

Financial Lives 2022 survey

Credit and loans

Selected findings

26 July 2023

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1. Introduction

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FLS methodology

	2017	2020	2022
Number of interviews	12,865	16,190	19,145
Fieldwork period	<p>13 Dec 2016 to 3 Apr 2017</p> <p>95% of the interviews were completed in 2017</p> <p>We refer to the results as 2017, or sometimes as April 2017</p>	<p>30 Aug 2019 to 18 Feb 2020</p> <p>Over 70% of the interviews were completed in January and the first two weeks of February 2020</p> <p>We refer to the results as 2020, or sometimes as Feb 2020</p> <p>These results provide a benchmark for the UK consumer landscape prior to the first Covid lockdown</p>	<p>1 Feb to 6 June 2022</p> <p>Over 60% of the interviews were completed in May 2022</p> <p>We refer to the results as 2022, or sometimes as May 2022</p>
Fieldwork mode	<p>Online + in-home</p> <p>11,970 via the online survey, and 895 via in-home interviews to capture non-internet users and (more) older adults</p>	<p>Online + in-home</p> <p>15,217 via the online survey and 973 via in-home interviews</p>	<p>Online + telephone</p> <p>18,889 via the online survey and 256 via telephone interviews</p>
Fieldwork design	<ul style="list-style-type: none"> • Robust design, using random probability sampling of addresses (with invitation by post) • All results are representative of all UK adults, or subgroups thereof: when we refer to consumers or people, we mean the same thing, ie UK adults 		

FLS 2022 content summary (incl new content for 2022)

Core question sets

Demographics (sections 1 & 18)

Key information about the individual and their household: eg age; sex; gender; ethnicity; marital status; working status; property ownership; internet use; qualifications; income; health; life events

Internet connectivity; socio-economic background; emotional resilience; religion; financial abuse; English as first language

NEW 2022

Attitudes (sections 2 & 16)

General financial attitudes; attitudes towards FS products and providers; financial resilience and over-indebtedness; retirement attitudes; attitudes towards advice; financial numeracy

Understanding product and service costs; attitudes towards cash; attitudes towards 'Big Tech'; attitudes towards funding care costs in later life

NEW 2022

Product Ownership (section 3)

Product ownership statistics for around 100 financial products

Deferred payment credit; Employer Salary Advance Schemes; shares in unlisted companies; mini bonds; CFDs

NEW 2022

Assets and Debts (section 4)

Amount of savings and investments; property value; amount left on mortgage; amount of debt on credit product; issues experienced as a result of having debt

Savings time horizons; investment time horizons; attitudes towards dealing with debt

NEW 2022

Product-related question sets

Retail Banking (sections 3.1 & 6)

Product holding; providers; account features; banking activities and channels; security and fraud; provider trust and satisfaction; switching and shopping around; problems and complaints; FSCS awareness

Reasons for not using app/online banking; use of Open Banking products; reasons for using an e-money account

NEW 2022

Cash Savings (sections 3.1 & 17.5)

Savings products held incl. type of savings account; attitudes towards saving; reasons for not saving; satisfaction and trust in provider; switching and shopping around; problems and complaints

Payments (sections 3.1a & 17.6)

Use of mobile/ digital wallets; money transfer services and loadable pre-paid cards; measures taken to protect themselves when making payments

Cryptocurrency as a method of payment; payment preferences; attitudes towards payment methods available

NEW 2022

Consumer Investments (sections 3.2 & 17.2)

Investments held; investments made with and without advice; investments held on platform; main reasons for investing; problems and complaints

Length of time investing; attitudes towards risk and return; sources of information; high-risk investments made and reasons for investing

NEW 2022

Mortgages (sections 3.3 & 7)

Mortgage products held; missed payments; financial resilience; details about their mortgage; method of arranging mortgage; trust in provider; switching and shopping around; problems and complaints

Home ownership aspirations for renters; feedback on lender support provided for those missing payments

NEW 2022

Credit & Loans (sections 3.4, 8, 9, 10)

Products held; missed payments and financial resilience; debt advice; credit reference services; problems and complaints; detailed questions about credit cards, personal loans, motor finance and high-cost credit

Use of credit brokers; feedback on lender support provided for those missing payments; feedback on debt advice

NEW 2022

General Insurance & Protection (sections 3.5 & 11)

Products held; claims made; problems and complaints; detailed questions about motor, home, travel, pet and life insurance (eg channels, provider feedback; switching and shopping around); views on PCWs

Claims experience; reasons for paying for insurance monthly and awareness of costs; experiences with travel insurance for those with serious medical conditions.

NEW 2022

Pension Accumulation (sections 3.6 & 12)

Pension product holding and size of DC pension pot; DC-DB transfers; DC pension engagement; DC pension consolidation and switching; provider feedback; problems and complaints

Awareness and views on pension charges; ESG investments; 'wake-up' packs; reasons for consolidating DC pots

NEW 2022

Pension Decumulation (sections 3.6 & 14)

Understanding decumulation decisions, incl. importance of pension, factors considered, understanding of choices, advice or guidance received; feedback on their provider; problems and complaints

Awareness and views on pension charges; 'wake-up' packs; awareness of enhanced annuities

NEW 2022

Advice & Guidance (sections 2, 5, 15)

Attitudes towards advice; incidence of advice; information and guidance sources; detailed questions for those who have had advice in the last 12 months and those who have not had advice but may need it

For non-advised adults who have all their money in cash - why? Do they understand the risks of being 100% in cash?

NEW 2022

Cross-sector short question sets

Fraud & Scams (sections 3.1 & 3.7)

Banking security and fraud, incl. amount lost and whether recovered; money lost following unsolicited approaches related to pensions and investments

Victims of pension or investments scams where the consumer initiated the contact

NEW 2022

Claims for Mis-selling (section 3.7)

Claims made by type of claim, and whether made directly or using a CMC (Claims Management Company); awareness they can claim directly, not using a CMC

Who initiated contact; attitudes towards CMCs; compensation received; time spent on claim

NEW 2022

Communication Problems (section 17.10)

Communication problems experienced by product area; type of problem and channel; impact of the problem

NEW 2022

Access (sections 3.7 & 17.9)

Proportion declined a product or offered one with unreasonable price/ terms and conditions; what result did this have; did their circumstances contribute to outcome

Proportion who have avoided applying for a product, and why

NEW 2022

Buying Products Online (section 17.11)

Incidence of buying FS products online by product sector; attitudes towards buying online; reasons for not buying online

NEW 2022

IT Failures or Service Disruptions (section 3.7)

Adults who have experienced IT failures or service disruptions, and whether they were mildly or severely affected, or not affected at all

NEW 2022

Topic-based short question sets

Non-advised Platforms (section 17.1)

Proportion of adults on platform (advised & non-advised); reasons for platform choices; switching and shopping around

Number of platforms used; awareness of charges; use of best buy lists

NEW 2022

Unbanked (section 17.4)

Proportion of adults who are unbanked; proportion who would like a bank account; awareness of basic bank accounts

Reasons for not having a bank account

NEW 2022

Pre-paid Funeral Plans (sections 3.5 & 17.7)

Age when taken out; those who paid in full vs. in instalments; sales routes and reasons for purchase; product understanding

NEW 2022

Responsible Investments (section 17.3)

Attitudes towards ESG issues; awareness and experience with ESG investments; interest in investing in this way in the future

Willingness to pay more for ESG; feedback on information provided to assess ESG credentials

NEW 2022

Awareness of the FCA (section 17.12)

Awareness of the FCA and the FCA's Financial Services Register

Awareness of FCA's ScamSmart, consumer helpline, and rules on fair treatment of consumers; awareness of FOS; trust in the FCA

NEW 2022

Deferred Payment Credit (DPC) (sections 3.3 & 17.8)

Use of DPC in last 12 months by provider; amount currently outstanding; reasons for using; views on how easy it is to keep track of repayments

NEW 2022

FLS resources library

Main reports

We have published key selected findings from the Financial Lives 2022, 2020 and 2017 surveys through main reports and short interim reports.

Data tables

The data tables from our 2022, 2020 and 2017 surveys provide access to the results of almost all the survey questions and cut the results by many cohorts of consumers.

Raw data

Raw data from the Financial Lives 2022 (from late August 2023), 2020 and 2017 surveys can be accessed by applying to the [Consumer Data Research Centre](#).

Sector slide decks

We have published six retail sector slide decks alongside our 2022 survey main report.

Questionnaires

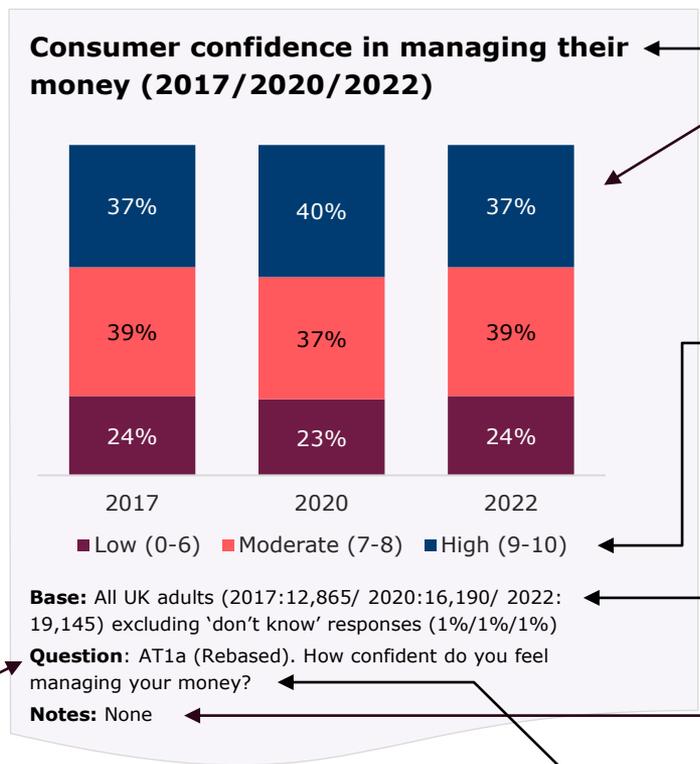
The questionnaires from the Financial Lives 2022, 2020 and 2017 surveys are also published.

FLS team

Please email us with any queries or to share how you use FLS – at financiallivesurvey@fca.org.uk.



A guide to reading the charts



Title, including the dates of the survey(s) from which the results come.

Proportion of the reported population. Typically, but not always, this will be all UK adults: check the **Base** to learn what the reported population is.

In this example, the chart compares results across the three Financial Lives surveys (April 2017, February 2020 and May 2022 – although the months are not stated).

The **key** clarifies what each colour in the chart indicates. In this case, it is the three levels of confidence consumers have in managing their money.

Base: The reported population, including the number of interviews. A smaller base indicates a larger margin of error around the statistic.

The proportion stating 'Don't know' (and/or 'Prefer not to say') is also indicated in the Base. When the base excludes such respondents, this means we have assumed that, had they given substantive answers, these answers would have been distributed proportionately across the other answer options – which in this case were 0 to 10.

Question: The question number (here AT1a) is shown, so that you can find the question in the questionnaire or the full results for this question in data tables. Although the question wording is shown here, the specific context, including any additional information given to the respondent, is available in the questionnaire.

If the word **CAVEAT** is included, this indicates that caution is required when interpreting wave-on-wave results. One or more changes to the question have been made, such as changes to the question or answer codes, to those asked the question, or to its location in the questionnaire – meaning results are not directly comparable.

Notes: Any additional notes about the question wording or interpretation, or about the comparison of results between the 2017, 2020 and 2022 Financial Lives surveys. If there are no notes, this element of the chart will be absent.

Reporting conventions

Chart conventions

The following conventions are used when reporting results in charts in this document:

*	Percentage results are not provided where the unweighted base is under 50 observations.
[x%]	Percentage results based on 50 to 99 unweighted observations are caveated using square brackets.
0%	Observations, but the result is less than 0.5%.
–	No observations.
0.7%	Statistics are cited to zero decimal place, except for product holdings where 10% or fewer adults hold the product, and for a small number of other ad hoc reasons.
unp	An unprompted response. The answer code frame for many survey questions includes an 'Other (write in)' response option. This allows respondents to give a response which has not been prompted. These unprompted responses are not directly comparable to pre-existing, or prompted, response options.

Rounding

Percentages derived from the survey analysis or associated calculations are usually rounded upwards or downwards to the nearest whole number. Where a percentage, calculated to one decimal place, is x.5% the convention is to round upwards, eg 56.5% is shown as 57%. Totals may, therefore, not add to 100%.

When we report means for monetary amounts, our convention is to report to the nearest £1,000, except for unsecured debt and losses related to fraud and scams, where we report to the nearest £10.

Multi-coded questions

Many questions in FLS allow respondents to select more than one option from a list of response options. As a result, results for these questions will sum to more than 100%.

Rebasing

Findings are usually rebased to exclude respondents who refuse to answer a question by selecting a 'prefer not to say' code. We also rebase results to exclude respondents who say 'don't know', where this is not a meaningful result. The base information below figures gives the details on the weighted proportion of respondents who have been excluded because they selected 'don't know' or 'prefer not to say'.

Whether a result is meaningful or not is sometimes a matter of interpretation. We encourage the reader to consult the weighted data tables, which include both the rebased results and the non-rebased results.

FLS standard analysis groups



Sex

In the 2017 and 2020 questionnaires, we captured respondents' gender. In FLS 2022 we also asked what their sex is, and we use this as the primary reporting variable. We made this change, as sex is one of the nine characteristics identified as protected in the Equality Act 2010, and to explore better through FLS the different experiences of consumers from diverse backgrounds. We do not chart results for those who 'prefer not to say'.



Age

As standard, we use the following age bands: 18-24, 25-34, 35-44, 45-54, 55-64, 65-74, and 75+. Occasionally, we use other age bands where these are more helpful for analysis. For example, for reporting on adults who have decumulated a pension, it may be more helpful to report for all adults aged 55+, or when reporting for older adults with a mortgage, it may be more helpful reporting for all adults aged 65+.



Ethnicity

We report for: White, Black & Black British, Asian & Asian British, mixed/multiple ethnicity, and other ethnicity. In some instances, sample size constraints mean that we report collectively for 'minority ethnic adults' (which includes all non-White adults and White adults who describe their ethnic background as Gypsy or Irish traveller). We do not chart results for those who 'prefer not to say'.



Employment status

Adults' current working status. We report for: employed, self-employed, unemployed, retired, semi-retired, and other. 'Other' includes: temporarily sick with no job to go to, permanently sick or disabled, students, looking after the home, and full-time carers. 'Semi-retired' is defined to survey respondents as drawing a pension or other income but still working. We do not chart results for those who 'don't know'.



Housing Tenure

We report for: own outright, mortgage, renting, and other. 'Mortgage' includes those who own their property with a mortgage, with a lifetime mortgage, or pay part rent/ part mortgage (shared ownership). 'Other' includes those who live rent-free (eg with parents, partner, relatives or in friends' property) or occupy the property they currently live in in some other way. We do not chart results for those who 'don't know'.



Household income

Household income is defined for survey respondents as their 'total annual household income from all sources (including benefits) before tax and other deductions'. We do not chart results for those who 'don't know' or 'prefer not to say'.



Vulnerability

We define a vulnerable consumer as someone who, due to their personal circumstances, is especially susceptible to harm, particularly when a firm is not acting with appropriate levels of care. We report for adults with any characteristics of vulnerability, or with characteristics associated with one of the four key drivers of vulnerability (poor health, capability, resilience, negative life events). To report on vulnerability, we apply an algorithm to our survey results, to identify whether respondents display at least one characteristic of vulnerability across the four drivers. You can find out more about the vulnerability algorithm in Appendix B of our 2022 main report.

FLS analysis groups



IMD
deciles

The Indices of Multiple Deprivation (IMD) is an official measure of relative deprivation which ranks every small area (technically referred to as Lower Super Output Areas) from least deprived to most deprived. We use a combined measure based on indices of multiple deprivation for England, Northern Ireland, Scotland and Wales.

Decile 1 areas are the most deprived areas in the UK, and decile 10 areas are the least deprived areas.



Over-
indebted

Terms adopted from the Money and Pensions Service (MaPS) to describe having one or both of the following characteristics:

- Keeping up with domestic bills and credit commitments is a heavy burden
- Have fallen behind on, or missed, any payments for credit commitments or domestic bills in any three or more of the last six months. The three months do not need to be consecutive months

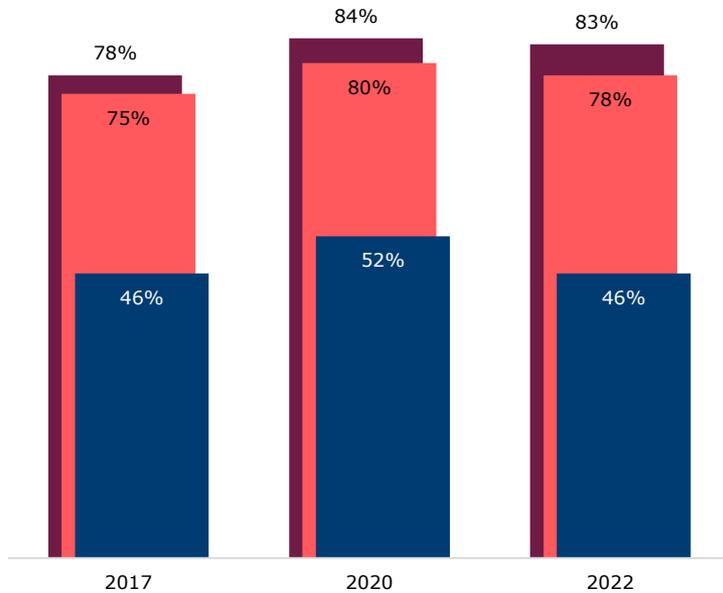
You can find out more about how over-indebtedness is defined in Appendix B of our 2022 main report.

2. Product holdings and debt levels

- Credit or loan products held
- Adults who held any credit or loans across a variety of demographic segments
- Combinations of different credit products
- Average amount of unsecured debt by product

In May 2022, credit use was high – 83% of adults held at least one credit or loan product, while 78% held at least one consumer credit regulated agreement

Credit or loans held (2017/2020/2022)



■ **Any credit or loan**

■ **Consumer credit regulated agreements:** as above, but excluding adults only holding non-FCA regulated credit (ie student loans, deferred payment credit and loans from friends or family) and/or employer salary advance schemes, or loans from informal/ unlicensed (ie illegal) moneylenders

■ As above, but excluding adults who only hold credit cards, store cards and/or catalogue credit, but who pay the full statement balance every or most months

83% of adults held at least one credit or loan product in May 2022 or had done so at some point in the previous 12 months. These figures include:

- consumer credit regulated agreements, such as motor finance and personal loans
- non-regulated loans, ie deferred payment credit (captured in our 2022 survey for the first time) as well as student loans and loans from friends or family
- employer salary advance schemes (ESASs)
- loans from unlicensed moneylenders or other informal lenders (ie illegal moneylenders)

Only counting those who use consumer credit regulated agreements, 78% of adults had one or more credit or loan product in May 2022.

This figure then falls to 46%, if we take out the 32% of adults whose only consumer credit regulated agreements were credit cards, store cards and/or catalogue credit, or a mix of these, which they were paying off in full every month or most months.

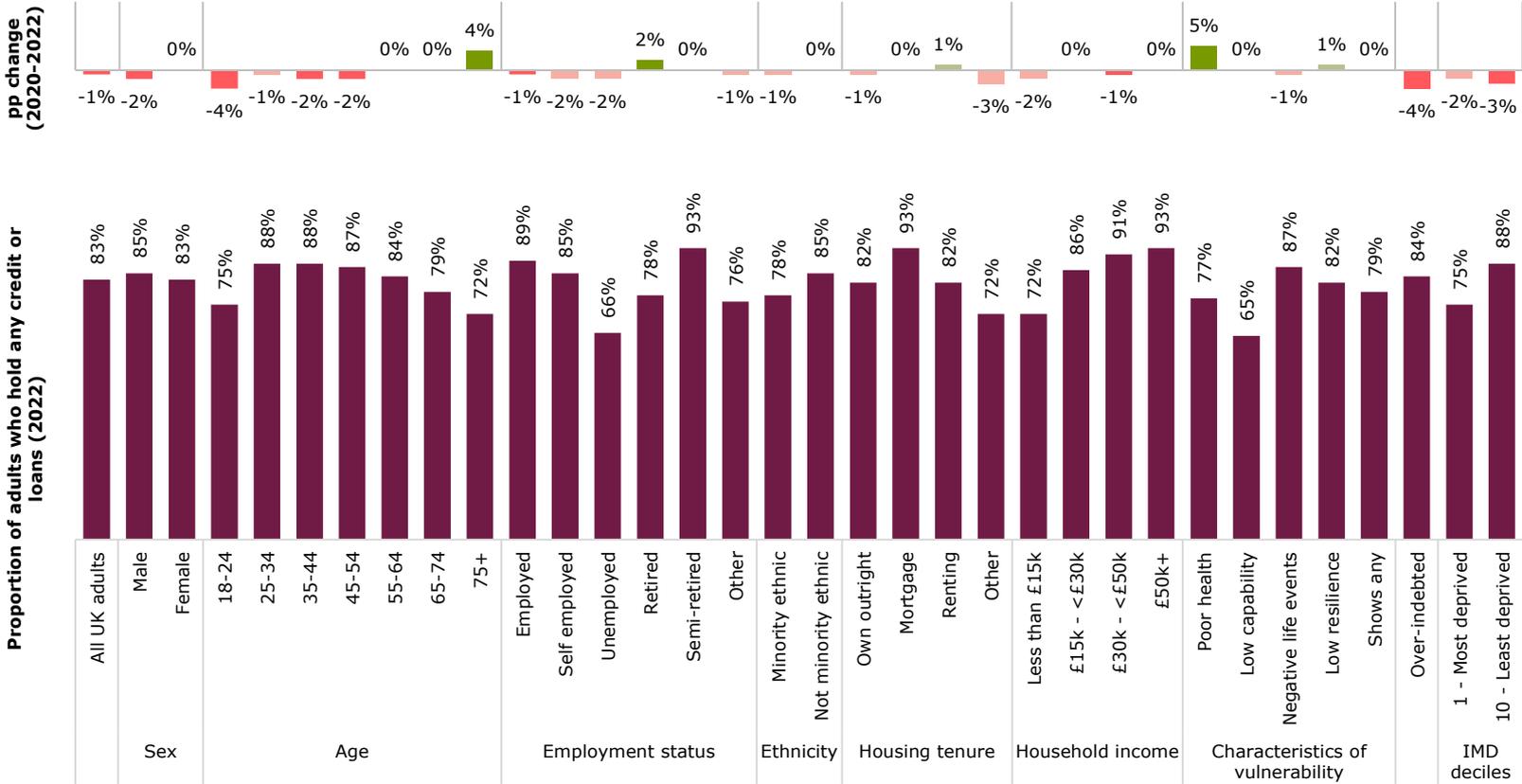
Base: All UK adults (2020:16,190/ 2022:19,145)

Question: POSum_NETs

The next three slides look at the three parts of the 2022 stacked bar in turn.

Between 2020 and 2022, ownership of any credit or loan products fell slightly overall (from 84% to 83%) – but ownership increased for those aged 75+, the retired, and those in poor health

Proportion of adults who hold any credit or loans (now or in the last 12 months) and percentage point change since 2020, across a variety of demographic segments (2022)

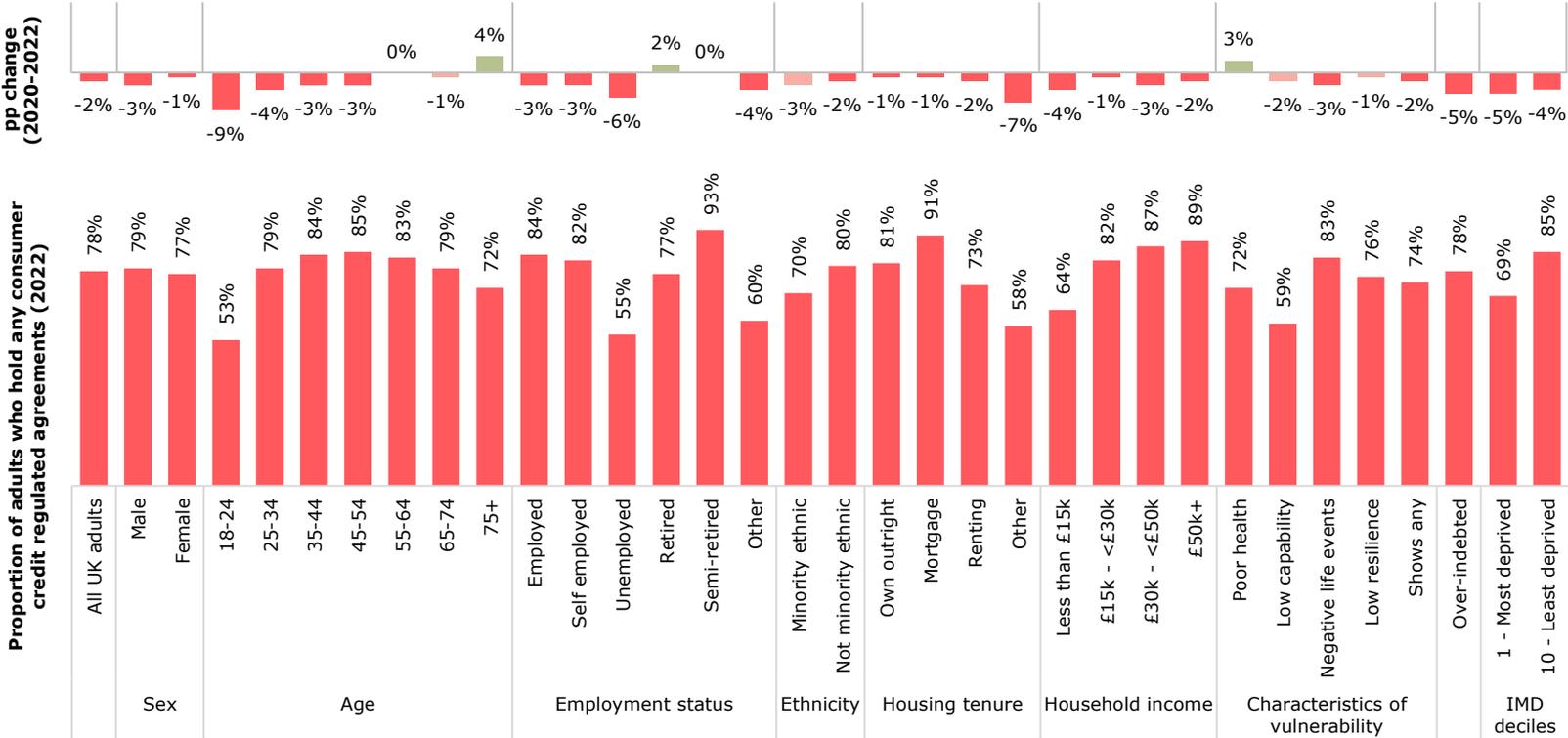


Base: All UK adults (2020:16,190/ 2022:19,145)
 Question: POSum_NETs

■ % with any credit or loans (2022)
 ■ pp change that is statistically significant (2020-2022)
 ■ pp change that is not statistically significant (2020-2022)

Between 2020 and 2022, ownership of any consumer credit regulated agreements fell overall (from 80% to 78%) – the largest falls were among those aged 18-24, the unemployed, the over-indebted, and those who lived in the most deprived areas of the UK

Proportion of adults who hold any consumer credit regulated agreements (now or in the last 12 months) and percentage point change since 2020, across a variety of demographic segments (2022)



