I can.”

“What can I do, you know, to kind of just keep, you know, keep getting my bills down and what, what can I release in terms of selling on eBay or marketplace to kind of, you know, just sort of basically get my ... my cats vaccinated. Because I mean, I used to be on a scheme where I paid so much a month, which covered all their vet’s bills and their vaccinations, but it was one of the things that I had to stop after lockdown because 60 quid a month going out, it was too much.”

“But I mean basically I had to just ... I've had to turn to my parents. Um, my parents are in a fortunate position in that my father is retired, and he's able to help me out with paying my bills basically.”

Shown on screen during person 3: Did you know? Between March and October 2020, 5.9 million adults borrowed from friends and family.

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