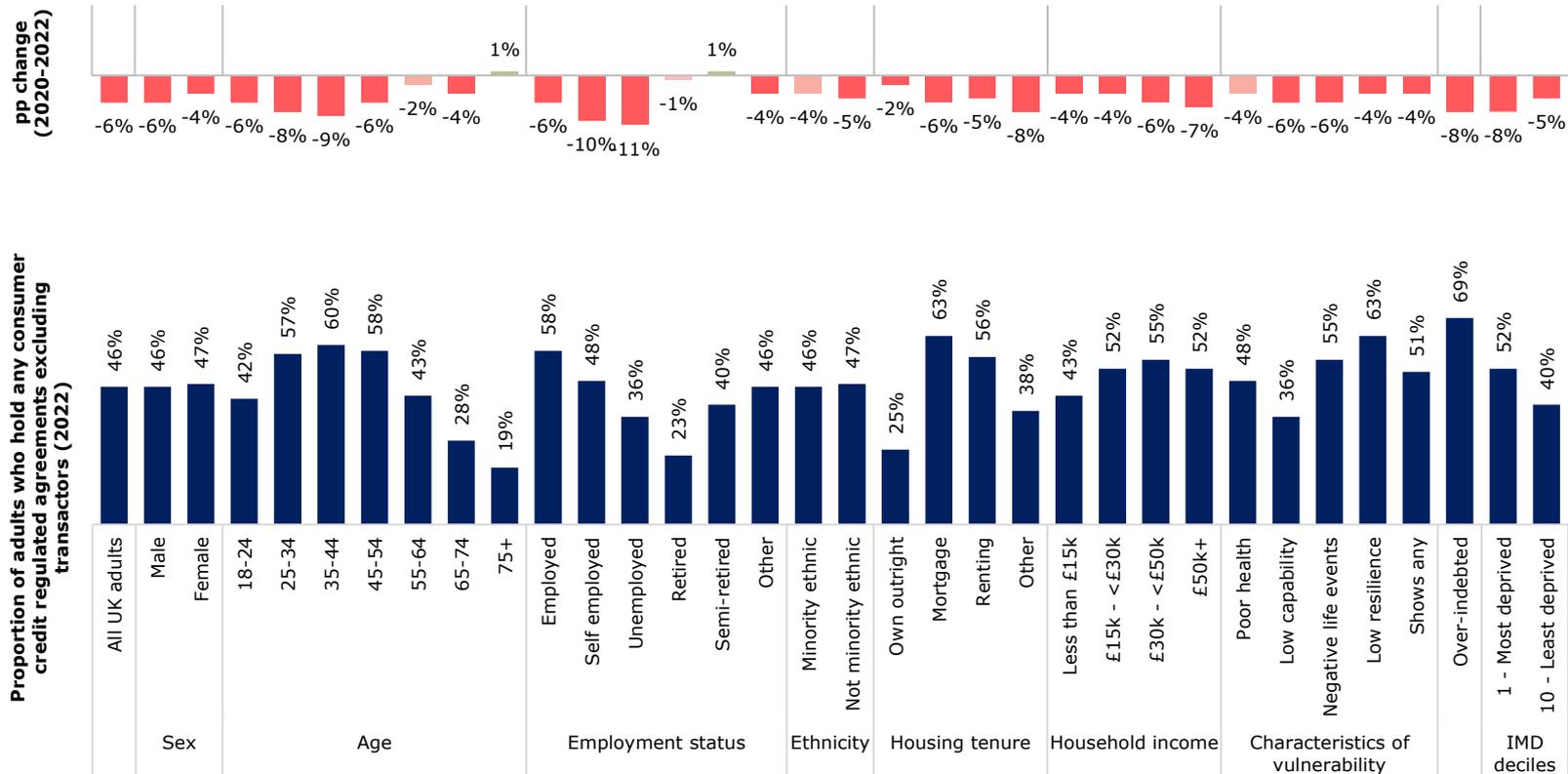
- % with any consumer credit regulated agreements (ie excluding adults who only hold student loans, loans from friends or family, loans from informal/unlicensed (ie illegal) moneylenders, DPC, and ESASs) (2022)
- pp change that is statistically significant (2020-2022)
- pp change that is not statistically significant (2020-2022)

Base: All UK adults (2020:16,190/ 2022:19,145)

Question: POSum_NETS

Excluding those who were only transactors, 46% of adults held any consumer credit regulated agreements in 2022, down from 52% in 2020 – the largest falls were among the unemployed, those aged 25-44, the over-indebted, and those who lived in the most deprived areas of the UK

Proportion of adults who hold any consumer credit regulated agreements (now or in the last 12 months) excluding transactors and percentage point change since 2020, across a variety of demographic segments (2022)



Base: All UK adults (2020:16,190/ 2022:19,145)

Question: POSum_NETs

Note: A transactor is someone whose only consumer credit regulated agreements were credit cards, store cards and/or catalogue credit, or a mix of these, which they were paying off in full every month or most months

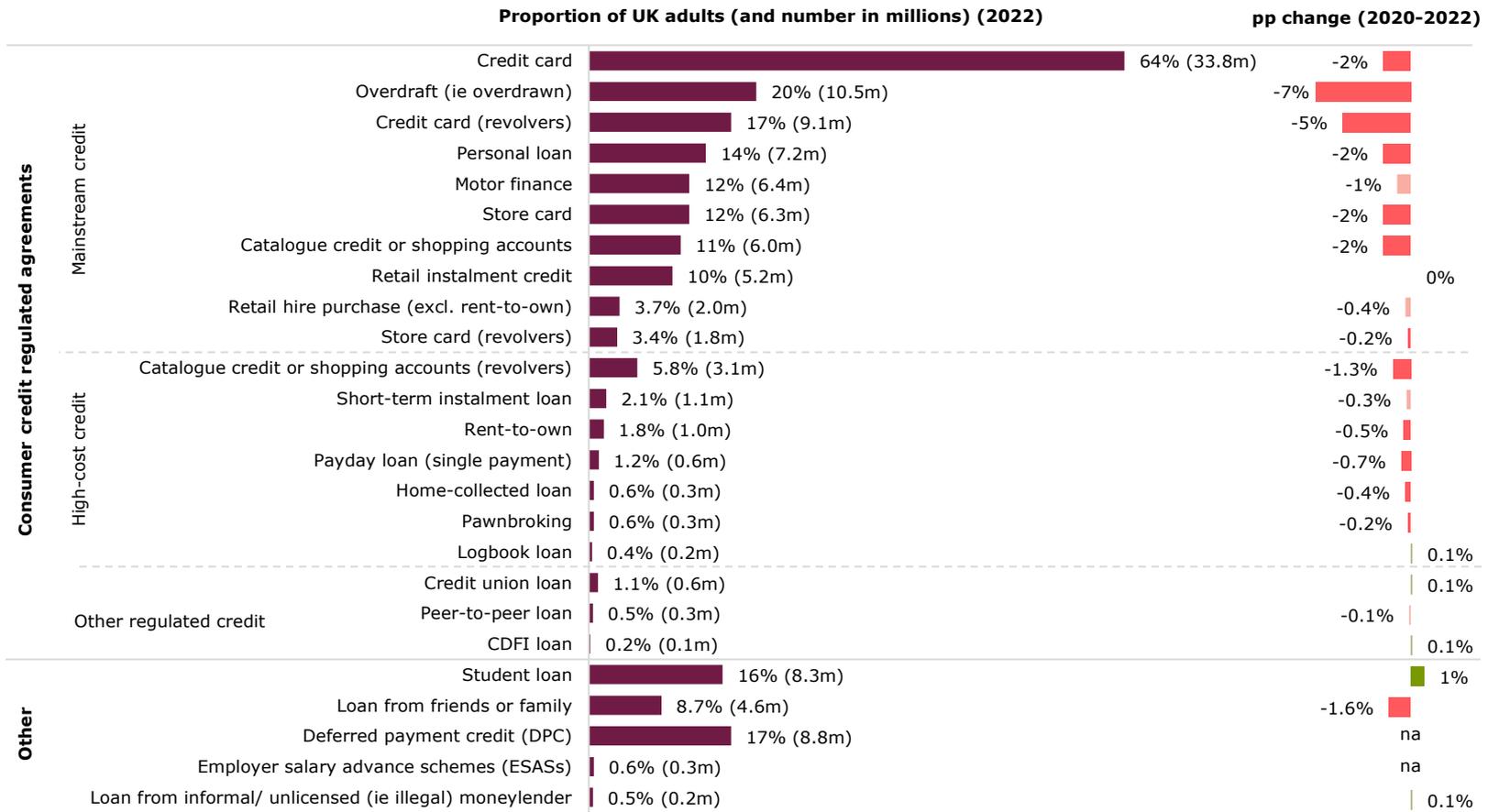
■ % with any consumer credit regulated agreements excluding transactors (2022)

■ pp change that is statistically significant (2020-2022)

■ pp change that is not statistically significant (2020-2022)

Looking at the change in ownership of different credit products between 2020 and 2022, only ownership of student loans increased – ownership of many credit products fell significantly

Credit or loan products held (now or in the last 12 months) and percentage point change since 2020 (2022)



Base: All UK adults (2020:16,190/ 2022:19,145)

Question: POSum_NETs/ POSum1

Note: Deferred payment credit and employer salary advance schemes added to the 2022 survey

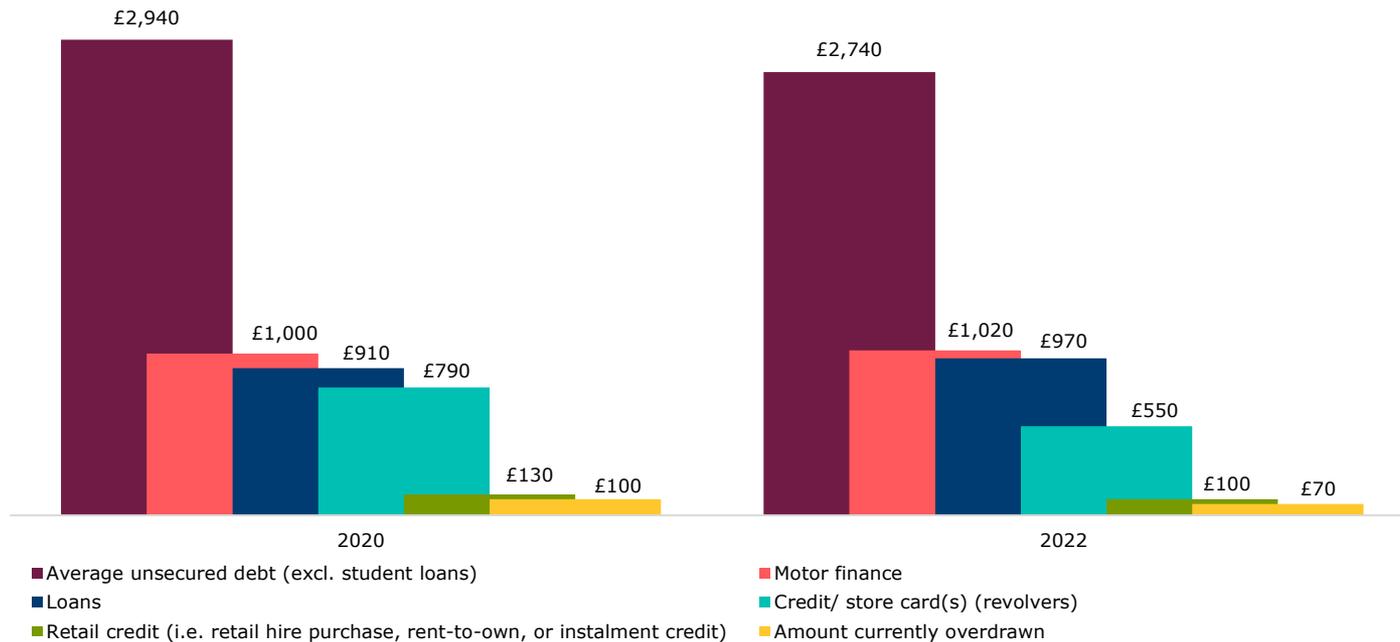
■ Ownership credit or loan products (2022)

■ pp change that is statistically significant (2020-2022)

■ pp change that is not statistically significant (2020-2022)

On average, adults owed less in unsecured debt in May 2022 compared with February 2020. By broad product type, the largest fall was in average outstanding balances for adults who revolve a balance on a credit or store card (from £790 in 2020 to £550 in 2022)

Mean average levels of unsecured debt (excluding student loans), by broad product types (2020/2022)



Base: All UK adults (2020:16,190/ 2022:19,145) excluding 'prefer not to say' (average unsecured debt (3%/3%), motor finance (6%/6%), loans (1%/1%), credit/store cards (7%/10%), retail credit (4%/5%), amount currently overdrawn (5%/6%))

Questions: B7 (Rebased). Approximately how much of the statement balance(s) was not repaid in full last month on your credit/ store card(s)?/ B8 (Rebased). By how much are you currently overdrawn on your current account(s)?/ B9b (Rebased). Approximately how much in total do you currently owe on: Your motor finance?/ B9c (Rebased). Approximately how much in total do you currently owe on: Retail credit (ie retail hire purchase, rent-to-own, or instalment credit)?/ B9d (Rebased). Approximately how much in total do you currently owe on: Your loans ie a personal loan/ B7/8/9b-d_6. (Rebased) Total owed (excluding student loans)

Note: Results include adults who have no unsecured debts, and excludes amount borrowed on deferred payment credit and employer salary advance schemes. 'Loans' includes personal loans, payday loans (single payment), short-term instalment loans, peer-to-peer loans, home-collected loans, pawnbroking loans, credit union loans, CDFI loans, logbook loans, loan from friends or family, or loans from informal/ unlicensed (ie illegal) moneylenders. 'Credit/ store card(s)' includes credit and store card debt for card holders who revolve a balance (ie excludes those card holders who pay off their balance in full every or most months).

3. Mainstream credit products

1. Credit cards
2. Store cards
3. Personal loans
4. Motor finance
5. Catalogue credit or shopping accounts
6. Retail instalment credit

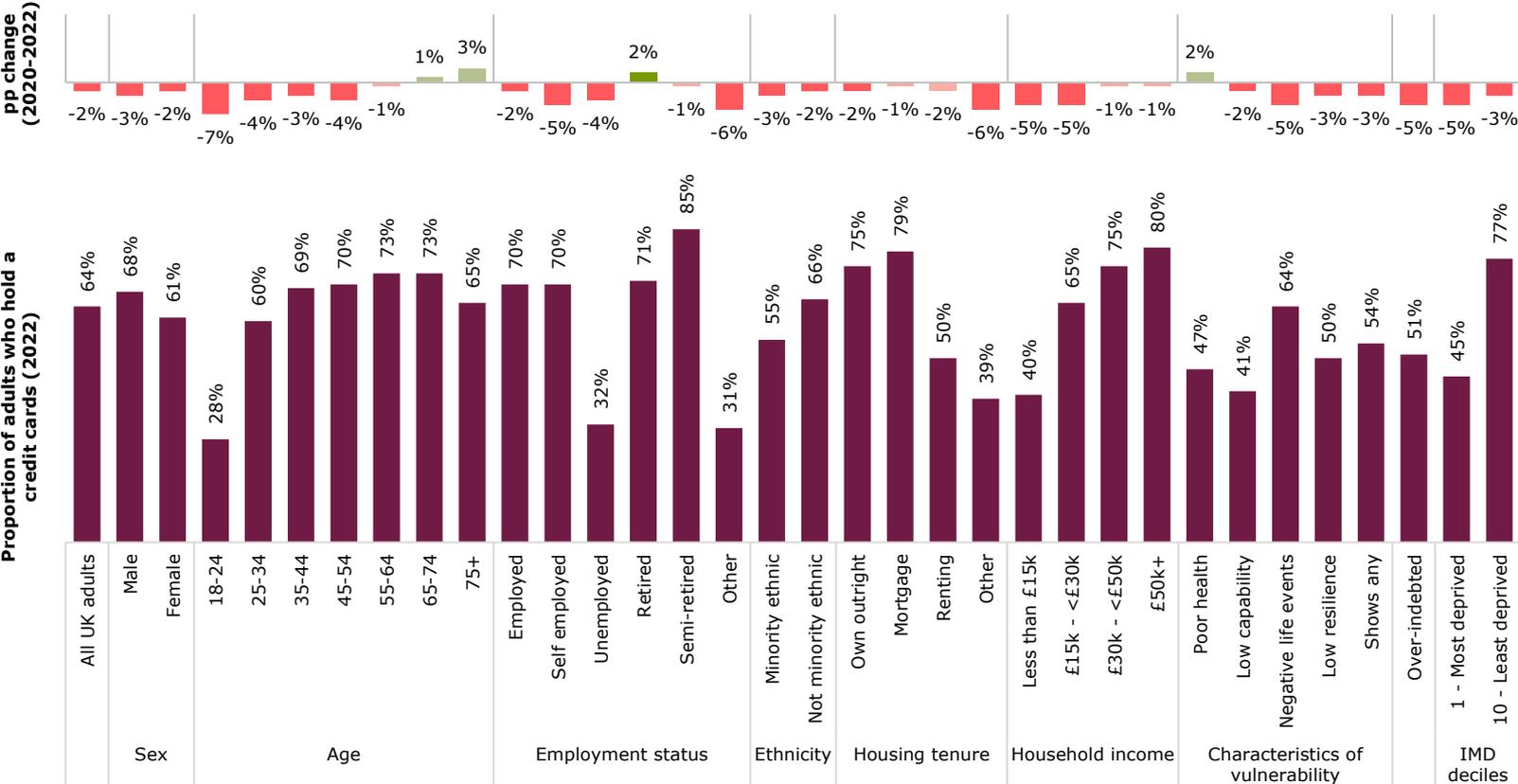


3.1 Mainstream credit products: Credit cards

- Levels of ownership of credit cards across a variety of demographic segments
- What credit card borrowing was used for

Between 2020 and 2022, the biggest falls in ownership of credit cards occurred among those aged 18-24, the self-employed, those with a household income of less than £30k, the over-indebted, and those who had experienced a negative life event recently

Proportion of adults who hold a credit card (now or in the last 12 months) and percentage point change since 2020, across a variety of demographic segments (2022)



Base: All UK adults (2020:16,190/ 2022:19,145)

Question: POSum1 CAVEAT

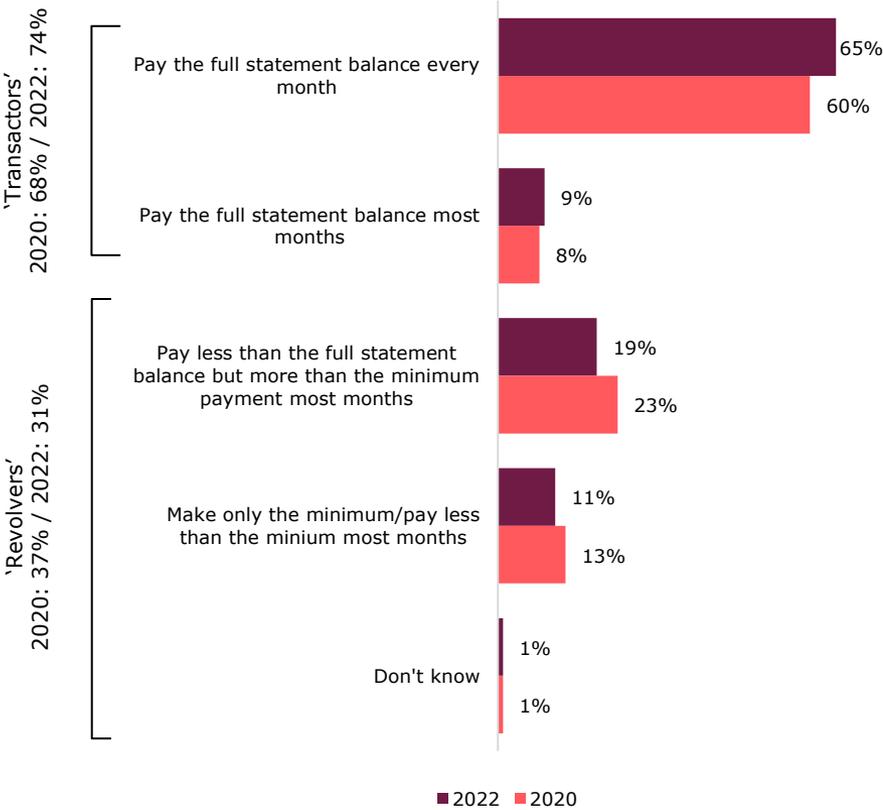
■ % of adults who hold a credit card (2022)

■ pp change that is statistically significant (2020-2022)

■ pp change that is not statistically significant (2020-2022)

A higher proportion of credit card holders paid their full balance in every or most months in 2022 than in 2020. Among revolvers, 26% paid more in interest, fees, and charges in 2022 than they paid off their cards, ie they had persistent credit card debt

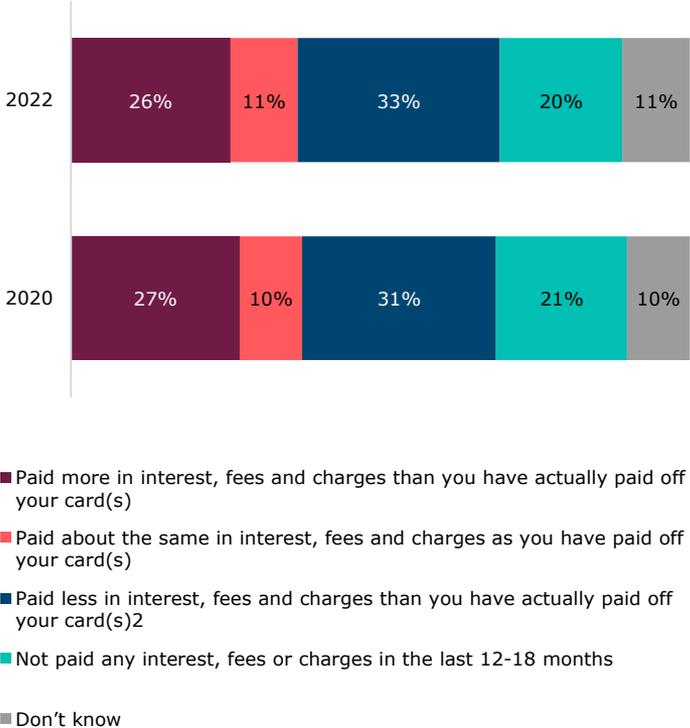
Repayment behaviour among all credit card holders (2020/2022)



Base: All UK adults who hold a credit card now or in last 12 months and used in last 12 months or not used in last 12 months but carrying a balance (2020:10,829/ 2022:12,674)

Question: P_CC10. Which of the following describes how you usually repay balances on your credit card(s)?

Interest, fees, or charges paid in comparison to balance paid off for revolvers (those who did not pay the full statement balance every or most months) (2020/2022)



Base: All UK adults who are credit card revolver, i.e. credit card held now or in the last 12 months, and used in last 12 months or not used but carrying a balance, and do not pay the full statement every or most months or don't know how usually repay balance (2020:3,523/ 2022:3,095)

Question: P_CC23. Thinking about your credit card repayments over the last 12 to 18 months, do you think you have:

Fewer adults revolved a balance on a credit card in 2022 compared with 2020 – this was particularly the case among the over-indebted, those aged 25-54, the unemployed, and those who had experienced a negative life event in the previous 12 months

Proportion of adults who revolved a balance on a credit card and percentage point change since 2020, across a variety of demographic segments (2022)



Base: All UK adults (2020:16,190/ 2022:19,145)

Question: POSum1 CAVEAT

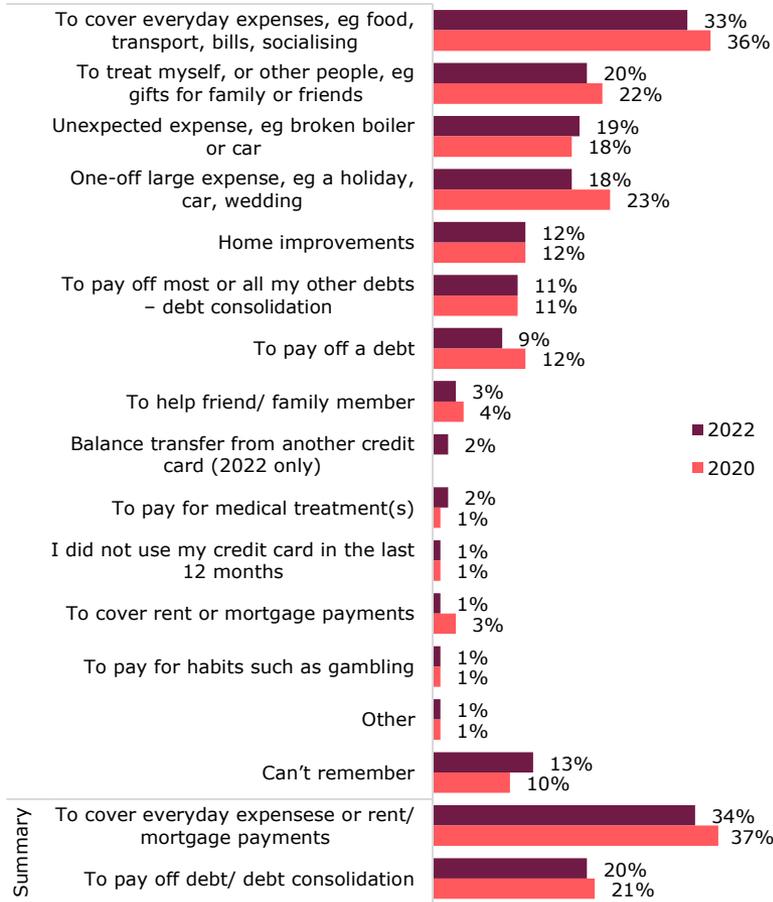
■ % of adults who revolved a balance on a credit card (2022)

■ pp change that is statistically significant (2020-2022)

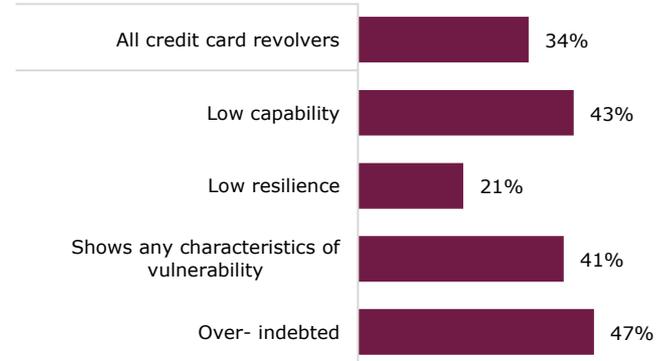
■ pp change that is not statistically significant (2020-2022)

Between 2020 and 2022, there was no significant change in the proportion of credit card revolvers who used their credit card to spend money on everyday expenses, housing costs, or for debt consolidation

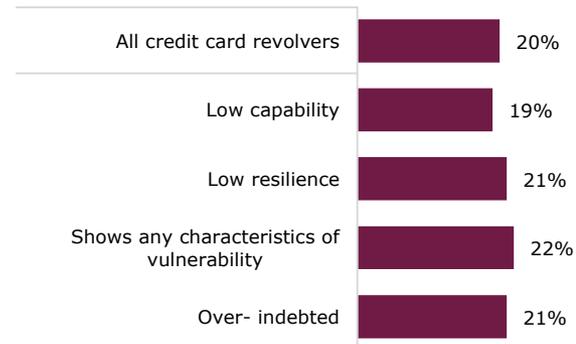
Main areas of credit card expenditure (2020/2022)



Proportion of credit card revolvers who used their credit card to cover everyday expenses or rent/ mortgage payments, by characteristics of vulnerability and over-indebtedness (2022)



Proportion of credit card revolvers who used their credit card to pay off debt/ debt consolidation, by characteristics of vulnerability and over-indebtedness (2022)



Base: All UK adults with a credit card taken out in the last 3 years and on which they revolve a balance (2020:1,579/ 2022:1,826)

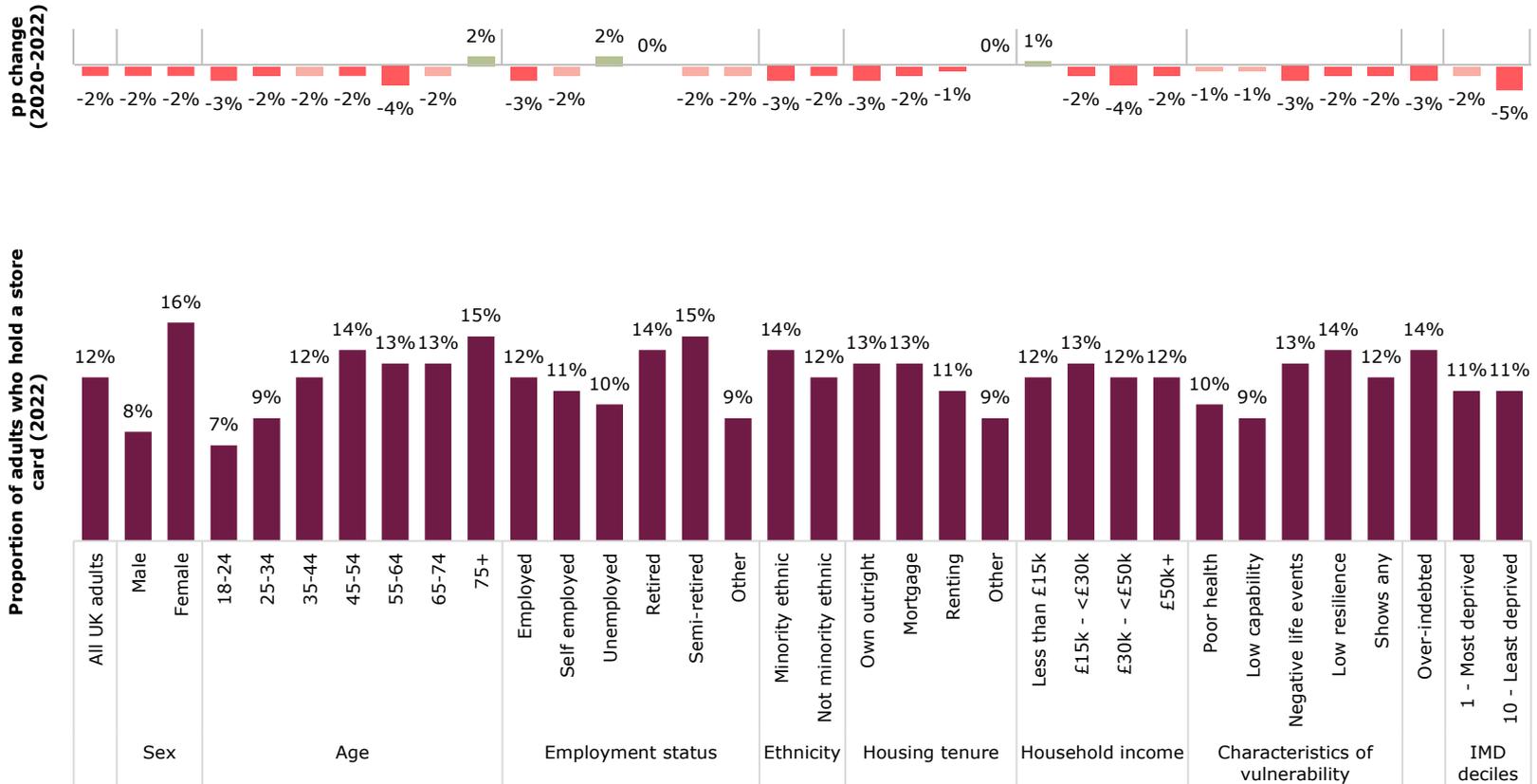
Question: CC61. When you have used your credit card over the last 12 months, what are the main things you have spent this money on?

3.2 Mainstream credit products: Store cards

- Levels of ownership of store cards across a variety of demographic segments

Between 2020 and 2022 the biggest falls in store card ownership were among those who lived in the least deprived areas of the UK, those whose household income was £30k - <£50k, and those who were 55-64. Twice as many women as men owned store cards (16% vs. 8%, respectively)

Proportion of adults who hold a store card (now or in the last 12 months) and percentage point change since 2020, across a variety of demographic segments (2022)



Base: All UK adults (2020:16,190/ 2022:19,145)

Question: POSum1 CAVEAT

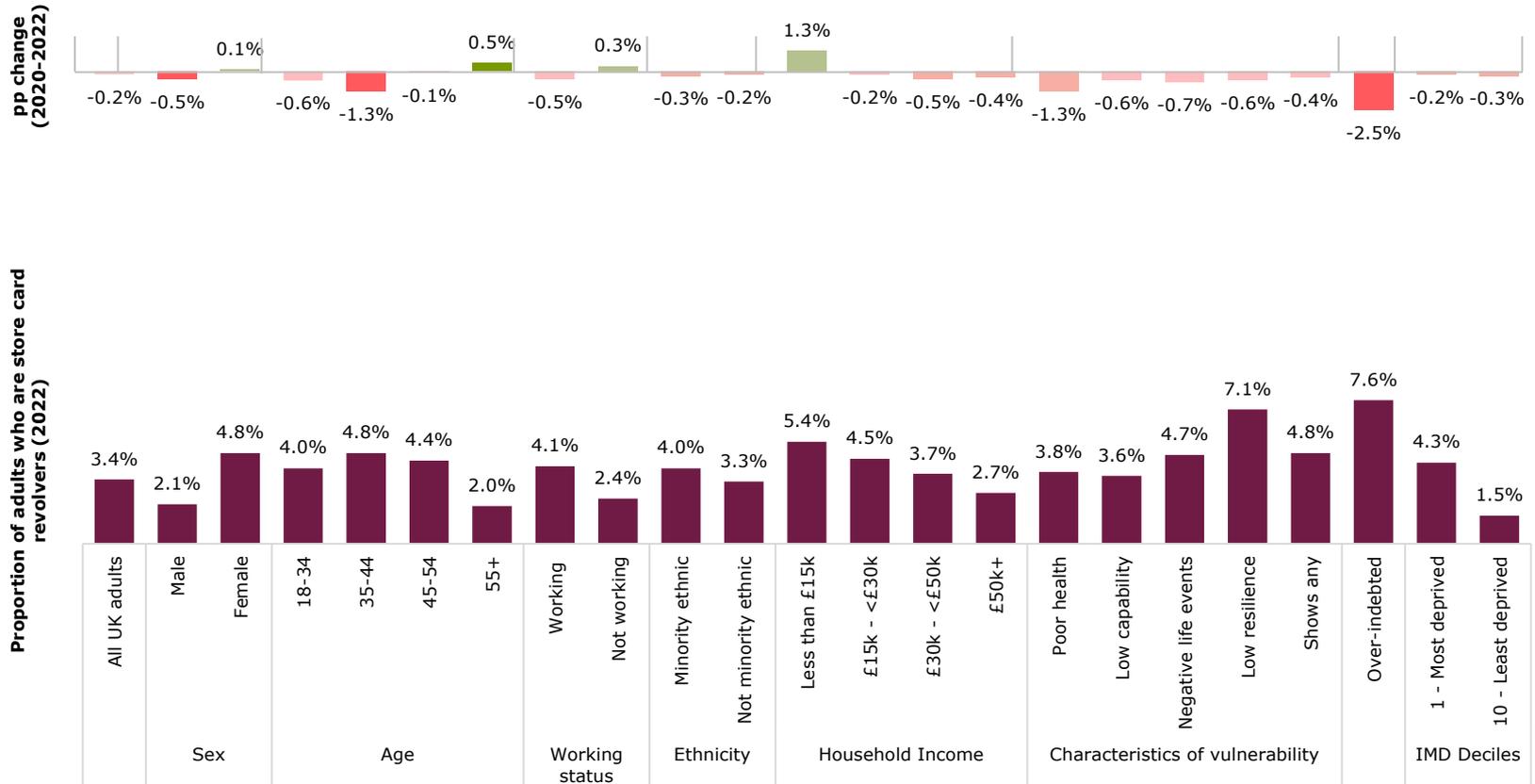
■ % of adults who hold a store card (2022)

■ pp change that is statistically significant (2020-2022)

■ pp change that is not statistically significant (2020-2022)

Between 2020 and 2022, there was no significant change in the proportion of store card revolvers overall, but a significant fall in over-indebted adults revolving a balance. Women were more than twice as likely as men to be a revolver (5% vs. 2%)

Proportion of adults who are store card revolvers and percentage point change since 2020, across a variety of demographic segments (2022)



Base: All UK adults (2020:16,190/ 2022:19,145)

Question: POSum1 CAVEAT

■ Store card revolvers (2022)

■ pp change that is statistically significant (2020-2022)

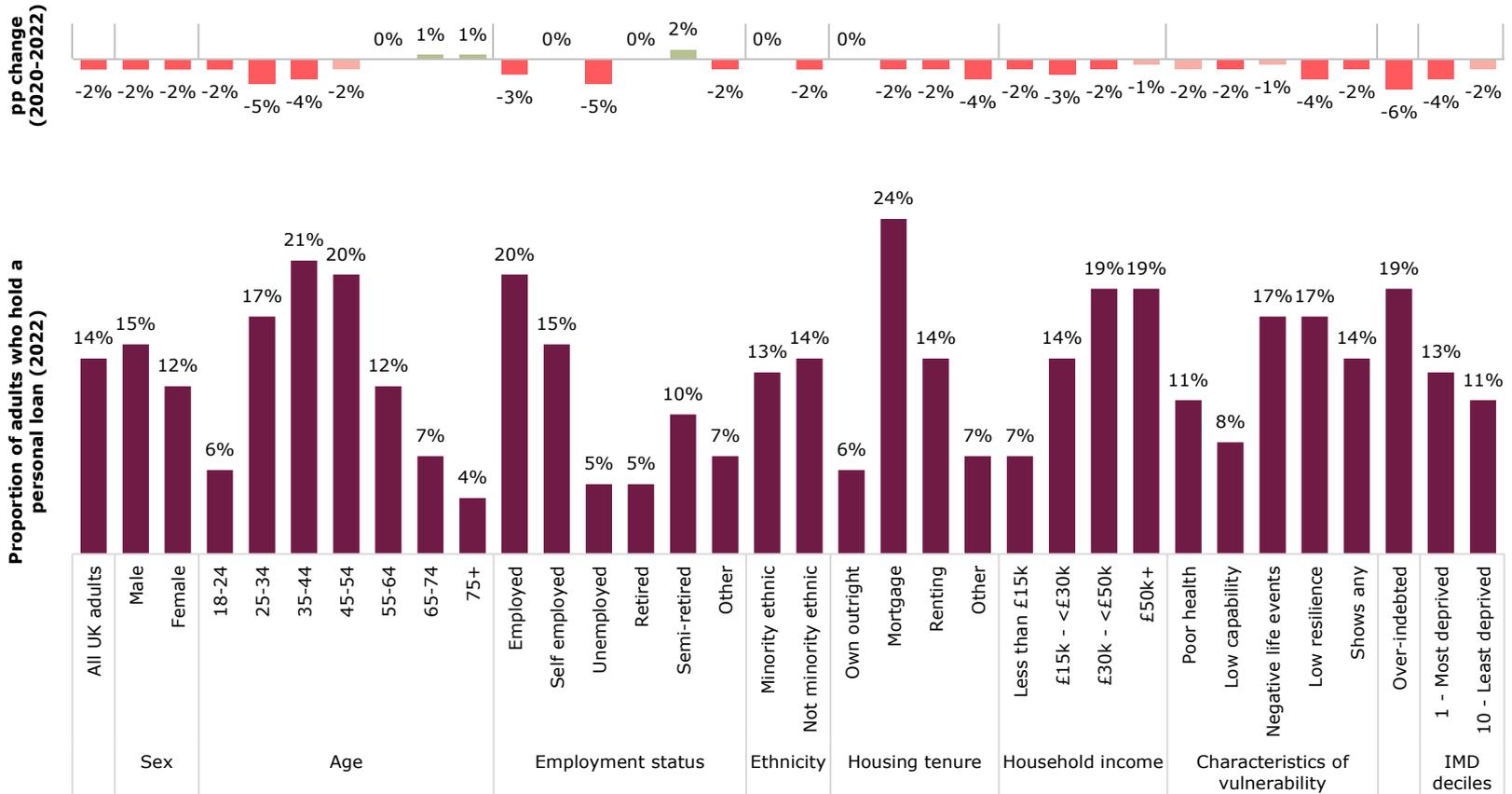
■ pp change that is not statistically significant (2020-2022)

3.3 Mainstream credit products: Personal loans

- Levels of ownership of personal loans across a variety of demographic segments
- Reasons for taking out personal loans and what the loan was spent on

Between 2020 and 2022, the biggest falls in ownership of personal loans were among those aged 25-44, the unemployed, those who had low resilience, the over-indebted, and those living in the most deprived areas of the UK

Proportion of adults who hold personal loans (now or in the last 12 months) and percentage point change since 2020, across a variety of demographic segments (2022)



■ % of adults who hold a personal loan (2022)

■ pp change that is statistically significant (2020-2022)

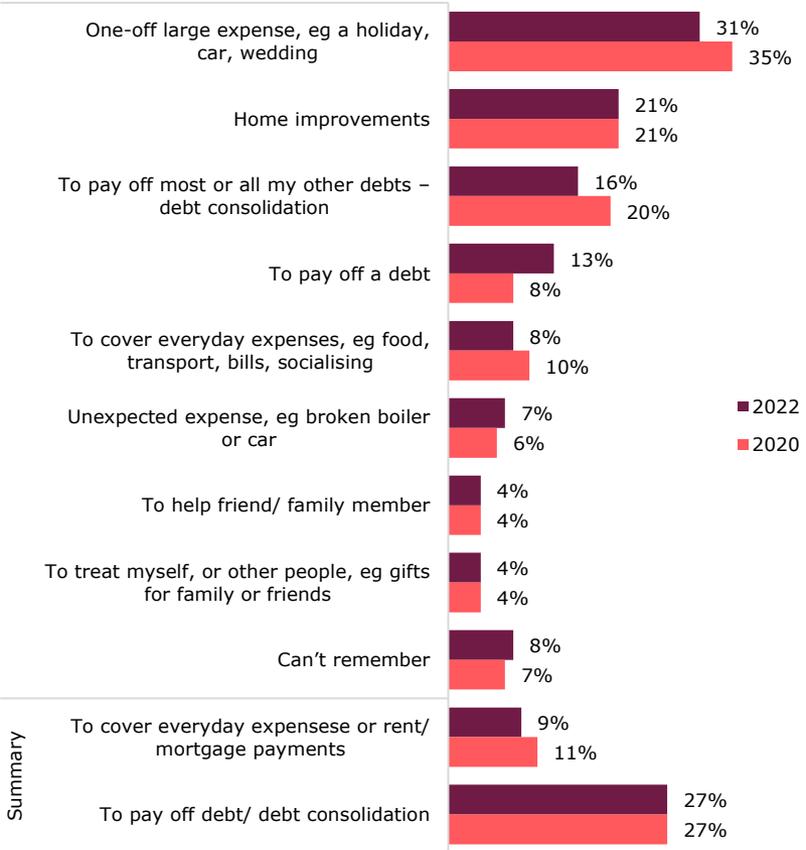
■ pp change that is not statistically significant (2020-2022)

Base: All UK adults (2020:16,190/ 2022:19,145)

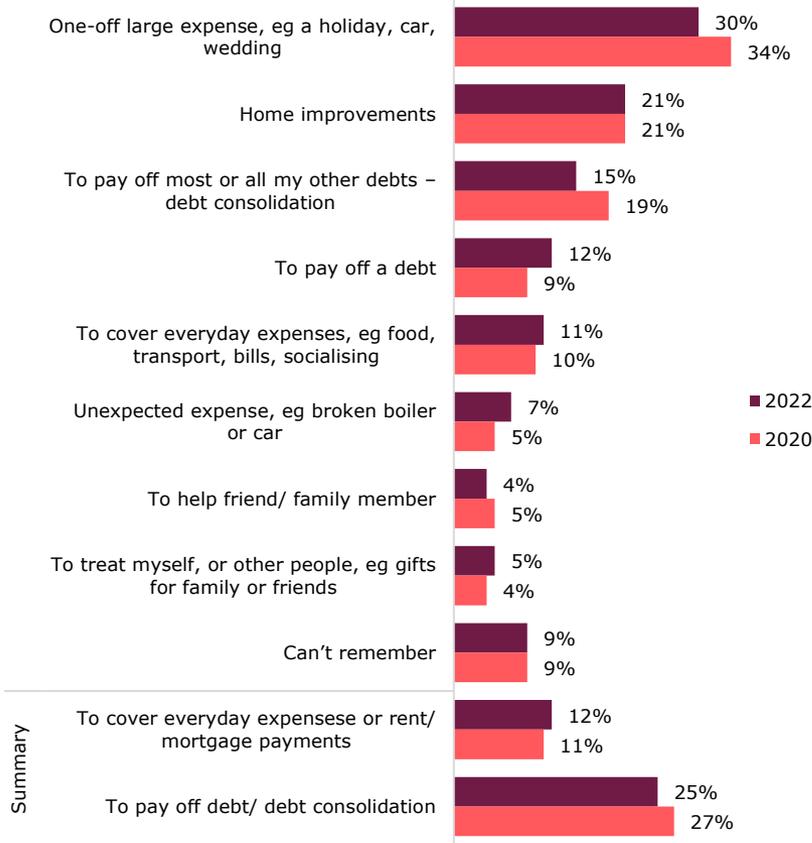
Question: POSum1 CAVEAT

Between 2020 and 2022, there was no significant changes in the reasons why adults took a personal loan and what the loan was spent on, with just over one in four using it for debt consolidation or to pay off other debt

Main reasons personal loan was taken out (2020/2022)



Main things personal loan was actually spent on (2020/2022)



Base: All UK adults who hold personal loan/personal loan to buy a vehicle taken out in the last 12 months (2020:675/ 2022:835)

Question: CC60. What were the main reasons you took out your personal loan?

Base: All UK adults who hold personal loan/personal loan to buy a vehicle taken out in the last 12 months (2020:675/ 2022:835)

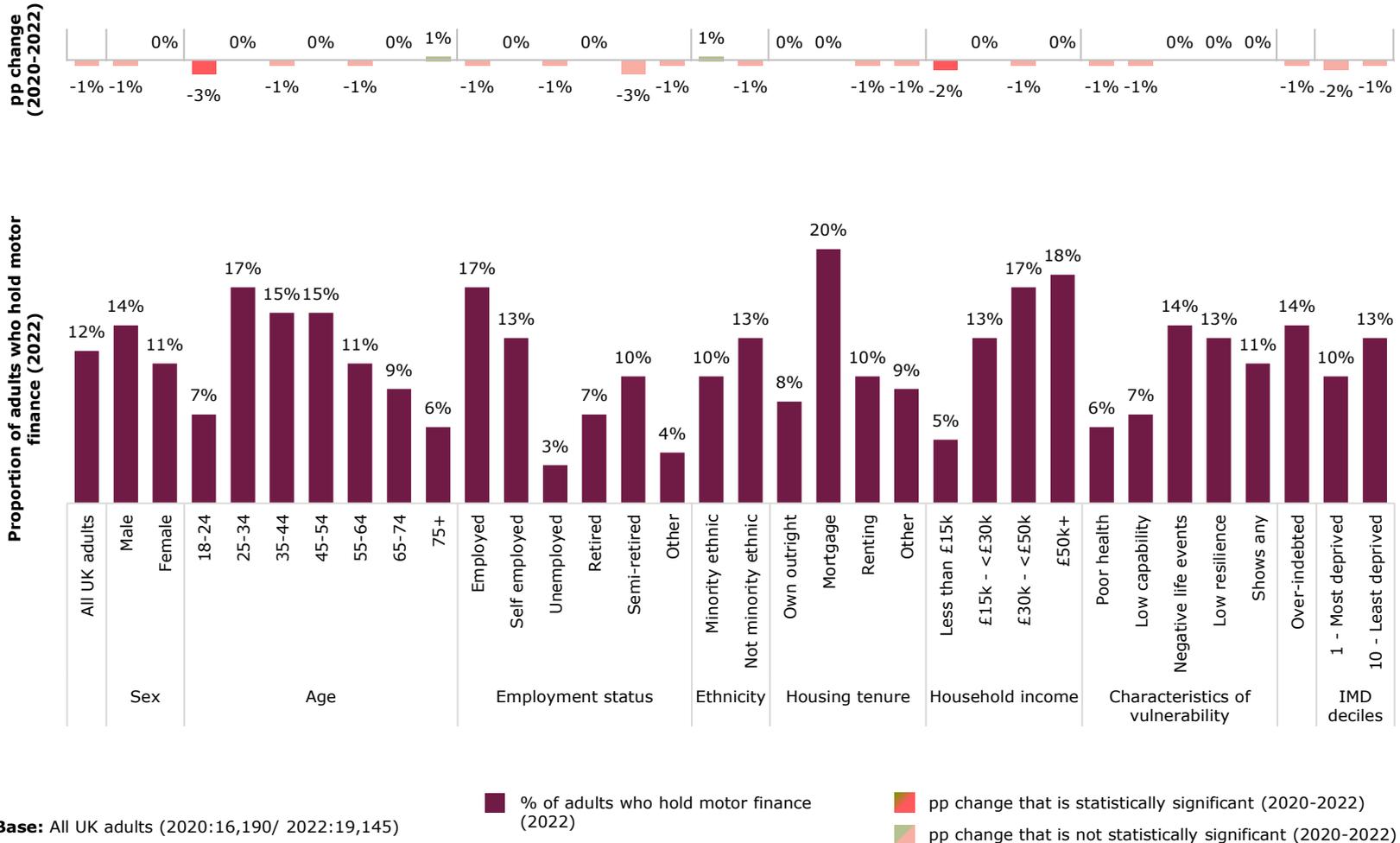
Question: CC61. And, what are the main things you actually spent the money from your personal loan on?

3.4 Mainstream credit products: Motor finance

- Levels of ownership of motor finance across a variety of demographic segments

Between 2020 and 2022, there was no significant change in the ownership of motor finance overall, but there were significant falls among those aged 18-24, and those with a household income of less than £15k

Proportion of adults who hold motor finance (now or in the last 12 months) and percentage point change since 2020, across a variety of demographic segments (2022)

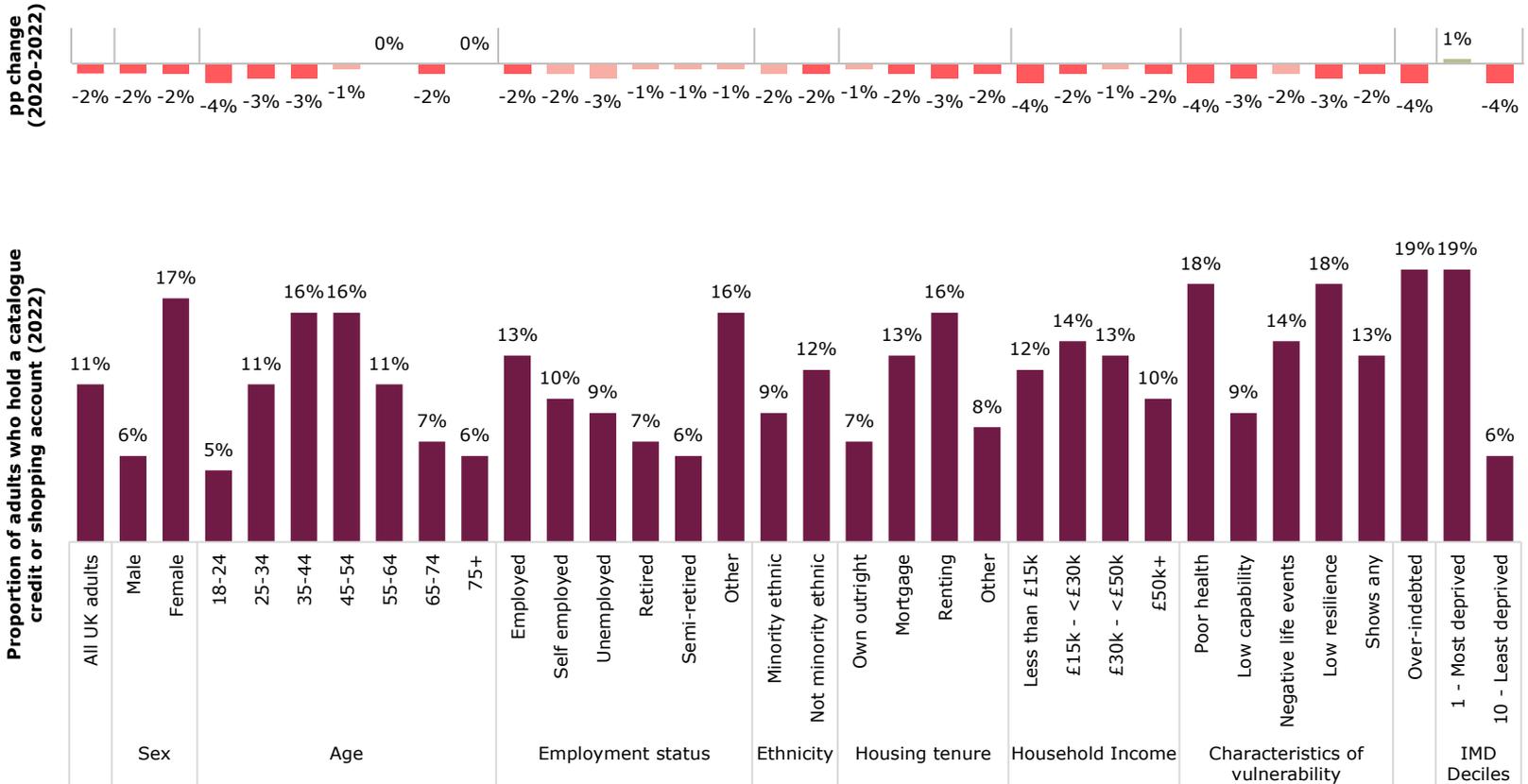


3.5 Mainstream credit products: Catalogue credit or shopping accounts

- Levels of ownership of catalogue credit or shopping accounts across a variety of demographic segments

Between 2020 and 2022, catalogue credit or shopping accounts use fell, with the biggest falls among those aged 18-24, those with a household income less than £15k, those with poor health, and the over-indebted. Women were nearly three times as likely as men to use this type of credit

Proportion of adults who hold catalogue credit or shopping accounts (now or in the last 12 months) and percentage point change since 2020, across a variety of demographic segments (2022)



Base: All UK adults (2020:16,190/ 2022:19,145)

Question: POSum1 CAVEAT

■ % of adults who hold a catalogue credit or shopping account (2022)

■ pp change that is statistically significant (2020-2022)

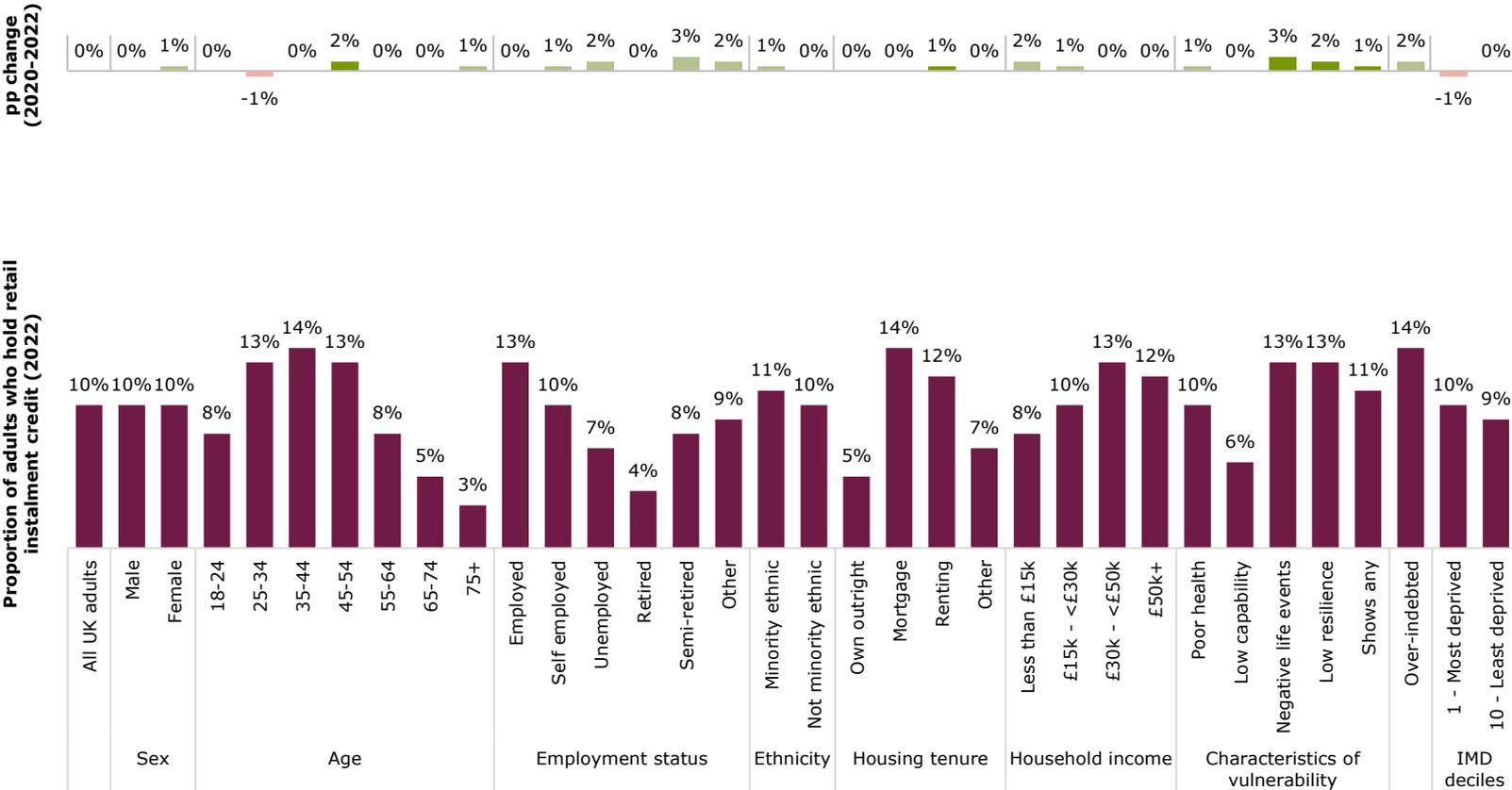
■ pp change that is not statistically significant (2020-2022)

3.6 Mainstream credit products: Retail instalment credit

- Levels of ownership of retail instalment credit across a variety of demographic segments

Between 2020 and 2022, overall ownership of retail instalment credit did not change, but rose slightly for those who experienced a negative life event in the previous 12 months and those with low financial resilience

Proportion of adults who hold retail instalment credit (now or in the last 12 months) and percentage point change since 2020, across a variety of demographic segments (2022)



Base: All UK adults (2020:16,190/ 2022:19,145)

Question: POSum1 CAVEAT

Note: Retail instalment defined for respondents as: 'where you buy goods, eg furniture, outright and pay for them by instalments under a credit agreement'

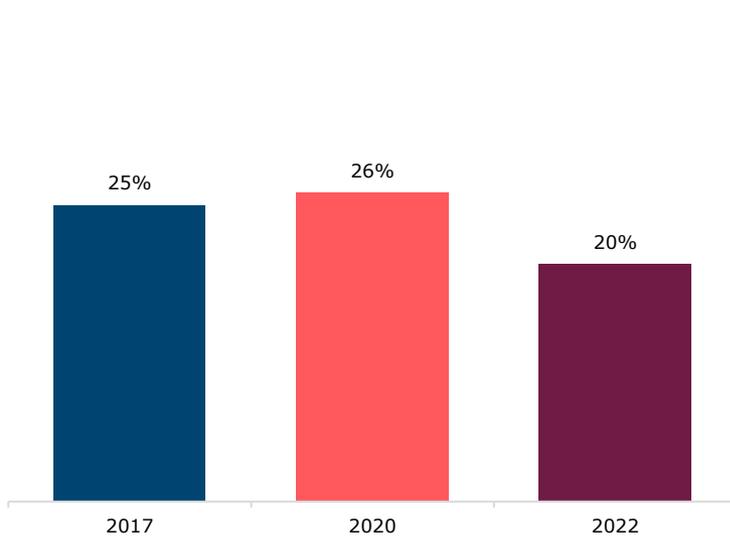
- % of adults who hold retail instalment credit (2022)
- pp change that is statistically significant (2020-2022)
- pp change that is not statistically significant (2020-2022)

4. Mainstream credit: Overdrafts

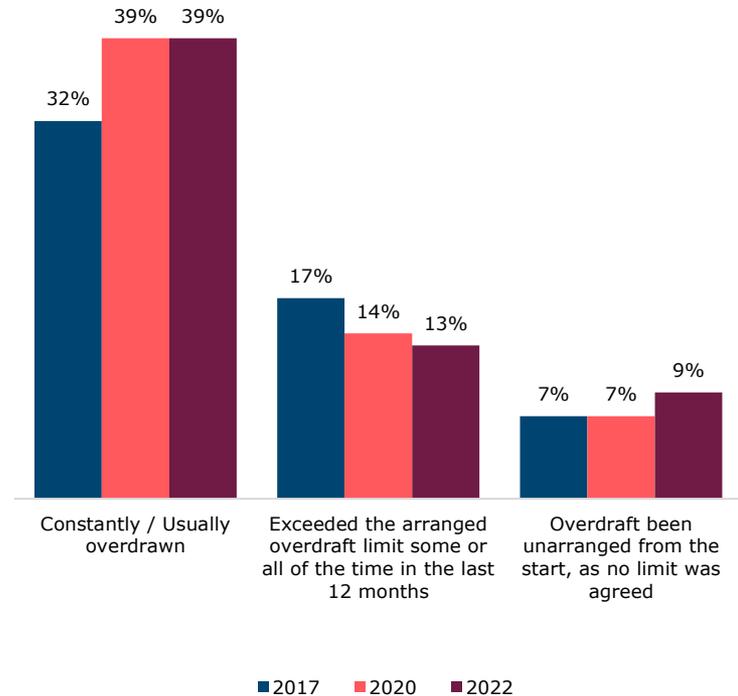
- Changes in levels of being overdrawn, including whether no limit arranged or arranged limit exceeded
- Levels of being overdrawn of across a variety of demographic segments
- Type and impact of contact from current account providers about overdraft use

Between 2020 and 2022 the proportion of UK adults who were overdrawn (or had been so in the previous 12 months) fell by 7pp. Among those overdrawn, the proportion of those who exceeded their arranged limit stayed the same; the proportion who had an unauthorised overdraft went up

Proportion of adults overdrawn now or in previous 12 months (2017/2020/2022)



Overdraft use among adults who are overdrawn now or in the previous 12 months (2017/2020/2022)



Base: All UK adults (2017:12,865/ 2020:16,190/ 2022:19,145)

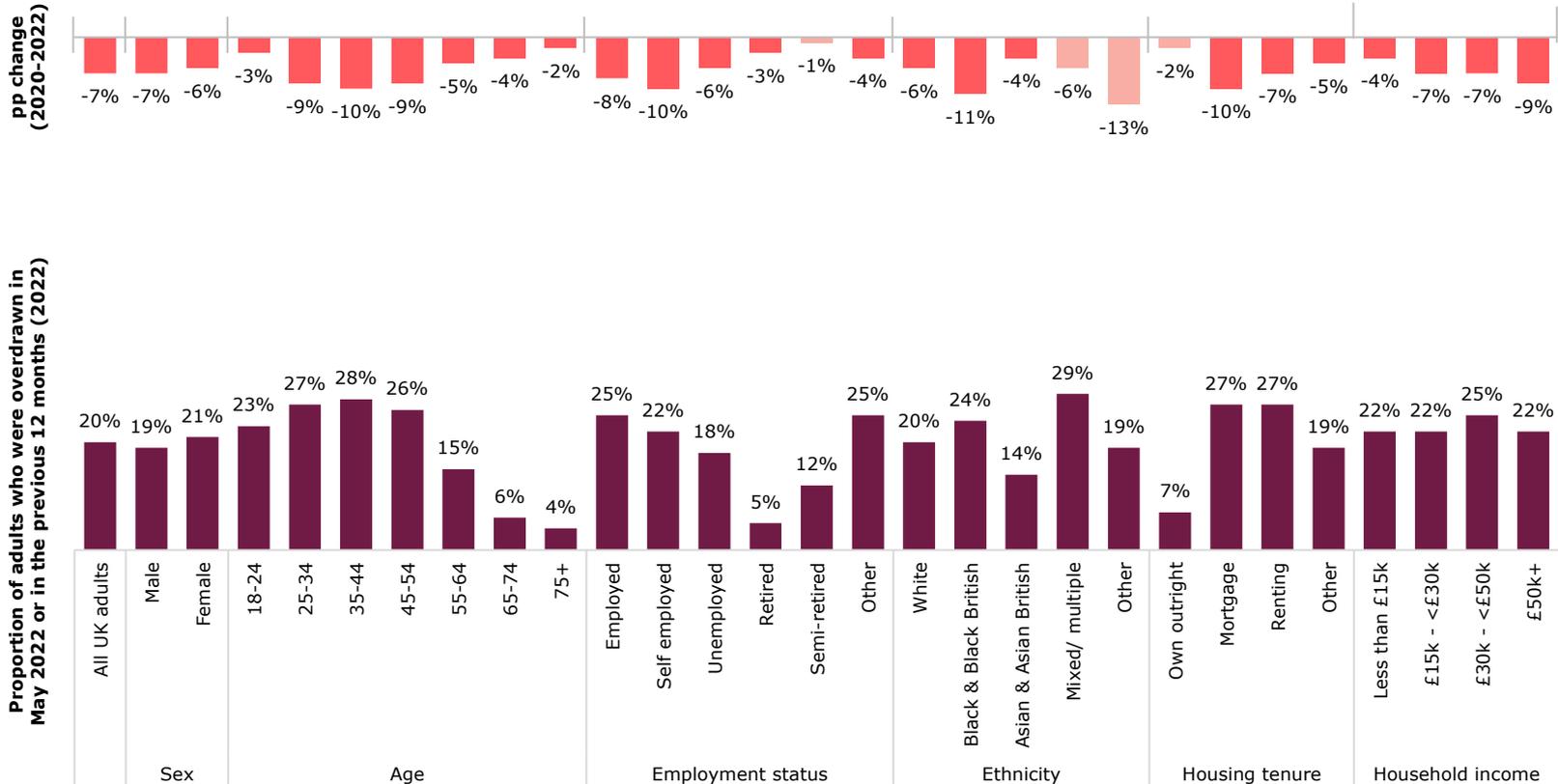
Question: POSum1 CAVEAT

Base: All UK adults with a current account with a bank, building society or credit union, and overdrawn in last 12 months or overdrawn at the moment (2017:3,136/ 2020:4,244/ 2022:3,550)

Question: P_CC1C. Which of these statements best describes how often you are overdrawn on your current account(s)?/ P_CC2. In the last 12 months has your overdraft:

Between 2020 and 2022, overdraft use fell across a wide range of demographic groups

Proportion of adults who are overdrawn now or in the previous 12 months and percentage point change since 2020, across a variety of demographic segments (2022)



Base: All UK adults (2017:12,865/ 2020:16,190/ 2022:19,145)

Question: POSum1 CAVEAT

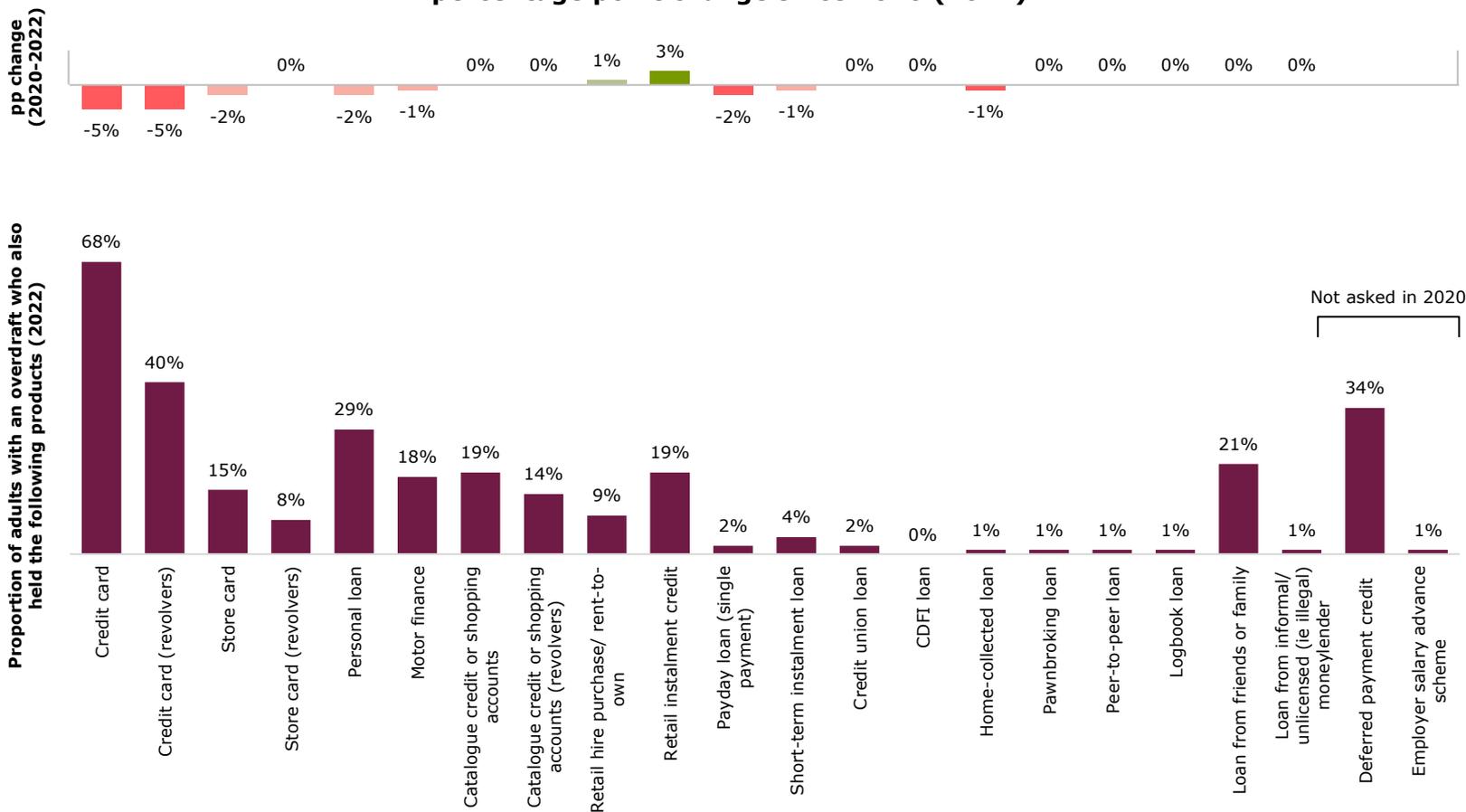
■ % of adults overdrawn in May 2022 or in the previous 12 months (2022)

■ pp change that is statistically significant (2020-2022)

■ pp change that is not statistically significant (2020-2022)

Among those who were overdrawn in May 2022 or the previous 12 months, comparing 2020 to 2022 there were changes in ownership of other types of credit including falls in ownership of credit cards and payday loans, but a significant increase in ownership of retail instalment credit

Credit or loan products held for those adults who are overdrawn now or in the previous 12 months and percentage point change since 2020 (2022)



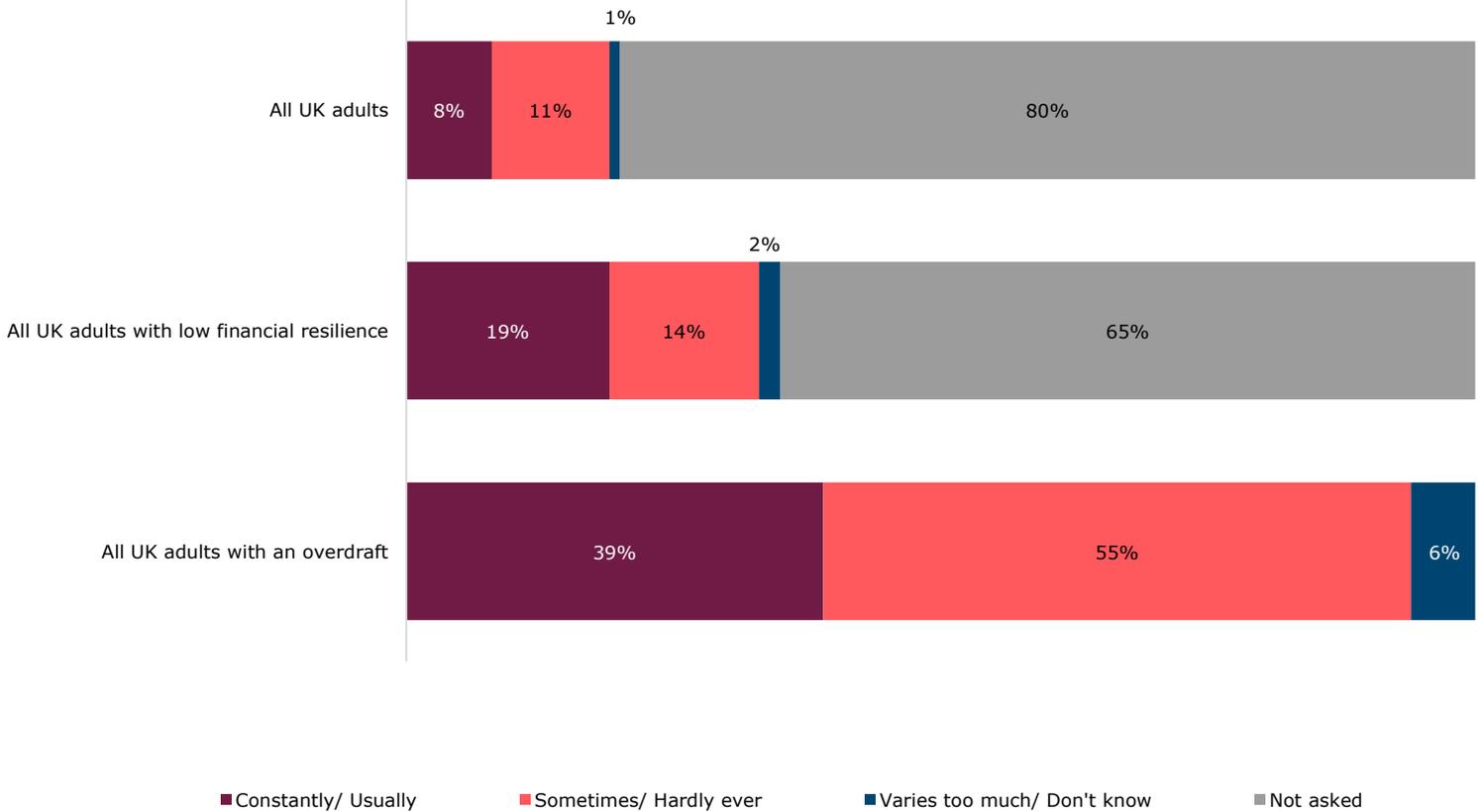
Base: All UK adults with a current account with a bank, building society or credit union, and overdrawn in last 12 months or overdrawn at the moment (2020:4,244/ 2022:3,550)

Question: POSum1 CAVEAT

- Ownership of credit products by who were overdrawn in May 2022 or the previous 12 months (2022)
- pp change that is statistically significant (2020-2022)
- pp change that is not statistically significant (2020-2022)

In 2022 8% of UK adults were constantly or usually overdrawn. This equates to 19% of those with low financial resilience and to 39% of those who were overdrawn

Overdraft use among all UK adults, those with low financial resilience, and all overdraft users (2022)

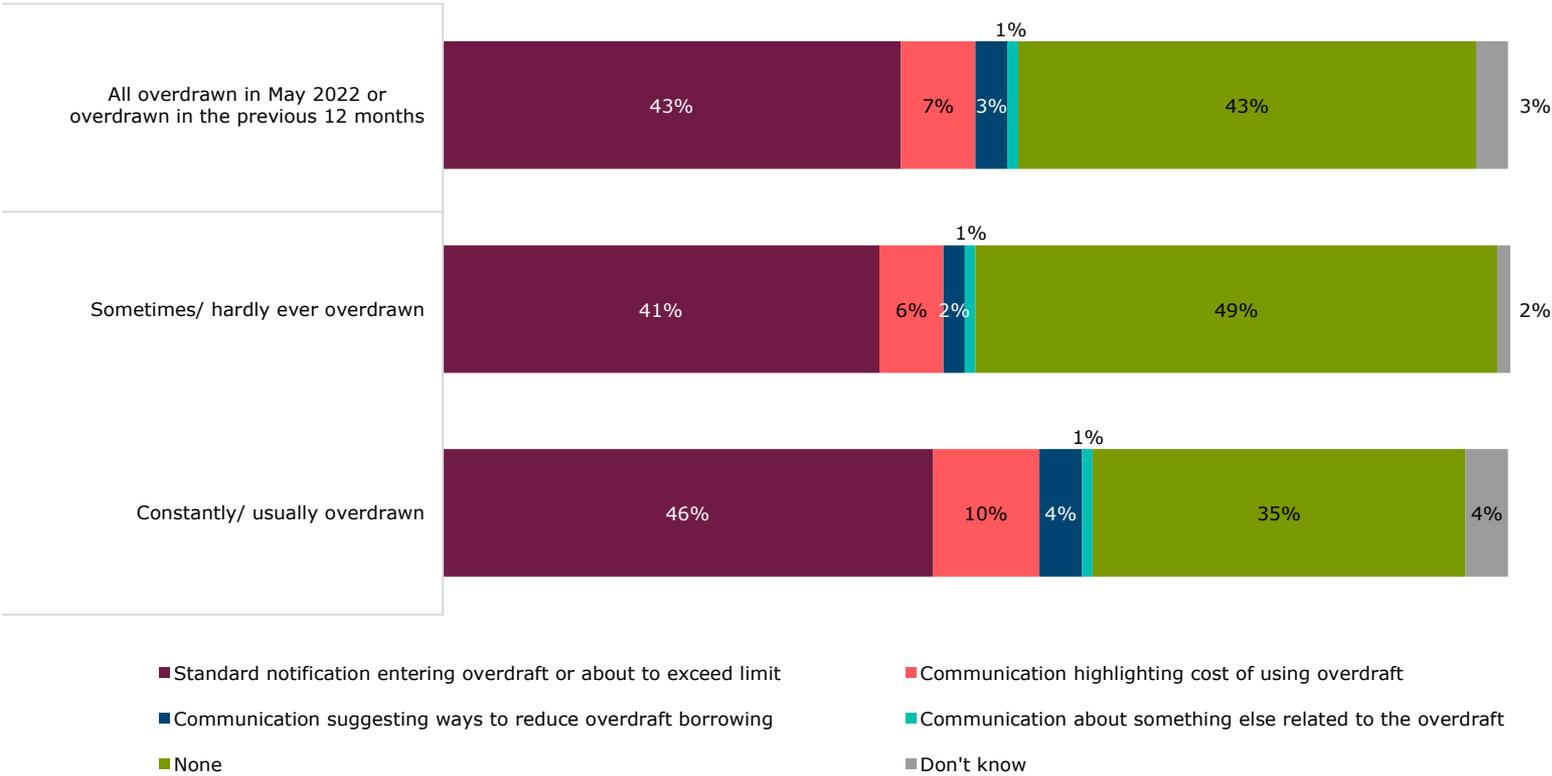


Base: All UK adults (2022:19,145) / All UK adults with low financial resilience (2022:3,781) / All UK adults with a current account with a bank, building society or credit union, and overdrawn in last 12 months or overdrawn at the moment (2022:3,550)

Question: P_CC1C (Rebased). Which of these statements best describes how often you are overdrawn on your current account(s)?

In 2022 14% of adults who were constantly or usually overdrawn recalled being contacted by their provider specifically to highlight the cost of their overdraft use (10%) or about reducing their overdraft borrowing (4%) – 35% recalled no contact at all

Proportion of adults who were overdrawn in May 2022 (or in the previous 12 months) who recall being contacted by their provider about their overdraft use, by whether they were constantly/ usually overdrawn or sometimes/ hardly ever overdrawn (2022)

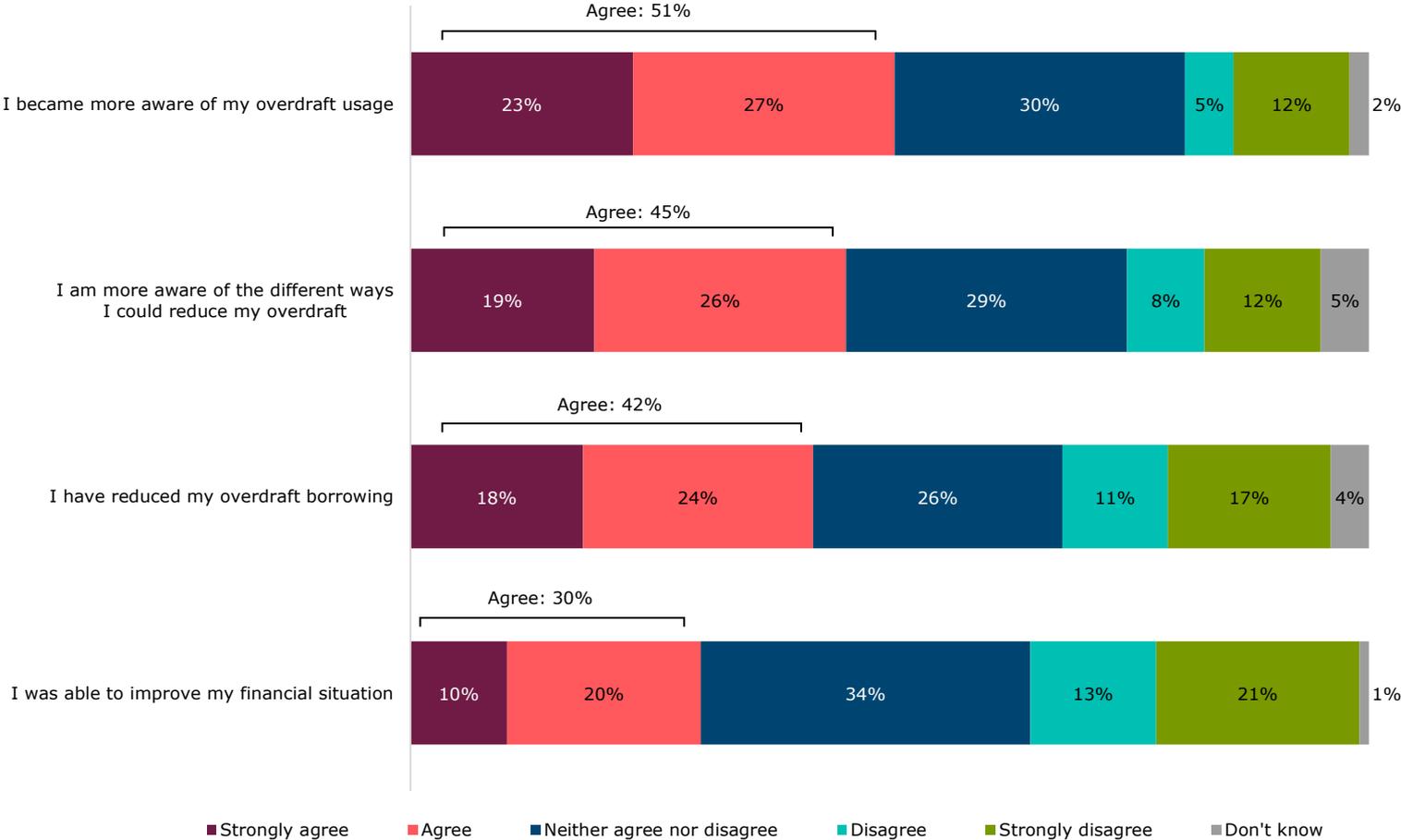


Base: All UK adults with a current account with a bank, building society or credit union, and overdrawn in last 12 months or overdrawn at the moment (2022:3,550); All UK adults with a current account with a bank, building society or credit union, and overdrawn in last 12 months or overdrawn at the moment who are constantly/ usually overdrawn (2022:1,300); All UK adults with a current account with a bank, building society or credit union, and overdrawn in last 12 months or overdrawn at the moment who are sometimes/ hardly ever overdrawn (2022:2,036)

Question: P_CC2d. Has your current account provider contacted you in the last 12 months about your overdraft usage?

Among those who had received non-standard notifications about overdraft use the impacts varied. 51% agreed that the contact made them more aware of their overdraft use, and 30% agreed the contact enabled them to improve their financial situation

Extent to which adults who received communications from their provider agree or disagree that these communications had positive impacts on their borrowing habits (2022)



Base: All UK adults with a current account with a bank, building society or credit union, and overdrawn in last 12 months or overdrawn at the moment and received message from provider about cost of using overdraft, ways to reduce borrowing or something else (2022:345)

Question: P_CC2e_a-d. Thinking about the impact these communications about your overdraft usage may have had on you, how much do you agree or disagree with the following statements?

5. High-cost credit

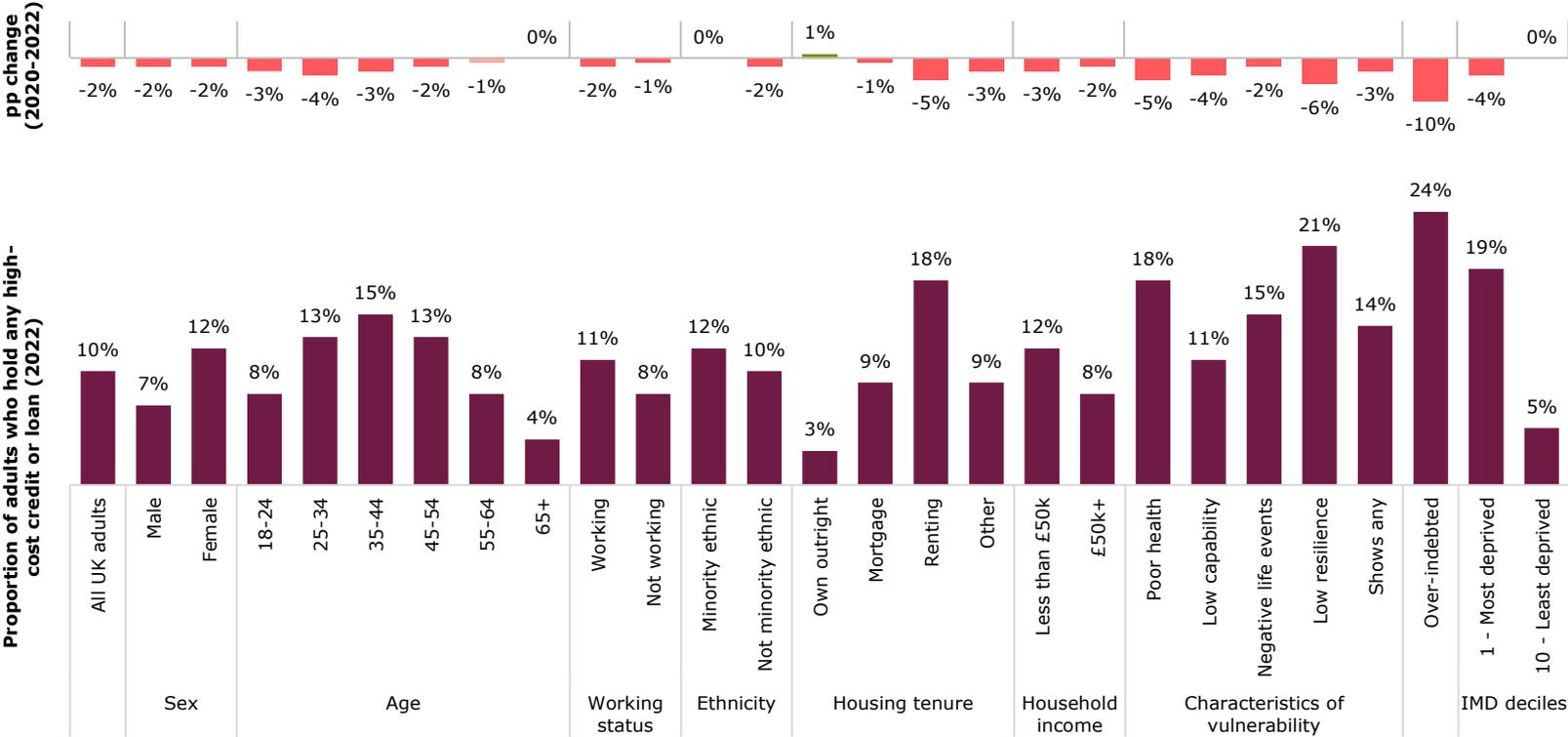
1. Any high-cost credit
2. Catalogue credit or shopping accounts – revolvers
3. Pawnbroking loans
4. Home-collected loans
5. Short-term instalment and payday loans
6. Rent-to-own
7. Logbook loans

5.1 High-cost credit: Any high-cost credit

- Proportion of adults who own any high-cost credit across a variety of demographic segments

10% of UK adults had a high-cost loan in May 2022 or had had one in the previous 12 months, down two percentage points from 2020. Some groups are much more likely to have high-cost credit, eg twice as many renters as those with a mortgage

Proportion of adults who hold any high-cost credit or loan (now or in the last 12 months) and percentage point change since 2020, across a variety of demographic segments (2022)



Base: All UK adults (2020:16,190/ 2022:19,145)

Question: POSum1 CAVEAT

Note: High-cost credit includes people who do the following or have done so in the last 12 months: revolve a balance on a catalogue credit or shopping account, have bought products with rent-to-own finance, or have one of the following loan products: pawnbroking loan, home-collected loan, payday loan (single payment), short-term instalment loan or logbook loan

- Any high-cost credit or loan (2022)
- pp change that is statistically significant (2020-2022)
- pp change that is not statistically significant (2020-2022)

5.2 High-cost credit: Catalogue credit or shopping account revolvers

- Proportion of adults who revolve a balance on a catalogue credit or shopping account across a variety of demographic segments
- Consideration of alternative forms of credit
- Levels of shopping around for catalogue credit or shopping accounts
- Reasons for choosing catalogue credit or shopping accounts

6% of UK adults revolved a balance on a catalogue credit or shopping account in 2022, down from 7% in 2020 – women were three times more likely to revolve a balance than men

Proportion of adults who revolve a balance on a catalogue credit or shopping account and percentage point change since 2020, across a variety of demographic segments (2022)



Base: All UK adults (2020:16,190/ 2022:19,145)

Question: POSum1 CAVEAT

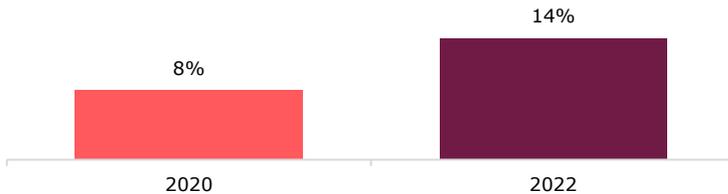
■ % who revolve a balance on a catalogue credit or shopping account (2022)

■ pp change that is statistically significant (2020-2022)

■ pp change that is not statistically significant (2020-2022)

Between 2020 and 2022, there was an increase in the proportion of catalogue credit or shopping account revolvers who considered alternative forms of credit, and who shopped around

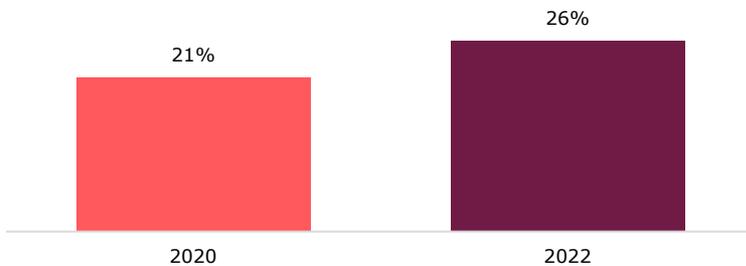
Percentage of catalogue credit or shopping account revolvers who considered choosing a different form of credit (2020/2022)



Base: All adults who revolve a balance on a catalogue credit or shopping account which they took out in the last 3 years (2020:522/ 2022:427)

Question: HCC15a_cc. When you took out your catalogue credit, did you consider choosing a different form of credit instead of a catalogue credit?

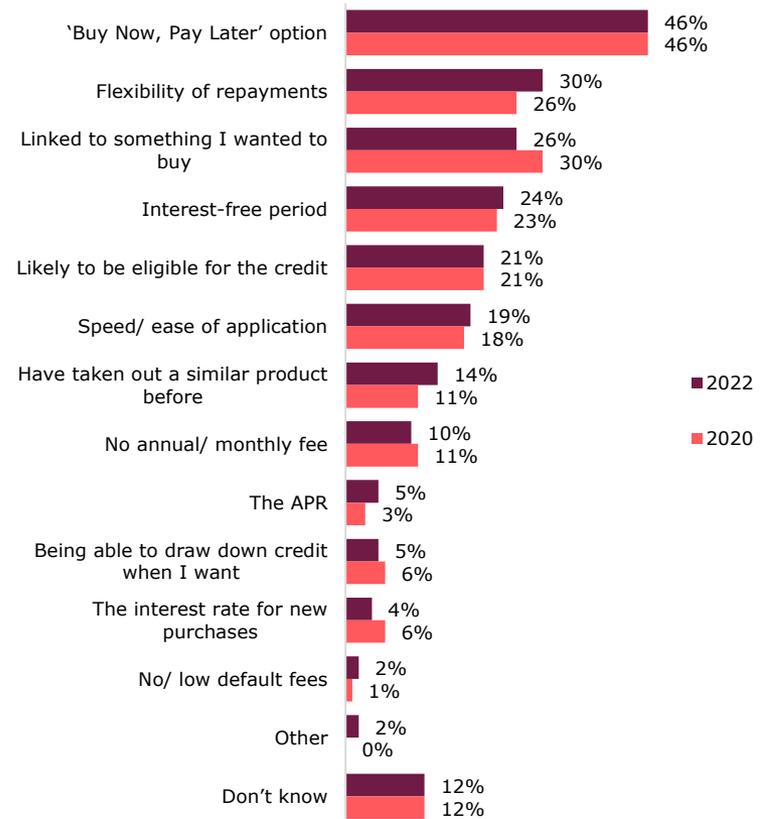
Percentage of catalogue credit or shopping account revolvers who shopped around – they compared products from two or more different providers by looking at the product features or prices (2020/2022)



Base: All adults who revolve a balance on a catalogue credit or shopping account which they took out in the last 3 years (2020:522/ 2022:427) excluding 'don't know' responses (7%/9%)

Question: HCC20_cc (Rebased). Before you took out your catalogue credit, did you compare products from two or more different providers by looking at the product features or prices?

Reasons for choosing catalogue credit or shopping accounts rather than a different form of credit (2020/2022)



Base: All adults who revolve a balance on a catalogue credit or shopping account which they took out in the last 3 years (2020:522/ 2022:427)

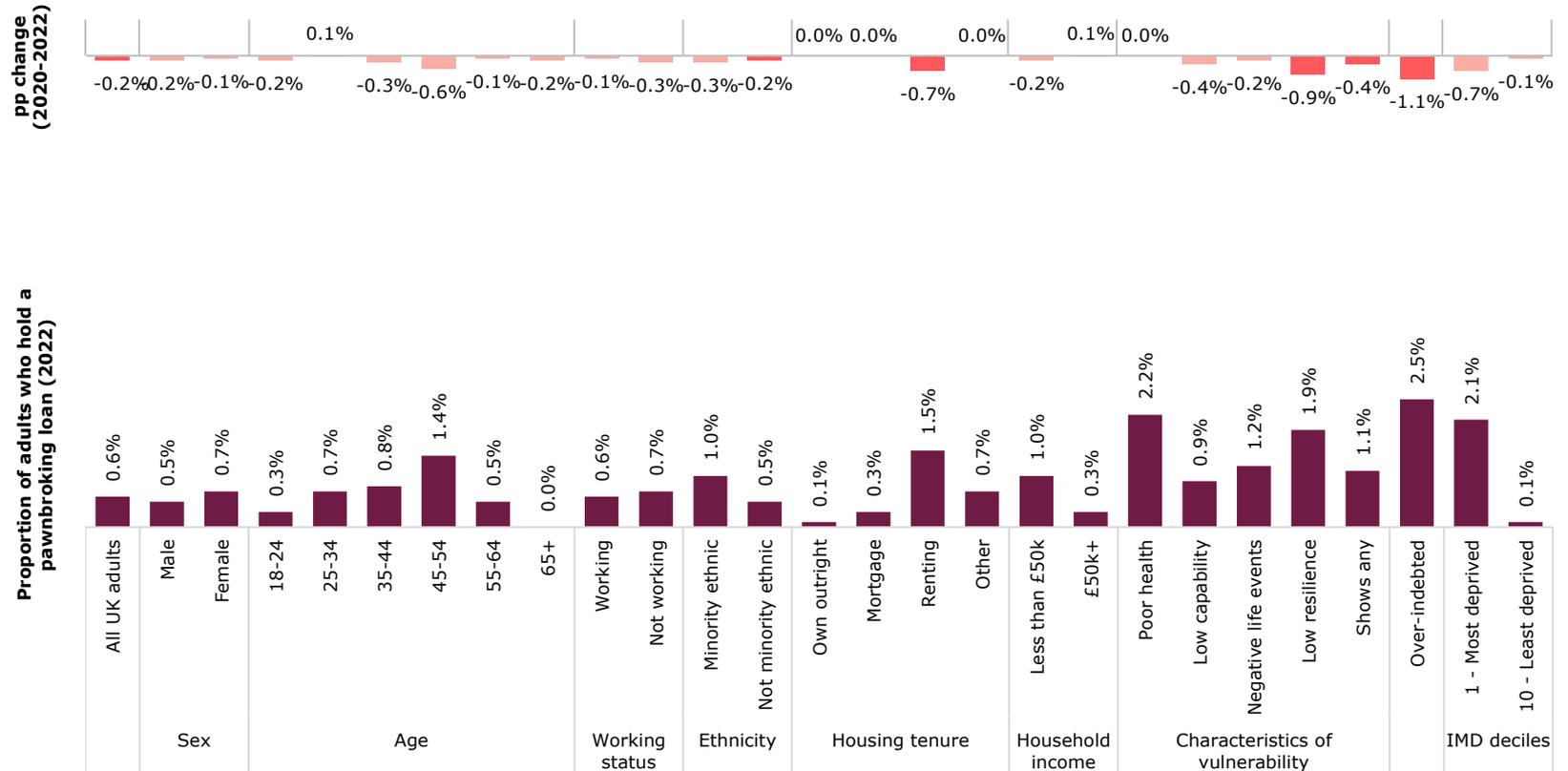
Question: HCC15b_cc. Why did you choose [catalogue credit or shopping account] rather than a different form of credit?

5.3 High-cost credit: Pawnbroking loans

- Levels of ownership of pawnbroking loans across a variety of demographic segments
- Consideration of alternative forms of credit
- Levels of shopping around
- Reasons for taking out a pawnbroking loan

Between 2020 and 2022, the proportion of UK adults with a pawnbroking loan fell by less than half a percentage point

Proportion of adults who hold a pawnbroking loan (now or in the last 12 months) and percentage point change since 2020, across a variety of demographic segments (2022)



Base: All UK adults (2020:16,190/ 2022:19,145)

Question: POSum1 CAVEAT

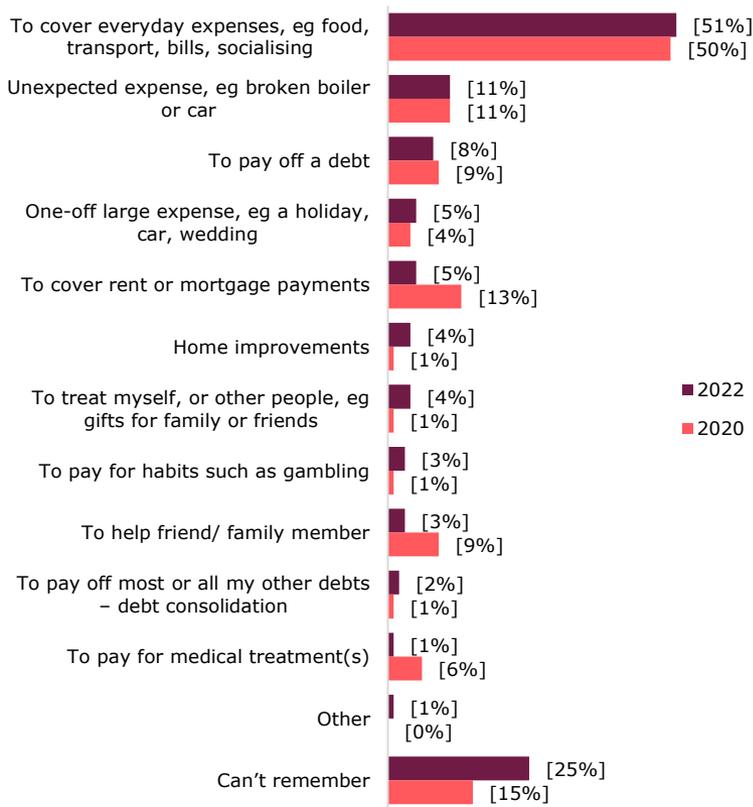
■ % who hold a pawnbroking loan (2022)

■ pp change that is statistically significant (2020-2022)

■ pp change that is not statistically significant (2020-2022)

Pawnbroking loans were mainly taken out to cover everyday expenses – and often chosen over other forms of credit because of the speed or ease of application, or for eligibility considerations

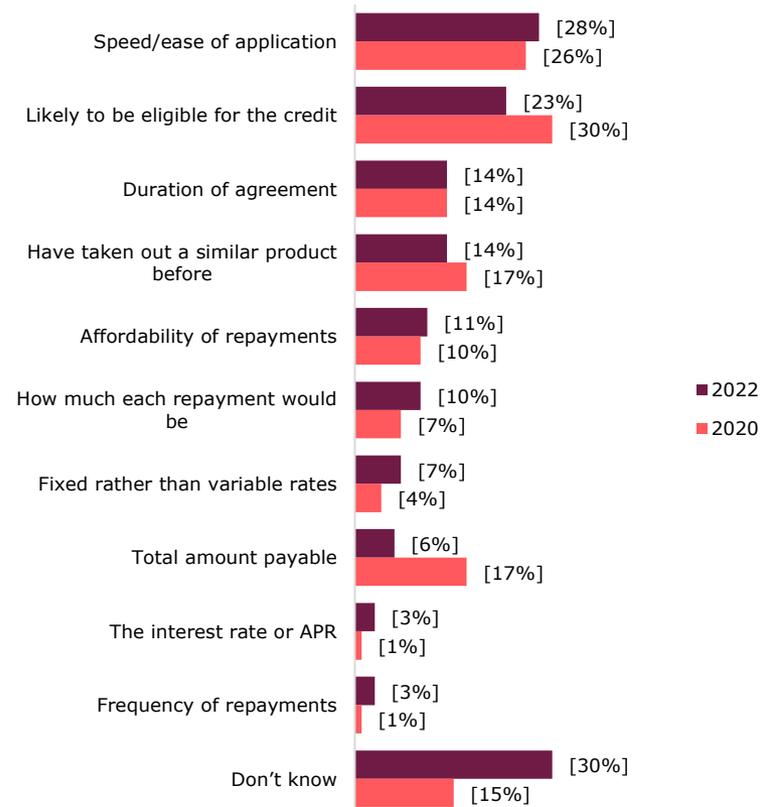
Main reasons for taking out a pawnbroking loan (2020/2022)



Base: All UK adults with a pawnbroker loan taken out in the last 12 months (2020:80/ 2022:74)

Question: HCC60_pb. What were the main reasons you took out your pawnbroking loan

Main reasons for choosing a pawnbroking loan rather than a different form of credit (2020/2022)

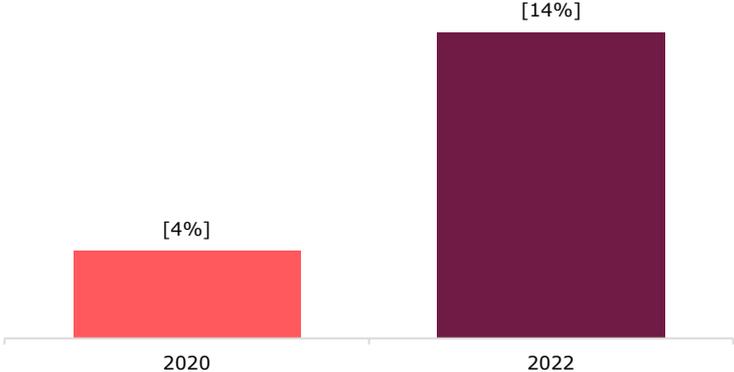


Base: All UK adults with a pawnbroker loan taken out in the last 12 months (2020:80/ 2022:74)

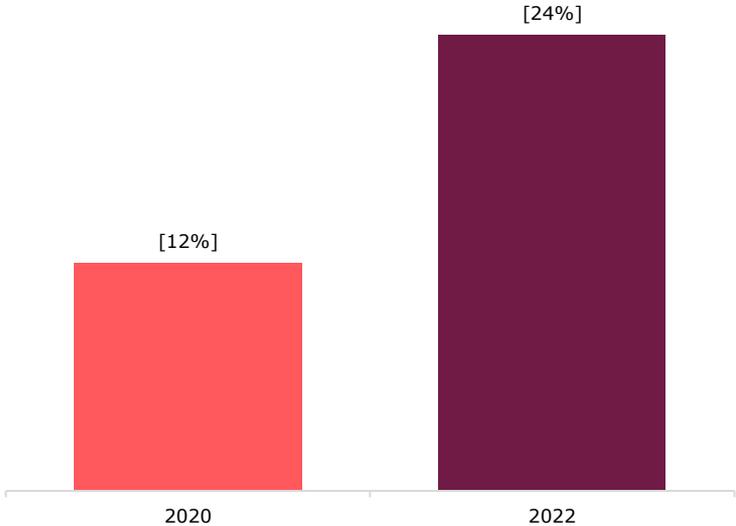
Question: HCC15_pb. Why did you choose a pawnbroking loan rather than a different form of credit?

In 2022 [14%] of adults shopped around and [24%] considered alternative forms of credit before taking out a pawnbroking loan

Percentage of adults with a pawnbroking loan who shopped around – they compared products from two or more different providers by looking at the product features or prices (2020/2022)



Percentage of adults with a pawnbroking loan who considered choosing a different form of credit instead (2020/2022)



Base: All UK adults with a pawnbroker loan taken out in the last 12 months (2020:80/ 2022:74) excluding 'don't know' responses (10%/15%)

Question: HCC20_pb (Rebased). Before you took out your pawnbroking loan, did you compare products from two or more different providers by looking at the product features or prices?

Base: All UK adults with a pawnbroker loan taken out in the last 12 months (2020:80/ 2022:74)

Question: HCC15a_pb. When you took out your pawnbroking loan, did you consider choosing a different form of credit instead of a pawnbroking loan?

5.4 High-cost credit: Home-collected loans

- Levels of ownership of home-collected loans across a variety of demographic segments
- Consideration of alternative forms of credit
- Reasons for taking out home-collected loans



Half as many UK adults held a home-collected loan in 2022 (0.6%) as did in 2020 (1.1%). One of the larger percentage point drops was among adults in the least deprived areas of the UK

Proportion of adults who hold a home-collected loan (now or in the last 12 months) and percentage point change since 2020, across a variety of demographic segments (2022)



Base: All UK adults (2020:16,190/ 2022:19,145)

Question: POSum1 CAVEAT

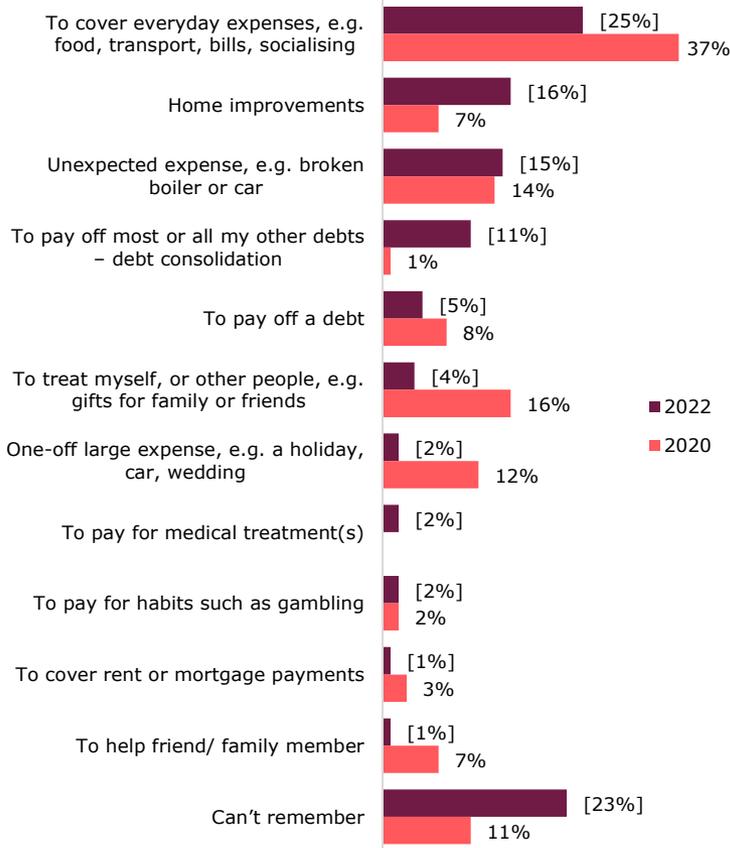
■ % who hold a home-collected loan (2022)

■ pp change that is statistically significant (2020-2022)

■ pp change that is not statistically significant (2020-2022)

Home-collected loans were taken out for a variety of different reasons, and few considered other forms of credit. The main reasons cited for choosing this type of loan rather than another were: how much each repayment would be, likely eligibility for the credit, and the speed/ease of application

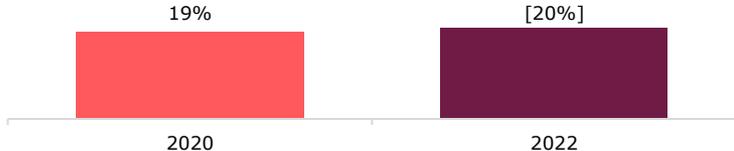
Main reasons for taking out a home-collected loan (2020/2022)



Base: All UK adults with home collected credit taken out in the last 12 months (2020:115/ 2022:60)

Question: HCC60_home. What were the main reasons you took out your home collected credit?

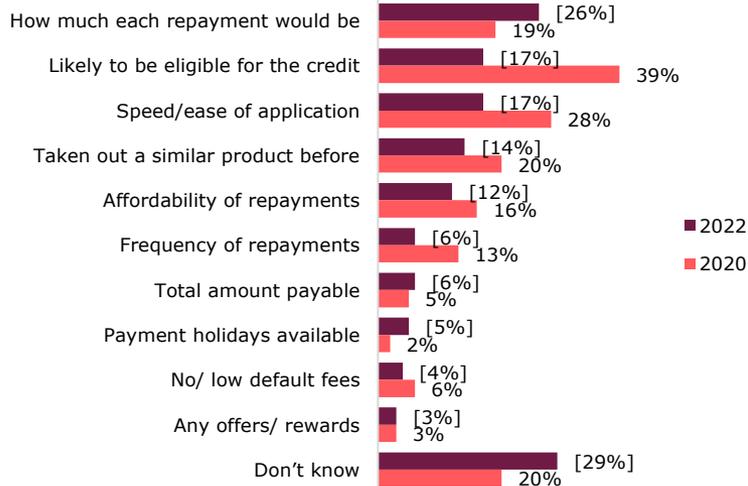
Percentage of home-collected loan owners who considered choosing a different form of credit (2020/2022)



Base: All UK adults with home collected credit taken out in the last 12 months (2020:115/ 2022:60)

Question: HCC15a_home. When you took out your home collected credit, did you consider choosing a different form of credit instead of home collected credit?

Main reasons for choosing a home-collected loan rather than a different form of credit (2020/2022)



Base: All UK adults with home collected credit taken out in the last 12 months (2020:115/ 2022:60)

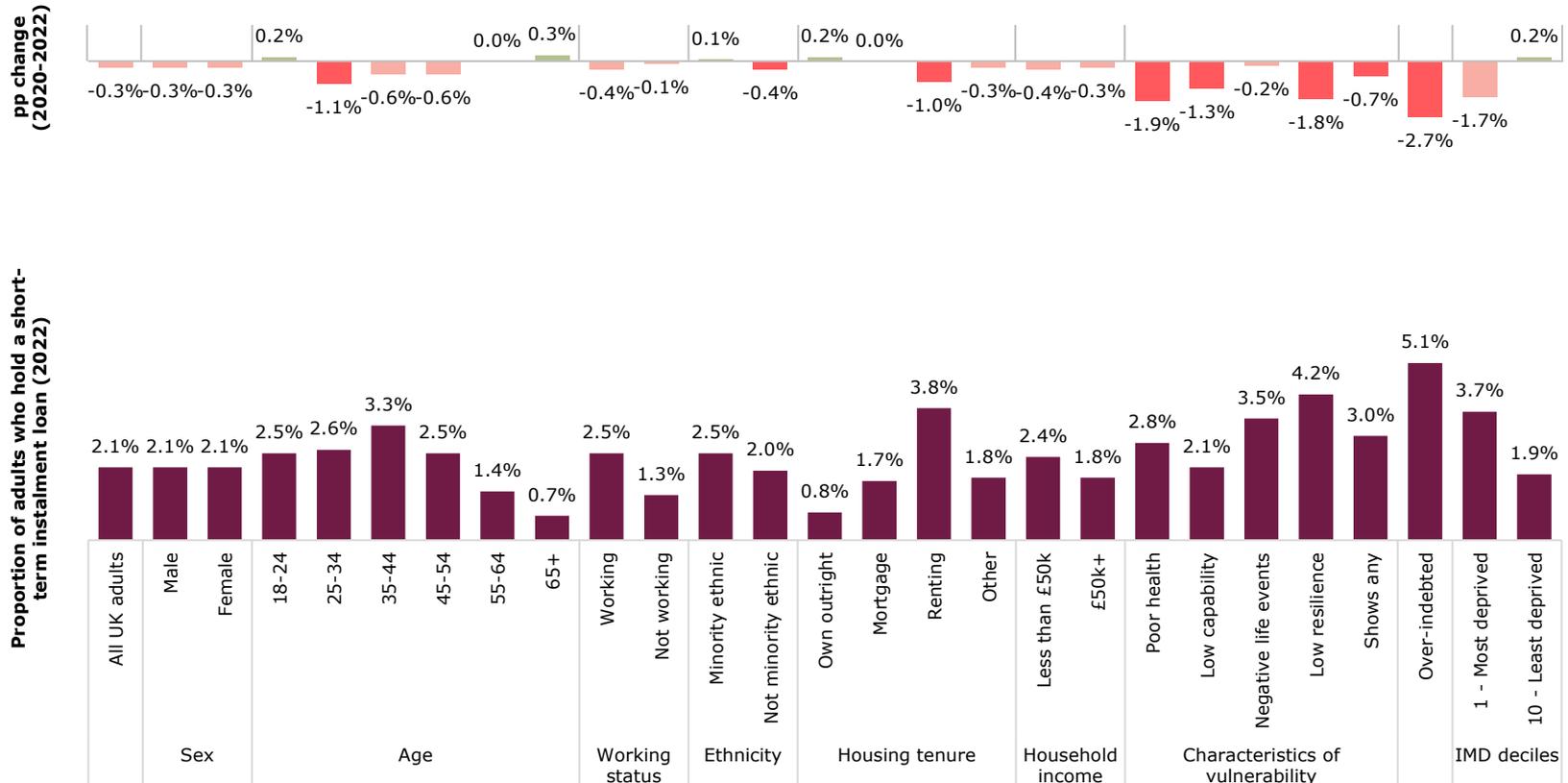
Question: HCC15_home. Why did you choose a home collected loan rather than a different form of credit?

5.5 High-cost credit: Short-term instalment and payday loans

- Levels of ownership of short-term instalment loans across a variety of demographic segments
- Levels of ownership of payday loans across a variety of demographic segments
- Consideration of alternative forms of credit
- Levels of shopping around
- Reasons for choosing short-term instalment and payday loans
- Whether or not short-term instalment and payday loan holders were approached by their provider

Between 2020 and 2022, the proportion of short-term instalment loan owners stayed the same overall, but fell among some groups, especially those over-indebted

Proportion of adults who hold a short-term instalment loan (now or in the last 12 months) and percentage point change since 2020, across a variety of demographic segments (2022)



Base: All UK adults (2020:16,190/ 2022:19,145)

Question: POSum1 CAVEAT

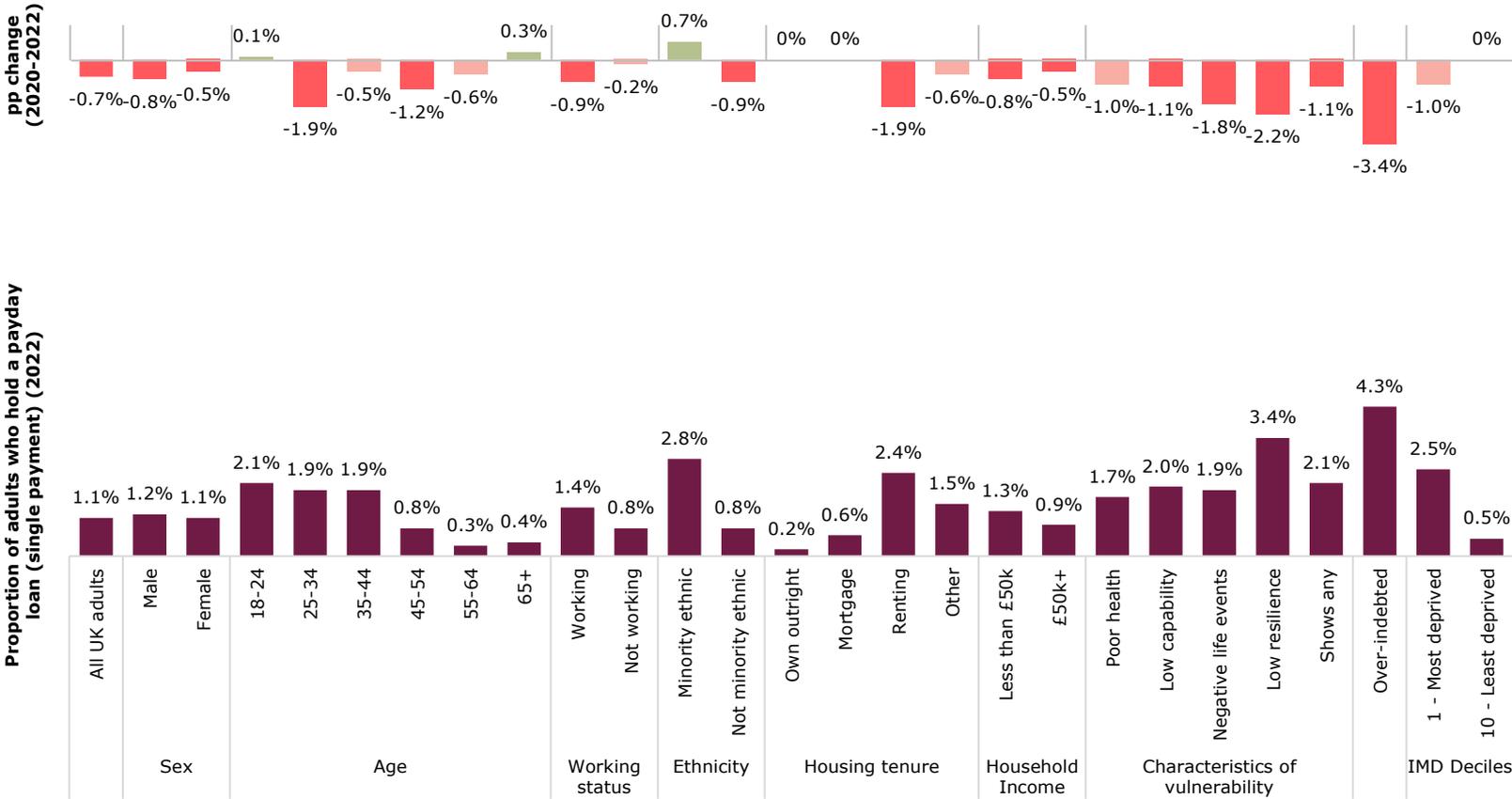
■ % who hold a short-term instalment loan (2022)

■ pp change that is statistically significant (2020-2022)

■ pp change that is not statistically significant (2020-2022)

Fewer UK adults held a payday loan in 2022 (1.1%) compared with 2020 (1.8%) – the largest falls were among those over-indebted, those with low financial resilience, renters and those aged 25-34

Proportion of adults who hold a payday loan (single payment) (now or in the last 12 months) and percentage point change since 2020, across a variety of demographic segments (2022)



Base: All UK adults (2020:16,190/ 2022:19,145)

Question: POSum1 CAVEAT

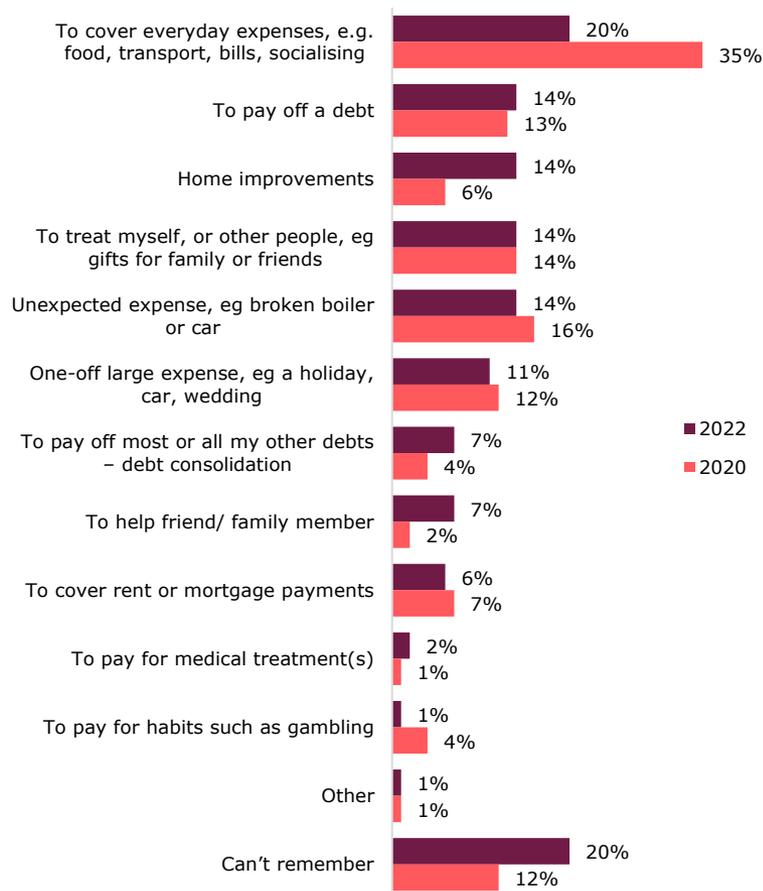
■ % who hold a payday loan (single payment) (2022)

■ pp change that is statistically significant (2020-2022)

■ pp change that is not statistically significant (2020-2022)

In 2022, 20% of payday or short-term instalment loan owners borrowed to pay for everyday expenses – down from 35% in 2020. The most cited reasons for choosing these products over others were likelihood of eligibility and affordability of repayments

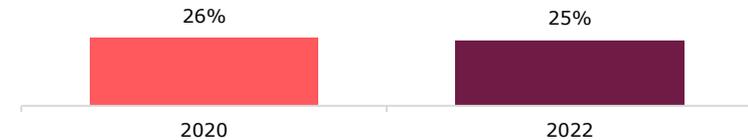
Main reasons for taking out a payday or short-term instalment loan (2020/2022)



Base: All UK adults with payday or short-term instalment loan taken out in the last 12 months (2020:392/ 2022:373)

Question: HCC60_pdl. What were the main reasons you took out your payday or short-term instalment loan?

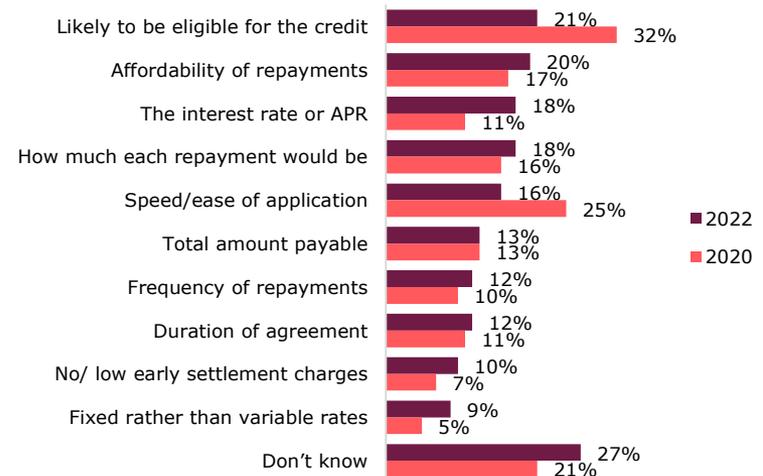
Percentage of payday or short-term instalment loan owners who considered choosing a different form of credit (2020/2022)



Base: All UK adults with payday or short-term instalment loan taken out in the last 12 months (2020:392/ 2022:373)

Question: HCC15a_pdl. When you took out your payday or short-term instalment loan, did you consider choosing a different form of credit?

Main reasons for choosing a payday or short-term instalment loan rather than a different form of credit (2020/2022)

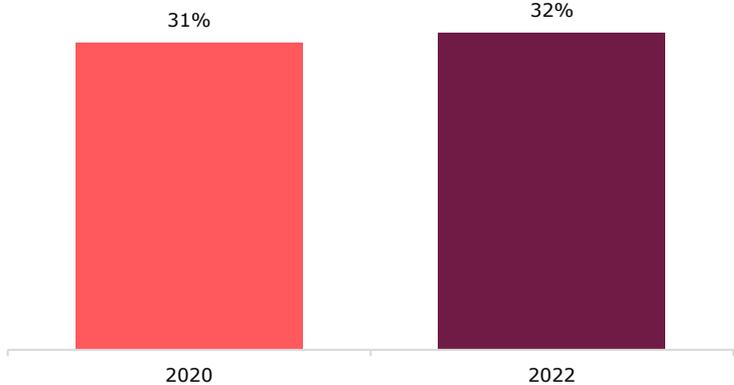


Base: All UK adults with payday or short-term instalment loan taken out in the last 12 months (2020:392/ 2022:373)

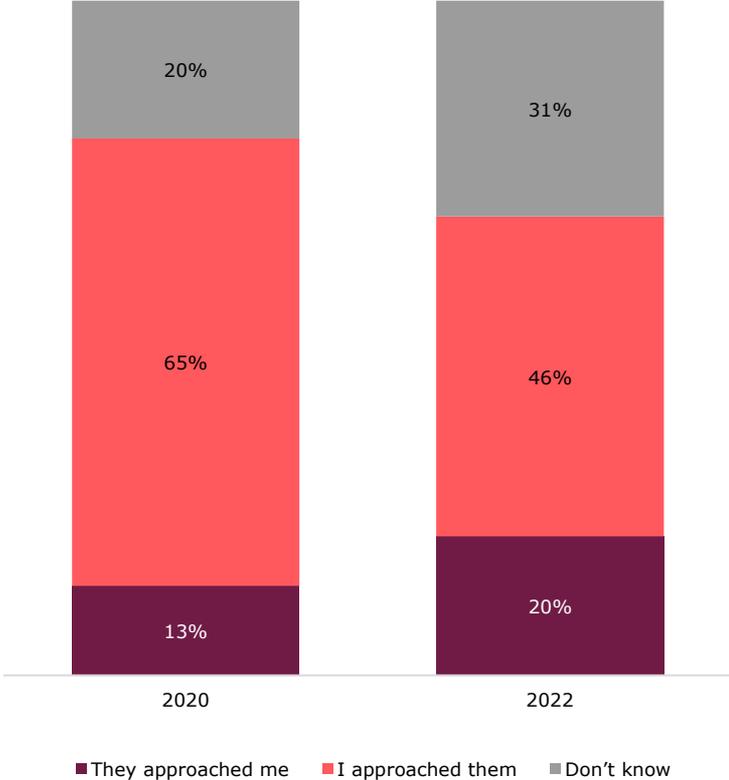
Question: HCC15_pdl. Why did you choose a payday or short-term instalment loan rather than a different form of credit?

In 2022, 32% of adults said they shopped around before taking out their payday or short-term instalment loan (unchanged from 2020), while 20% said they were approached directly by the provider about taking out their product (up from 13% in 2020)

Proportion of payday or short-term instalment loan owners who shopped around – they compared products from two or more different providers by looking at the product features or prices (2020/2022)



Proportion of payday or short-term instalment loan owners who recall being approached by their provider about taking out their payday or short-term instalment loan (2020/2022)



Base: All UK adults with payday or short-term instalment loan taken out in the last 12 months (2020:392/ 2022:373) excluding 'don't know' responses (13%/18%)

Question: HCC20_pdl (Rebased). Before you took out your payday or short-term instalment loan, did you compare products from two or more different providers by looking at the product features or prices?

Base: All UK adults with payday or short-term instalment loan taken out in the last 12 months (2020:392/ 2022:373)

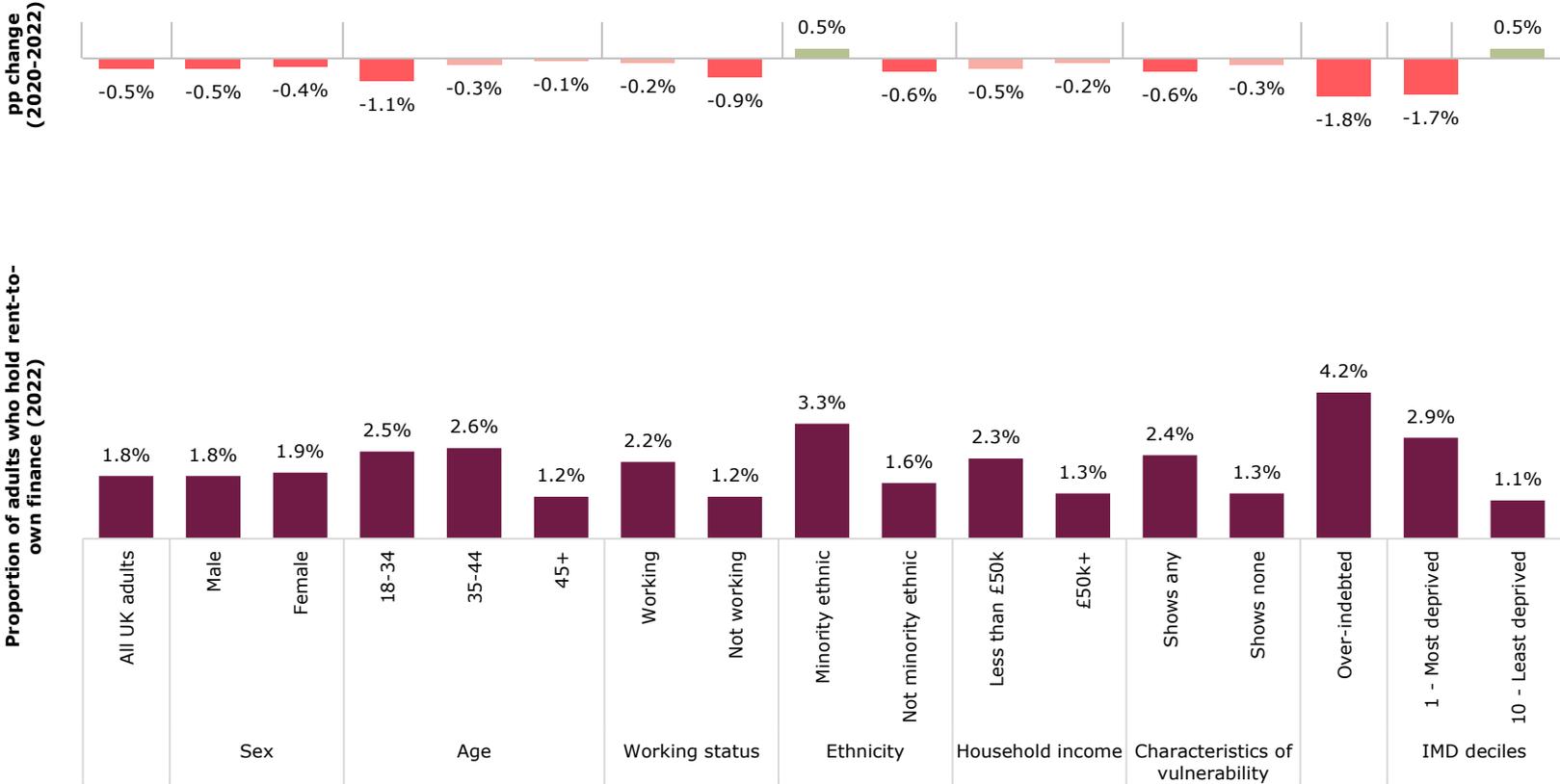
Question: HCC17_pdl. Were you approached by the provider about taking out your payday or short-term instalment loan, or did you approach them?

5.6 High-cost credit: Rent-to-own

- Levels of ownership of rent-to-own finance across a variety of demographic segments

Between 2020 and 2022, the proportion of UK adults that held any rent-to-own finance fell overall, with the largest percentage point falls being among those who were over-indebted or lived in the most deprived areas of the UK

Proportion of adults who held rent-to-own finance (now or in the last 12 months) and percentage point change since 2020, across a variety of demographic segments (2022)



Base: All UK adults (2020:16,190/ 2022:19,145)

Question: POSum1 CAVEAT

■ % who hold any rent-to-own finance (2022)

■ pp change that is statistically significant (2020-2022)

■ pp change that is not statistically significant (2020-2022)

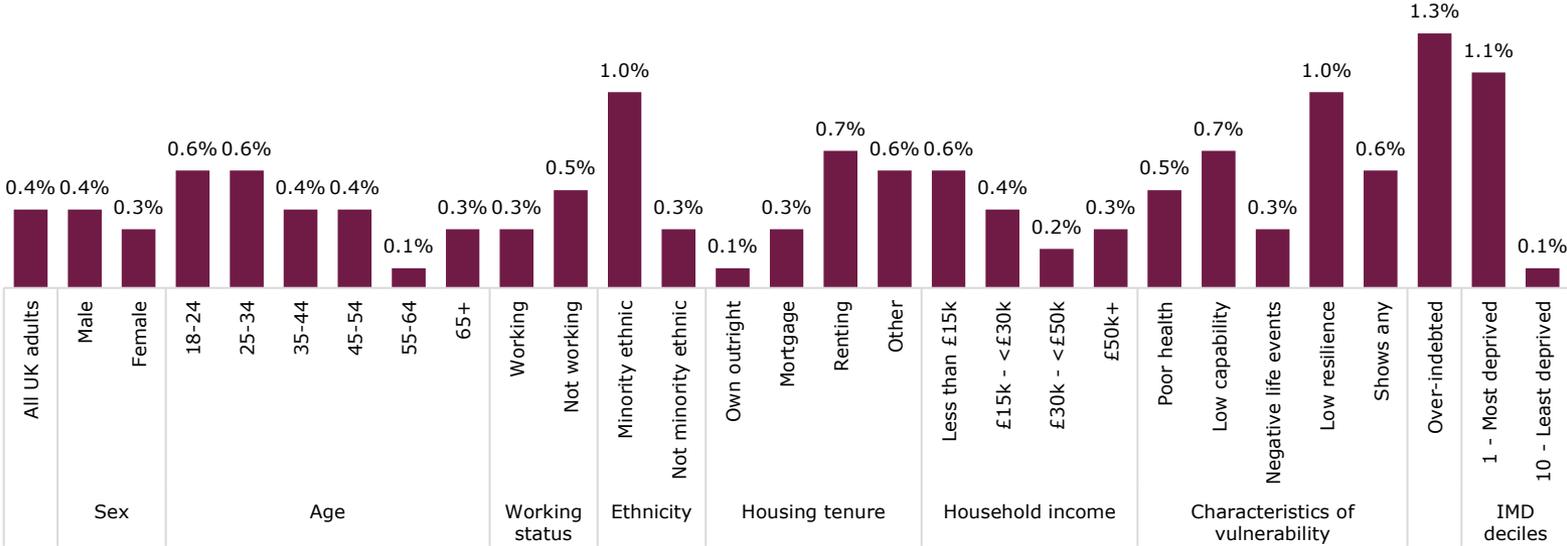
5.7 High-cost credit: Logbook loans

- Levels of ownership of logbook loans across a variety of demographic segments



0.4% of adults held a logbook loan in 2022, rising to 1.0% of minority ethnic adults and of adults with low financial resilience

Proportion of adults who hold a logbook loan (now or in the last 12 months), across a variety of demographic segments (2022)



Base: All UK adults (2022:19,145)

Question: POSum1 CAVEAT

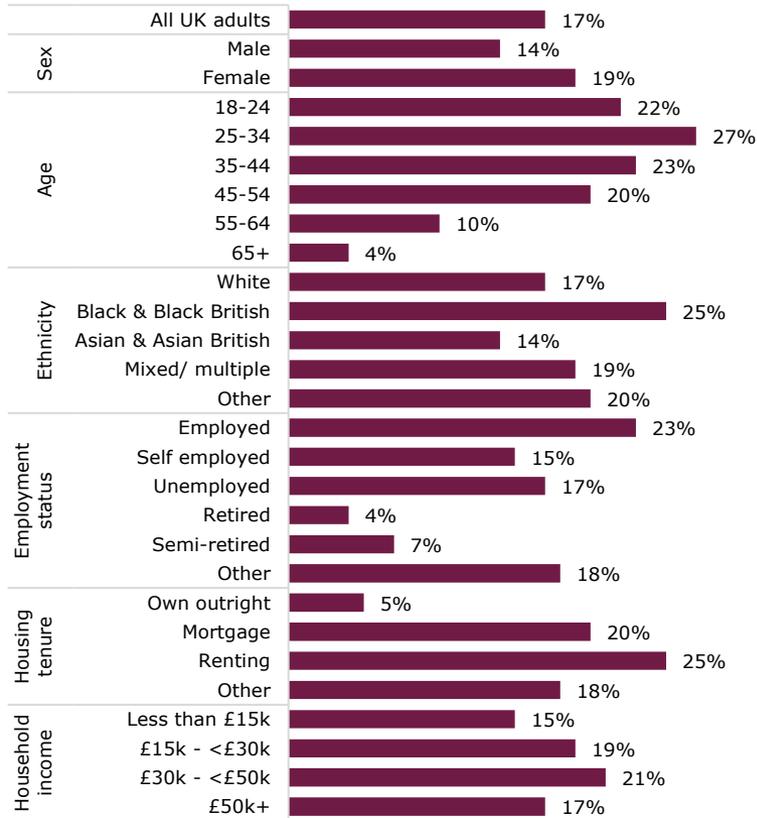
Note: Comparing 2020 and 2022 there were no significant changes in the proportion of UK adults who held logbook loans across all the different demographic segments, but sample sizes were small.

6. Deferred Payment Credit

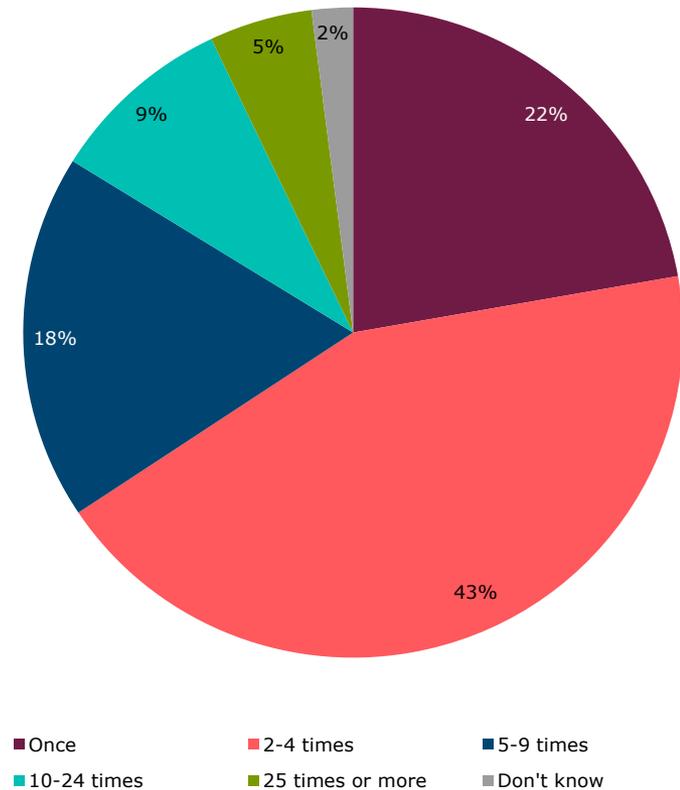
- Use of DPC across a variety of demographic segments
- Use of DPC and ownership of other credit products
- Amount owed on DPC
- Use of different DPC repayment options
- Reasons for using DPC
- Ease of keeping track of DPC repayments

17% of adults used DPC in the 12 months to May 2022. Adults most likely to have used DPC in this period included those aged 25-34 (27%), Black adults (25%) and those who rent (25%) – the average user, based on respondent recall, used DPC six times in this period

Proportion of UK adults who have used DPC in the last 12 months (2022)



Frequency of use of DPC, among DPC users (2022)



Base: All UK adults (2022:19,145)

Question: POSum1 CAVEAT

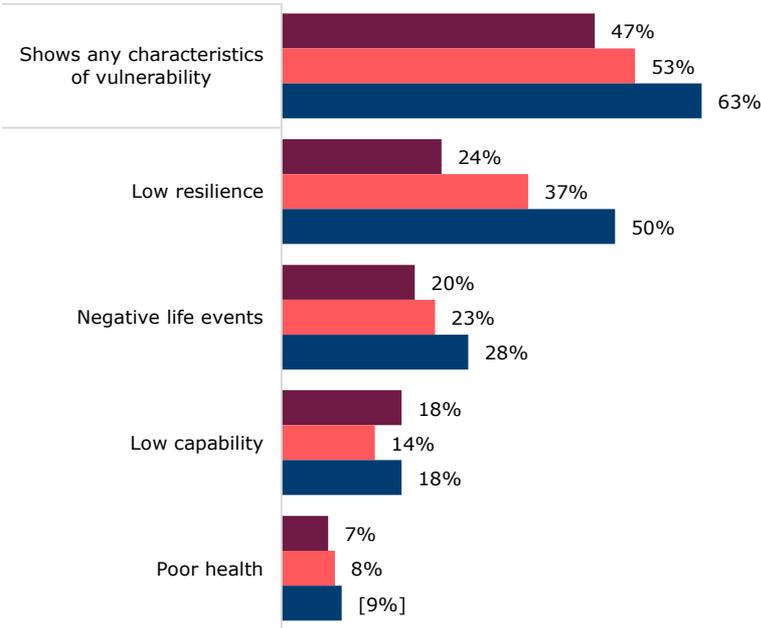
Base: All UK adults who have used deferred payment credit in the last 12 months (2022:2,820)

Question: P_CC70B. How many times have you used this type of Buy Now, Pay Later payment service in the last 12 months?

Compared with UK adults on average, DPC users were more likely to show one or more characteristics of vulnerability – and more likely to have low confidence or low knowledge about financial matters. Results were poorer for heavy DPC users (used 10+ times)

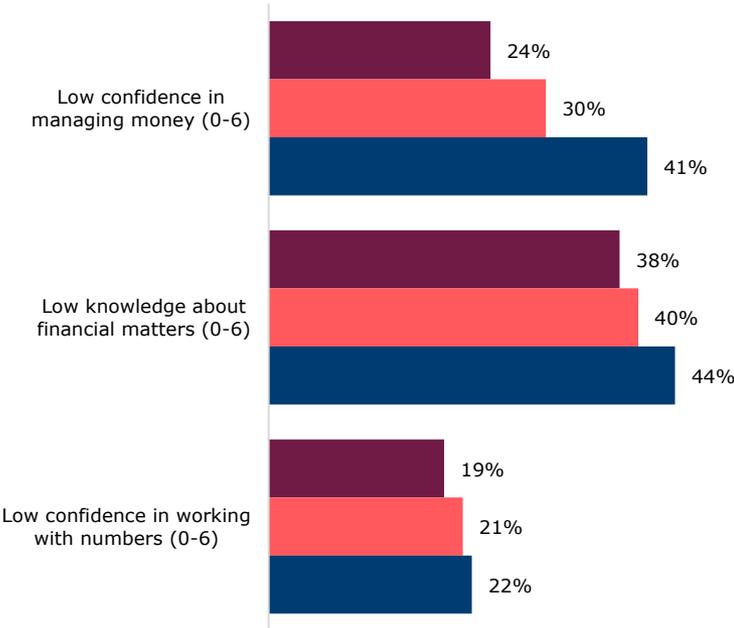
Profile of adults who have used DPC in the last 12 months and those who have used DPC ten times or more in the last 12 months, in comparison to all UK adults (2022)

By characteristics of vulnerability



- All UK adults
- All adults who have used of DPC in last 12 months
- All adults who have used DPC ten times or more in last 12 months

By consumer confidence and knowledge about financial matters



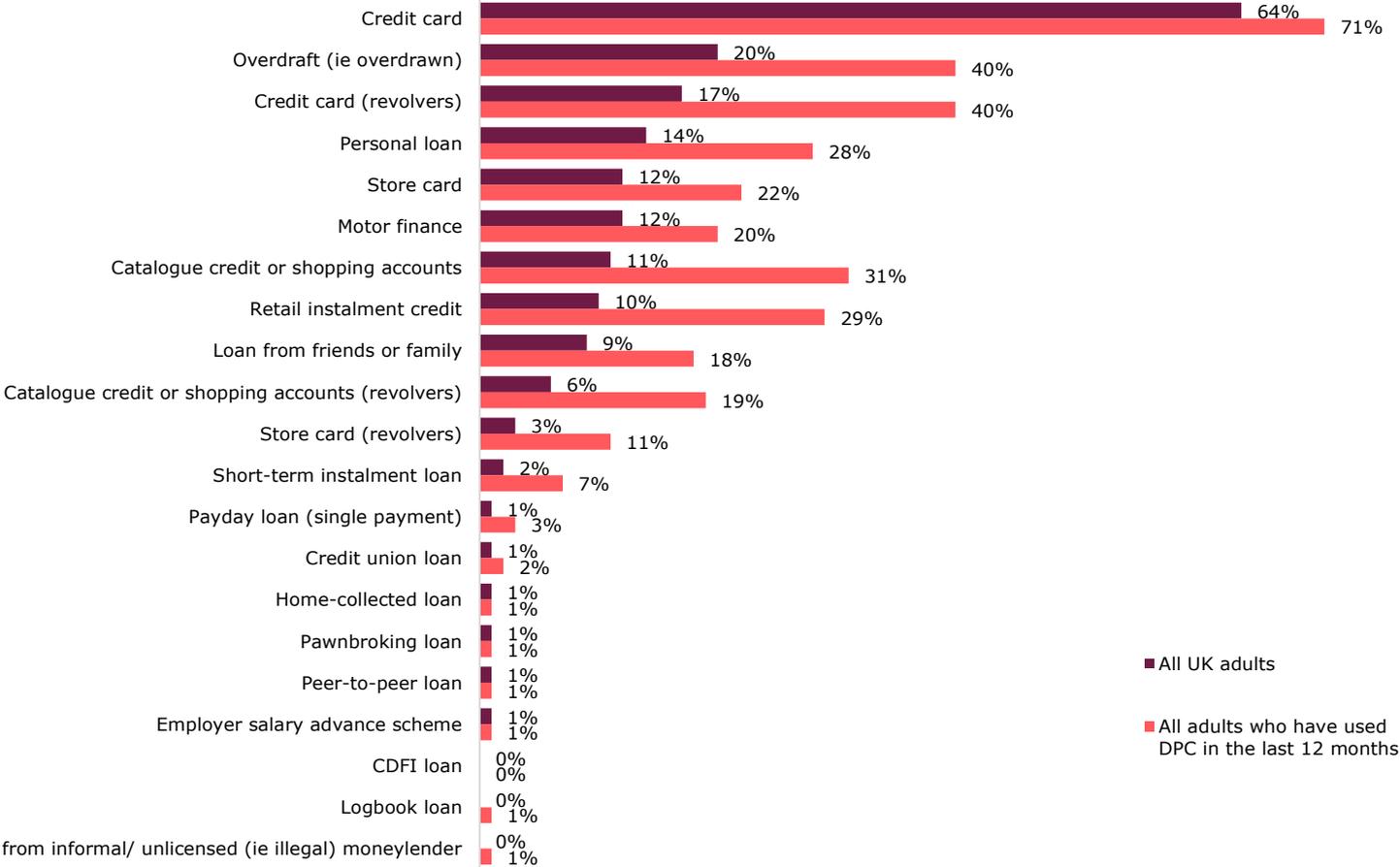
- All UK adults
- All adults who have used of DPC in last 12 months
- All adults who have used DPC ten times or more in last 12 months

Base: All UK adults (2022:19,145)/ All UK adults who have used deferred payment credit in the last 12 months (2022:2,820)/ All UK adults who have used DPC ten times or more in the 12 months to May 2022 (2022:388)

Question: POSum1 CAVEAT / P_CC70B. How many times have you used this type of Buy Now, Pay Later payment service in the last 12 months?

In 2022 DPC users were more likely to hold most other credit products compared to all UK adults. For example, twice as many were overdrawn, and over twice as many revolved a balance on a credit card

Comparison of the proportion of UK adults and the proportion of DPC users who hold credit and loan products, by product (2022)

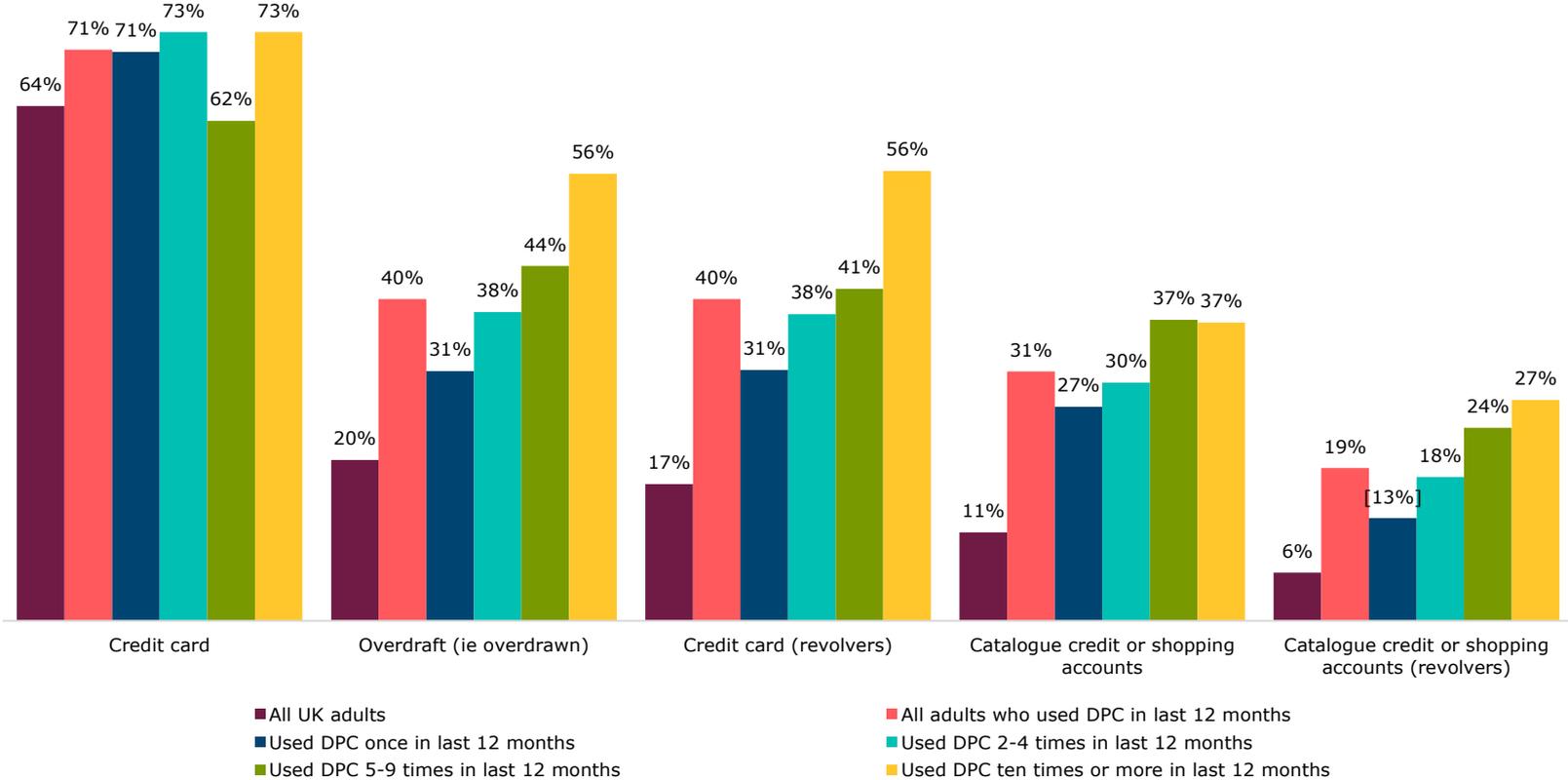


Base: All UK adults (2022:19,145)

Question: POSum1 CAVEAT

The more someone used DPC the more likely they were to use other forms of credit. For example, 56% of adults who had used DPC ten times or more in the 12 months to May 2022 were also overdrawn or revolved a credit card balance in the same period, compared with 31% of adults who had used DPC only once in this period

Comparison of the proportion of UK adults and the proportion of DPC users who hold consumer credit products, by frequency of use of DPC (2022)

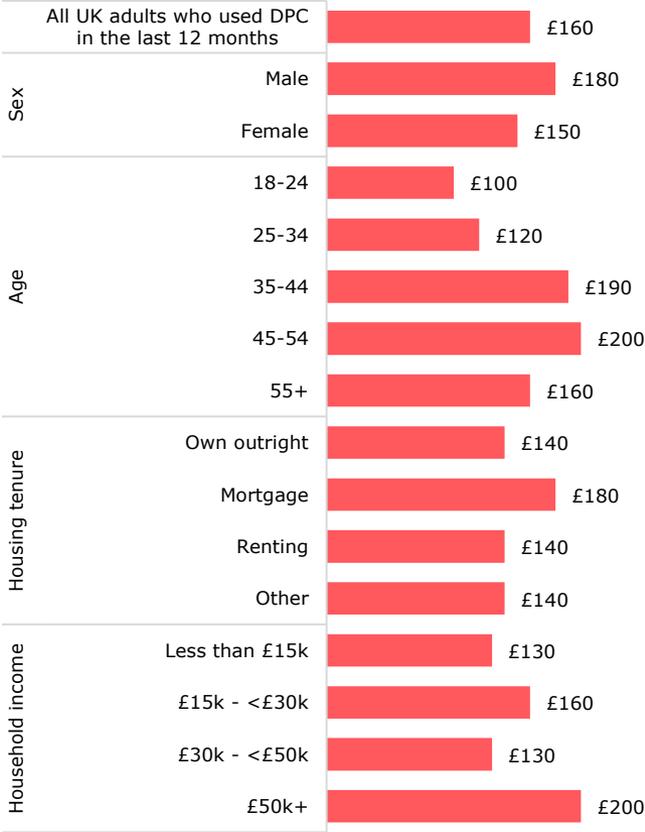


Base: All UK adults (2022:19,145)/ All UK adults who have used deferred payment credit in the last 12 months (2022:2,820)

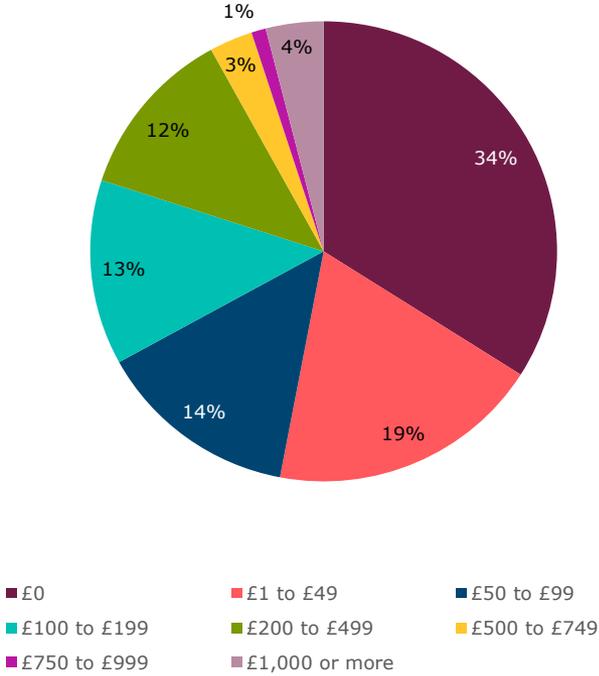
Question: POSum1 CAVEAT / P_CC70B. How many times have you used this type of Buy Now, Pay Later payment service in the last 12 months?

In May 2022, the average user had £160 outstanding across all their DPC purchases – fewer than one in ten (8%) had more than £500 left to pay

Average amount outstanding across all DPC purchases (2022)



Amount outstanding across all DPC purchases (2022)



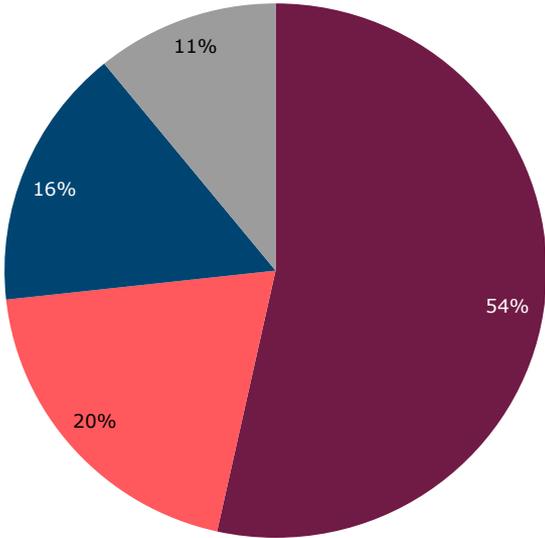
Base: All UK adults who have used any Buy Now, Pay Later payment service, where they never pay any interest but defer or split payments, in the last 12 months (2022:1,232) excluding 'don't know' responses (12%)

Question: DPC5 (Rebased). Thinking about all of the purchases you have made recently using this type of payment service, how much do you currently have outstanding (ie left to pay)?

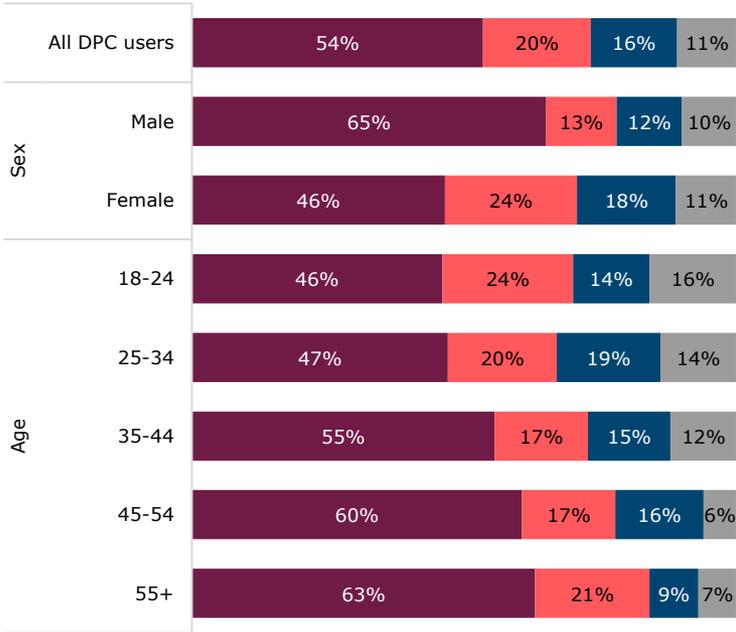
In 2022 54% of DPC users only used an instalment repayment option – this option was more frequently used by men than women, and by older adults compared with younger adults. 11% of DPC users did not know what option they had used

Use of different DPC repayment options (2022)

All DPC users



By sex and age



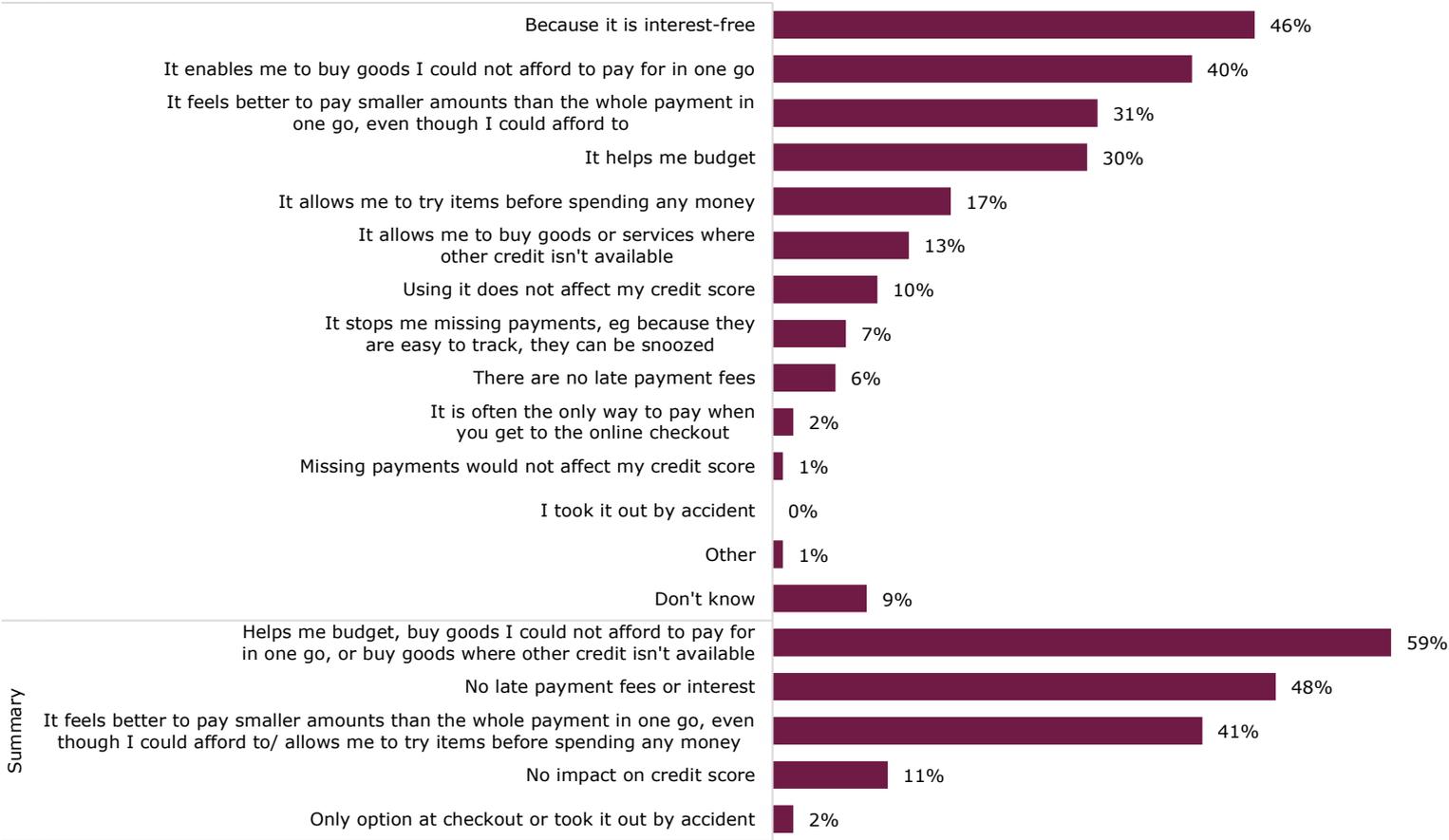
- 'Instalment' option only (where you repay in multiple instalments over a set period)
- 'Pay later' option only (where you repay in one go after a set period, e.g. 30 days)
- Both 'pay later' and 'instalment' options
- Don't know

Base: All UK adults who have used any Buy Now Pay Later payment service, where they never pay any interest but defer or split payments, in the last 12 months (2022:1,232)

Question: DPC6sum. Did you use the 'Pay Later' option, the instalment option or both?

In 2022 the most frequently cited reason for using DPC was because it was interest-free, although 13% used DPC where other credit was not available to them

Reasons for choosing to use DPC (2022)



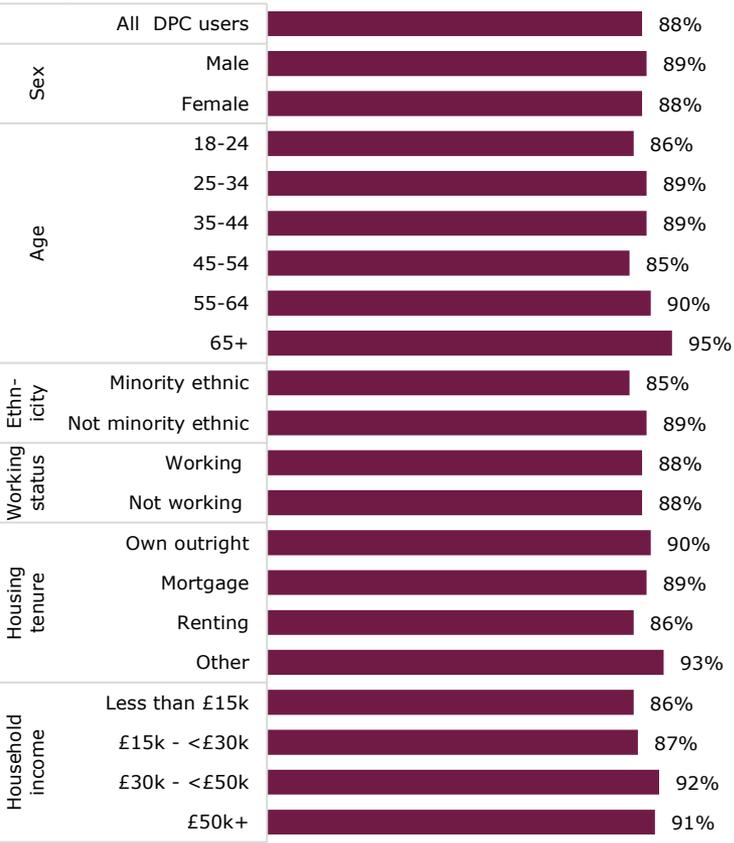
Base: All UK adults who have used any buy now, pay later payment service, where they never pay any interest but defer or split payments, in the last 12 months (2022:1,232)

Question: DPC1. Why do you choose to use this type of payment service?

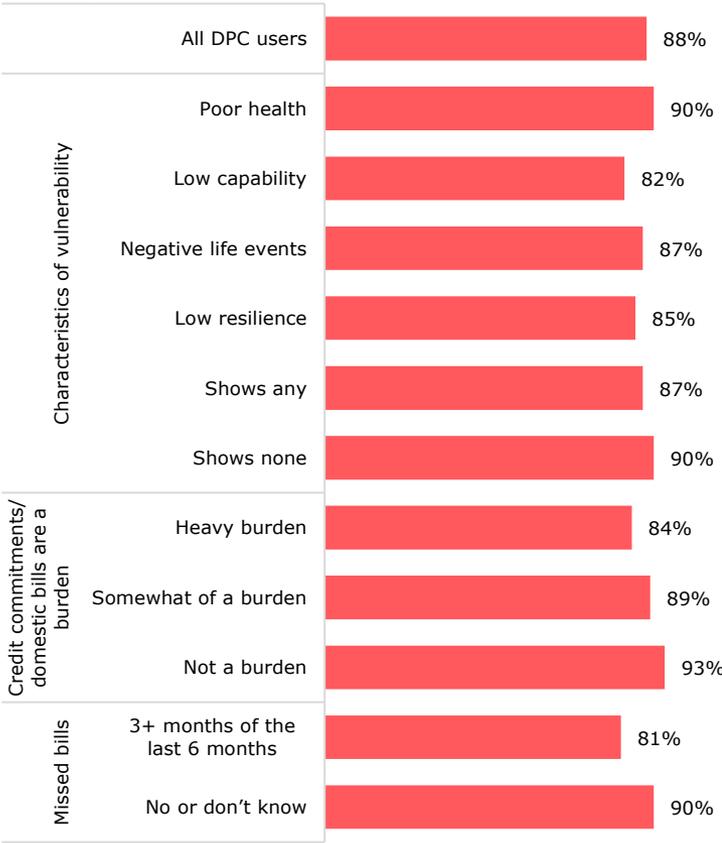
88% of DPC users found it easy to keep track of their repayments, with very small differences by type of consumer. Results but this was lower for: those with low capability, those who found keeping up with bills to be a heavy burden, and those who had missed repayments on any credit commitments or domestic bills in 3 or more of the previous 6 months

Proportion of DPC users who agreed it was easy to keep track of their repayments (2022)

By socio-demographics



By characteristics of vulnerability, extent to which bills are a burden, and whether missed payments for credit commitments/domestic bills



Base: All UK adults who have used any buy now, pay later payment service, where they never pay any interest but defer or split payments, in the last 12 months (2022:1,232) excluding 'don't know' responses (9%)

Question: DPC3 (Rebased). Thinking about all the times you have bought goods or services using this type of payment service in the last 12 months, how easy was it to keep track of your repayments?

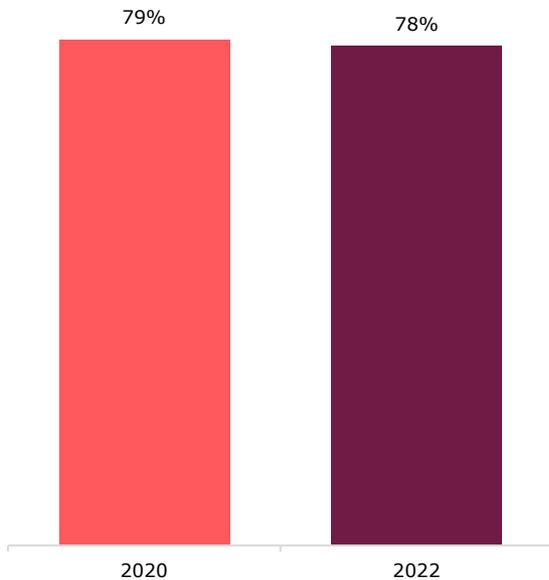
7. Credit Information

- Awareness and use of Credit Reference Agencies (CRA) services across a variety of demographic segments
- Reasons for not using these services
- Levels of understanding of credit report or credit scores
- Identification of errors in credit reports and actions taken to rectify these



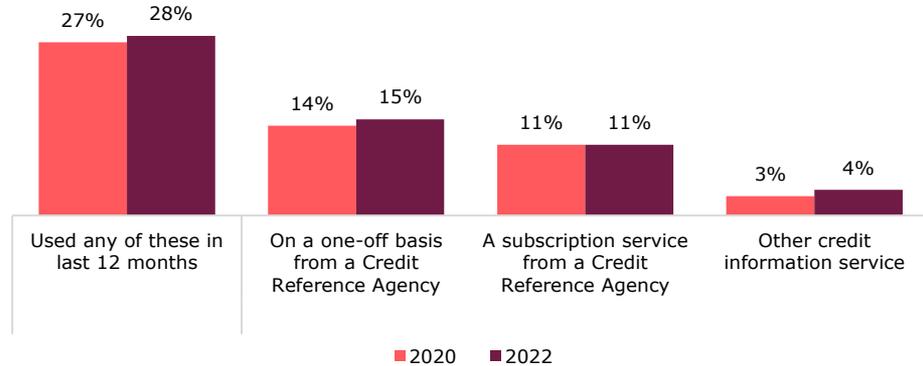
Between 2020 and 2022 awareness of CRA services was unchanged – and use of credit reports and credit score services increased by 2 pp

Proportion of adults aware they can obtain a credit report or check their credit score from a CRA or other credit information service (2020/2022)



Base: All UK adults (2020:16,190/ 2022:3,600)
Question: P_CC24sum1. Summary of any CRA awareness

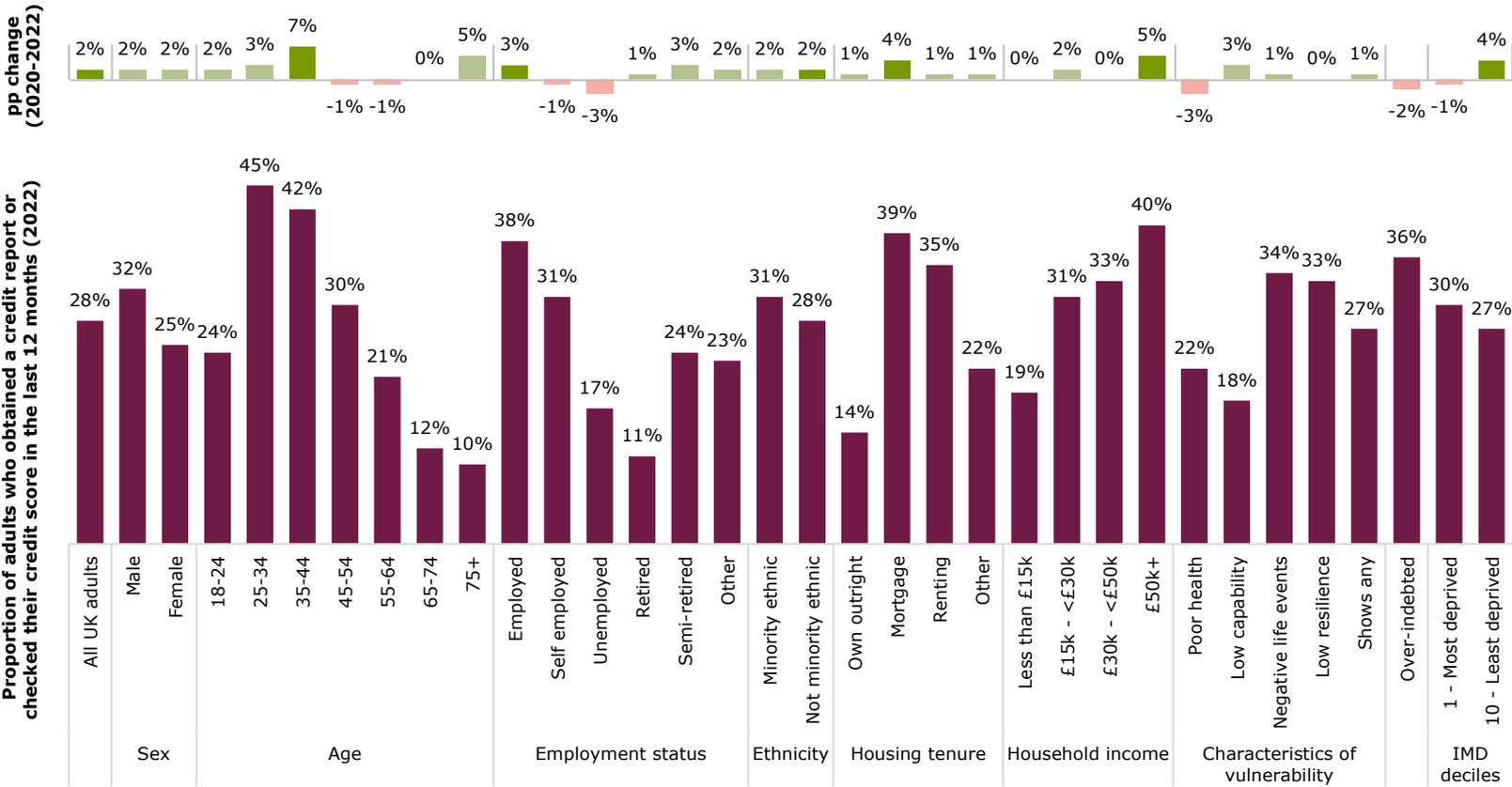
Proportion of adults who have obtained their credit report or checked their credit score in last 12 months, by type of service used (2020/2022)



Base: All UK adults (2020:16,190/ 2022:3,600)
Question: P_CC21. In the last 12 months have you obtained a credit report or checked your credit score using any of the following services?

Between 2020 and 2022, the largest increases in the use of credit reports and credit score services were among adults aged 35-44, those who were employed, those who had a residential mortgage, and those with a household income of £50k+

Proportion of adults who have obtained their credit report or checked their credit score in the last 12 months and percentage point change since 2020, across a variety of demographic segments (2022)



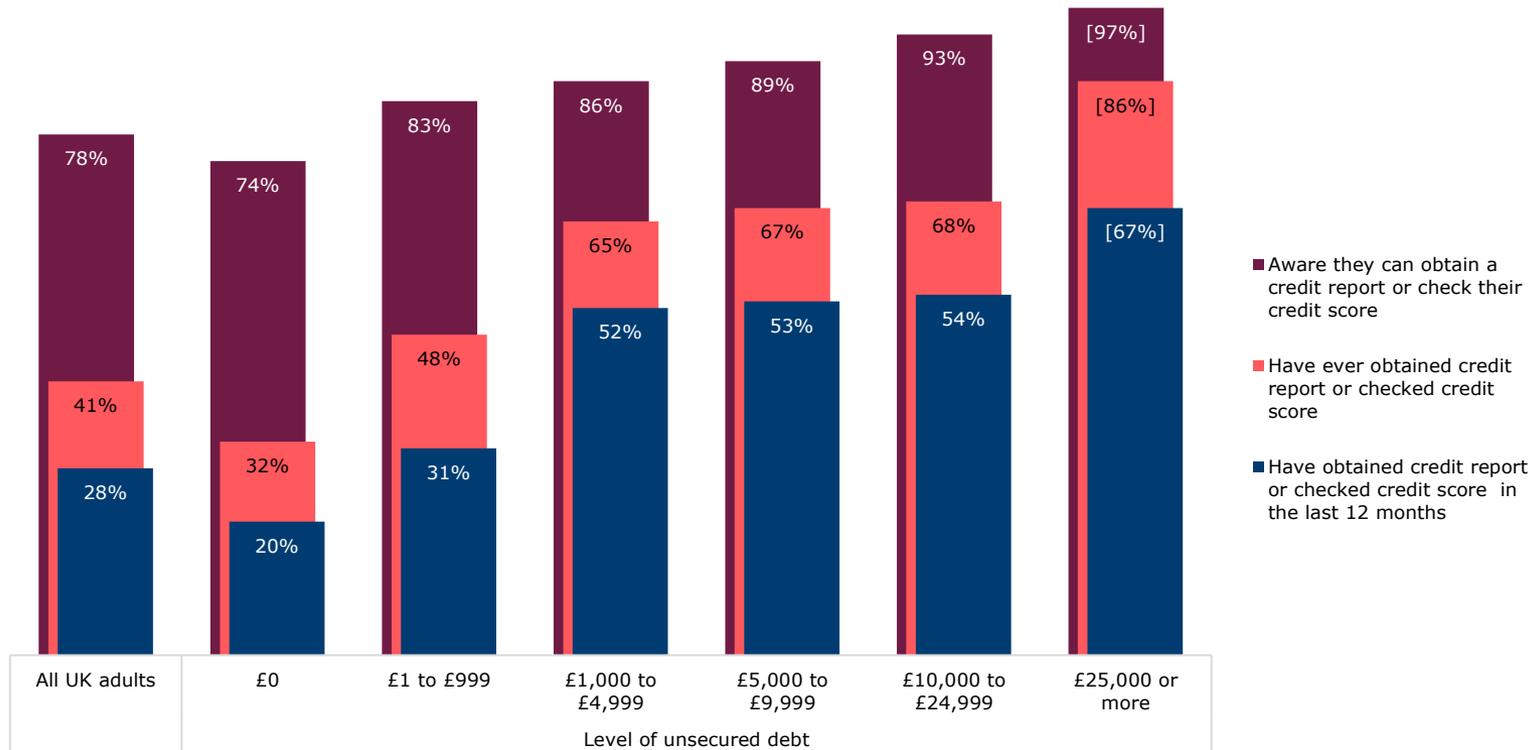
Base: All UK adults (2020:16,290/ 2022:3,600)

Question: P_CC21. In the last 12 months have you obtained a credit report or checked your credit score using any of the following services?

- Used credit reports and credit scores services (2022)
- pp change that is statistically significant (2020-2022)
- pp change that is not statistically significant (2020-2022)

In 2022 awareness of CRA services, and the use of credit reports and credit score services in the previous 12 months, both increased as the level of unsecured debt rose

Proportion of adults who are aware they can obtain a credit report or check their credit score, have ever obtained their credit report or checked their credit score, or have done so in the last 12 months, by levels of unsecured debt (2022)

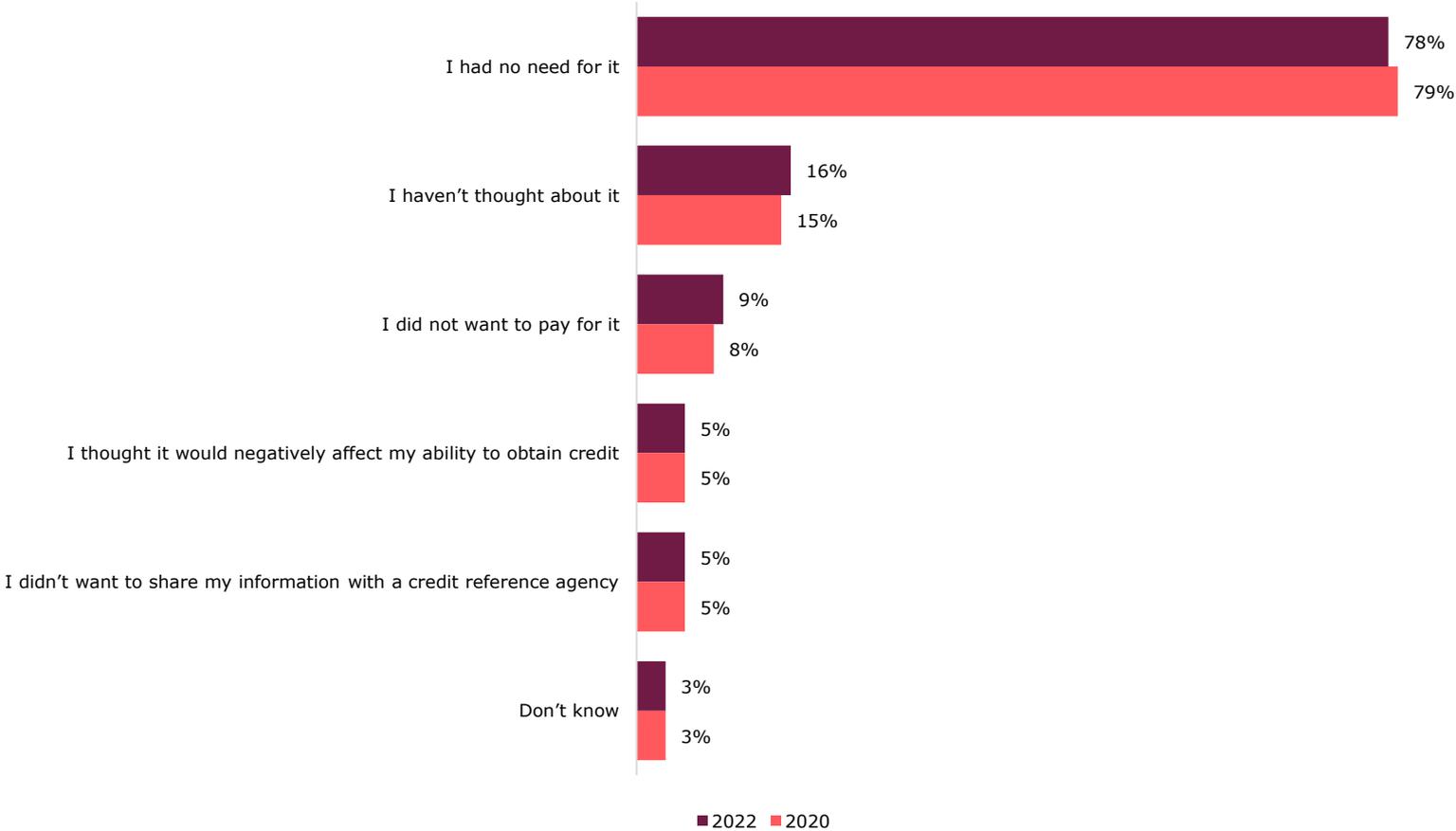


Base: All UK adults (2022:3,600)

Question: P_CC24sum1. Summary of any CRA awareness / P_CC21sum1. Summary of CRA services ever used/ P_CC21. In the last 12 months have you obtained a credit report or checked your credit score using any of the following services?

Between 2020 and 2022 the reasons for not using credit reports or credit score services did not change, with 5% of those who had not obtained a credit report or checked their credit score saying that they thought it would negatively affect their ability to obtain credit

Reasons for not using credit reports or credit scores services (2020/2022)



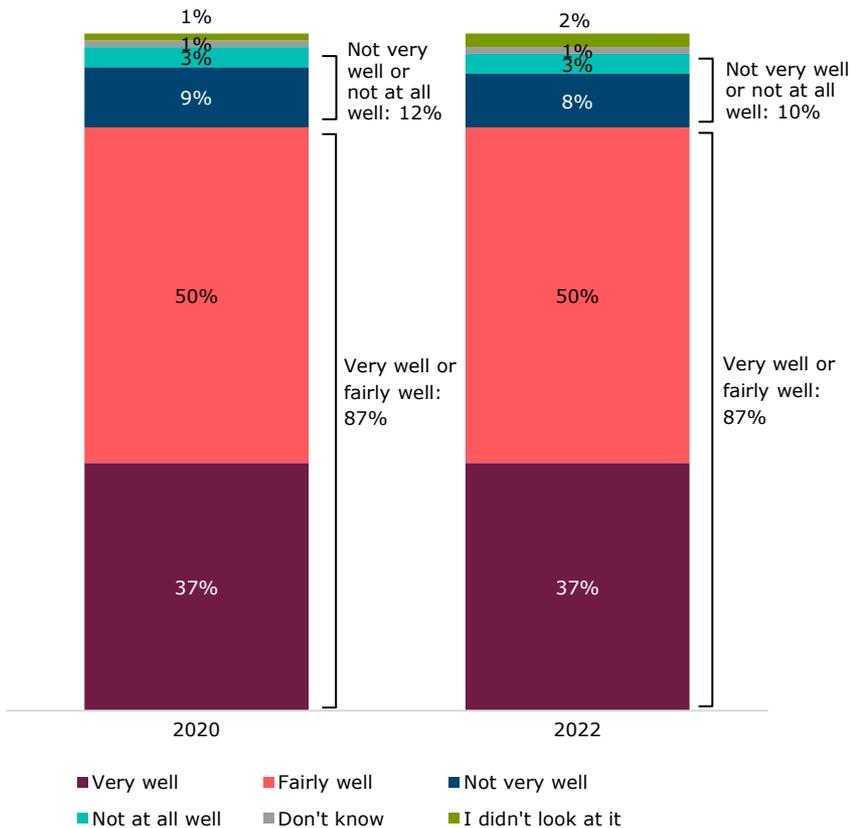
Base: All UK adults who have not obtained a credit report or checked their credit score in last 12m using a CRA or other credit information service and aware could obtain credit report or check their credit score from a CRA or credit information service (2020:8,491/ 2022:1,863)

Question: P_CC25. Which of the following are the main reasons why you haven't requested a credit report or checked your credit score in the last 12 months?

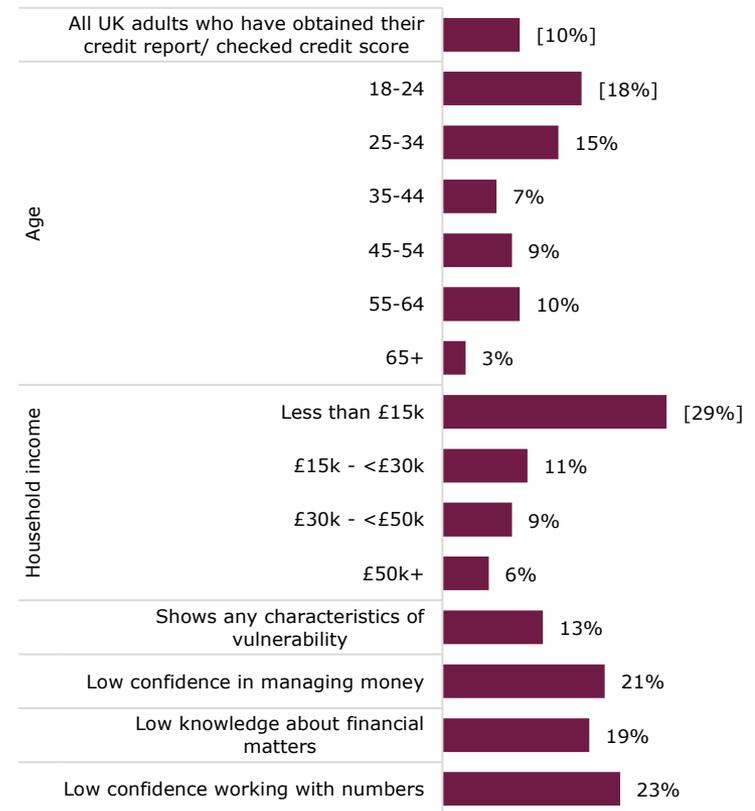
In 2022 87% of adults who obtained a credit report or checked their credit score said they understood it very well or fairly well, unchanged from 2020. Adults with low confidence in working with numbers were over twice as likely as average to say they did not understand their credit report well

Understanding of credit report or credit score

All responses (2020/2022)



Proportion who did not understand their credit report well, across a variety of demographic segments (2022)

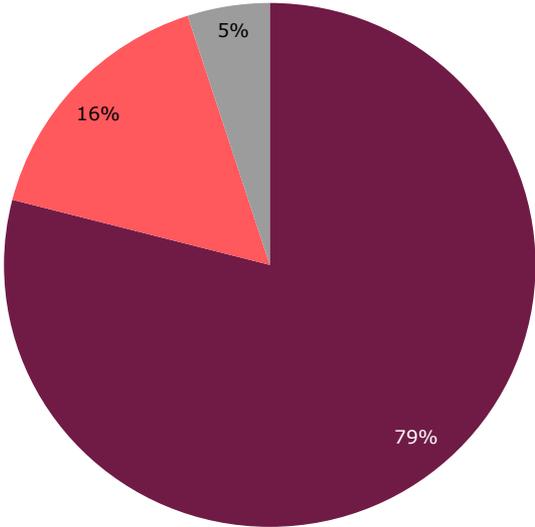


Base: All UK adults who have obtained their credit report or checked their credit score in the last 12 months using CRA or other credit information service (2020:4,351/ 2022:1,006)

Question: P_CC28. How well would you say you understood your credit report or credit score?

In 2022 16% of those who had used a credit reference service found an error or issue – just over half (52%) of these were successful in getting it changed

Proportion who identified any errors in or issues with their credit file (2022)

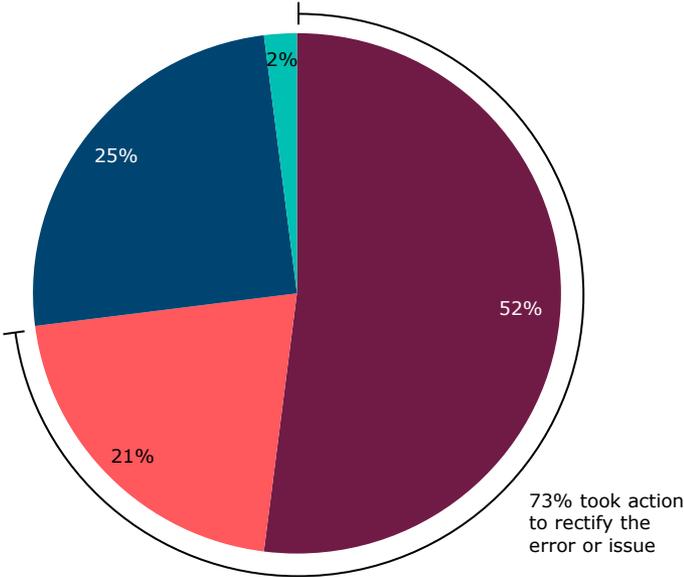


- No, did not identify error or issue
- Yes, identified error or issue
- Don't know

Base: All UK adults who have used a credit reference service in the last 12 months and looked at their report or score (2022:999)

Question: P_CC79. Did you identify any errors in or issues with your credit file?

For those who identified an error or issue, whether they took action to rectify it (2022)



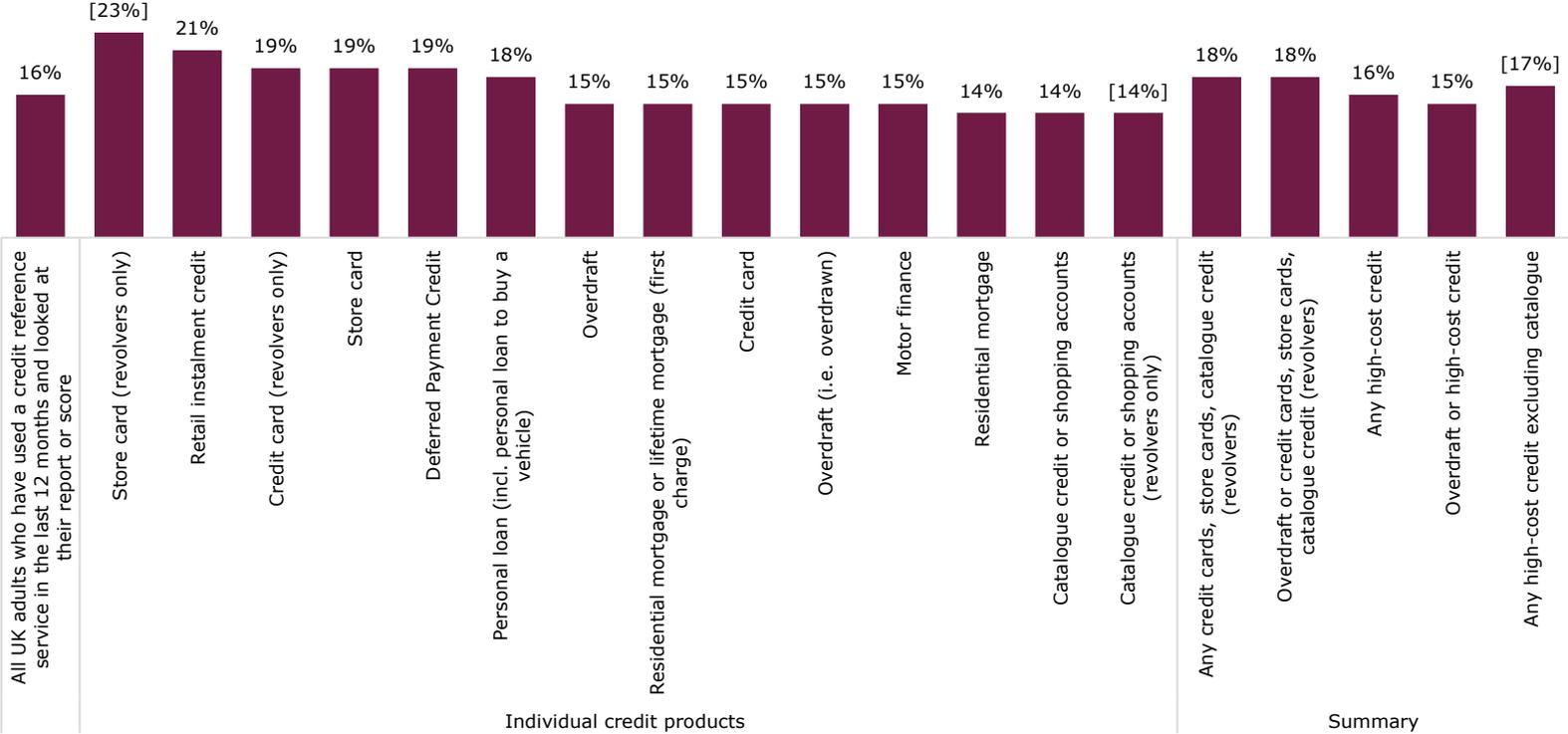
- Yes - and was successful in getting it changed
- Yes - but so far I have not got this information changed
- No
- Can't remember

Base: All UK adults who have used a credit reference service in the last 12 months and looked at their report or score and identified an error or issue (2022:147)

Question: P_CC80. Did you take any action to rectify the error?

In 2022 finding error(s) or issue(s) did not vary significantly among those that own different credit products

Proportion of credit information users who identified any errors in or issues with their credit file, by type of credit products held (2022)



Base: All UK adults who have used a credit reference service in the last 12 months and looked at their report or score (2022: 999)

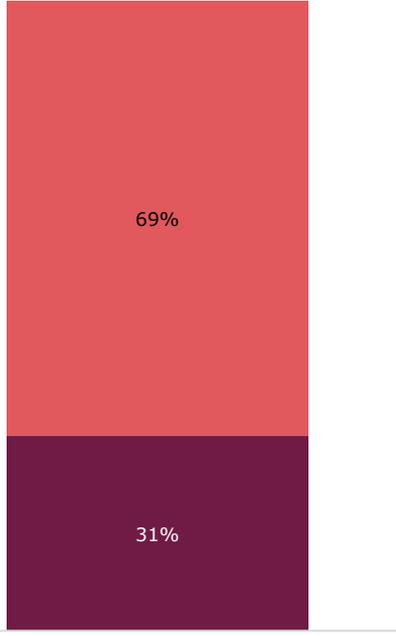
Question: P_CC79. Did you identify any errors in or issues with your credit file?

8. Forbearance

- Levels of contact with lenders among those who have missed paying bills – and reasons for not contacting lenders
- Support arranged to help with payments – and reasons for not contacting lenders

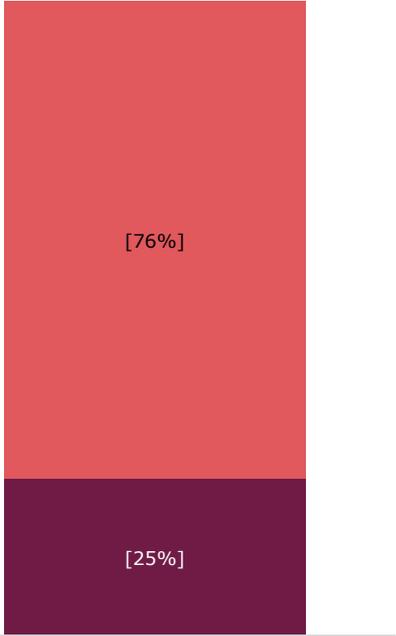
In 2022 31% of credit holders who had fallen behind or missed credit card bills, store card bills, or other credit commitments for one or more months in the previous 6 months had any contact with lenders, and [76%] of them contacted their lender themselves

Had contact with lenders having fallen behind on or missed any credit commitments (2022)



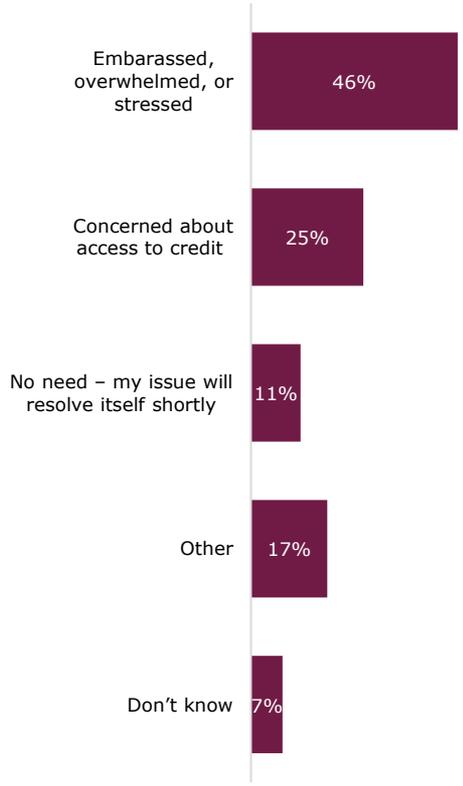
■ Not had any contact with lenders
 ■ Had any contact with lenders

How contact with lenders came about (2022)



■ They contacted me ■ I contacted them

Reasons for not contacting lenders (2022)



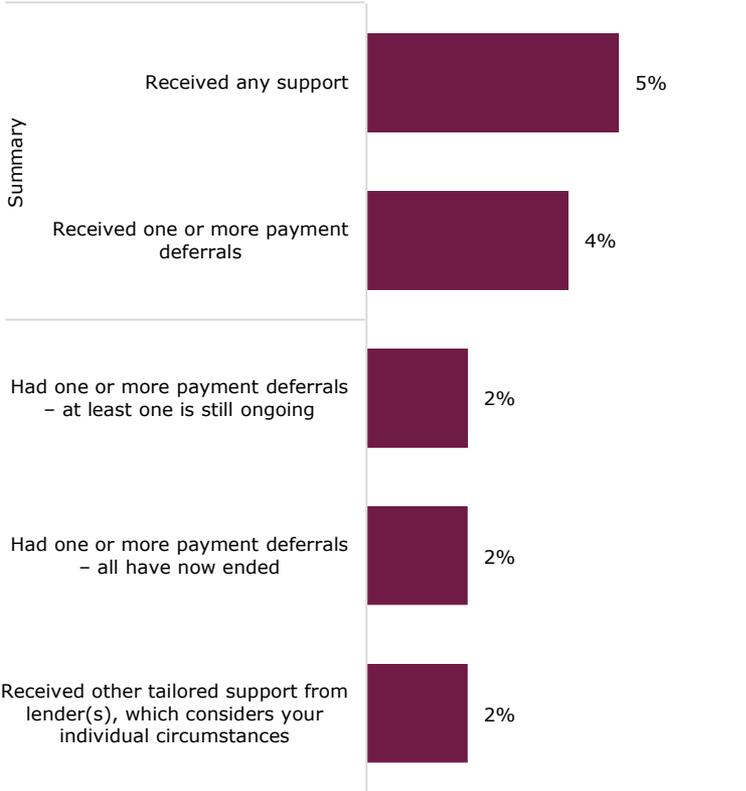
Base: All UK adults holding one or more consumer credit regulated agreements now or in the last 12 months and have fallen behind or missed credit card bills, store card bills or other credit commitments for one or more months in the last 6 months (2022:178) excluding 'don't know' responses (7%)
Question: CC73 Have you had any contact with your lender(s) to discuss your financial position?

Base: All UK adults holding one or more consumer credit regulated agreements in the last 12 months and have fallen behind or missed credit card bills, store card bills or other credit commitments and had contact with their lender (2022:63)
Question: CC74. How did this contact come about?

Base: All UK adults holding one or more consumer credit regulated agreements now or in the last 12 months and have fallen behind or missed credit card bills, store card bills or other credit commitments and not had contact with their lender (2022:110)
Question: CC75. Why have you not contacted your lender(s) to discuss your financial position?

In 2022 5% of those holding one or more consumer credit regulated agreements said they arranged any type of support in the two years to May 2022 – among those who did not receive any support the majority (73%) said they did not need it

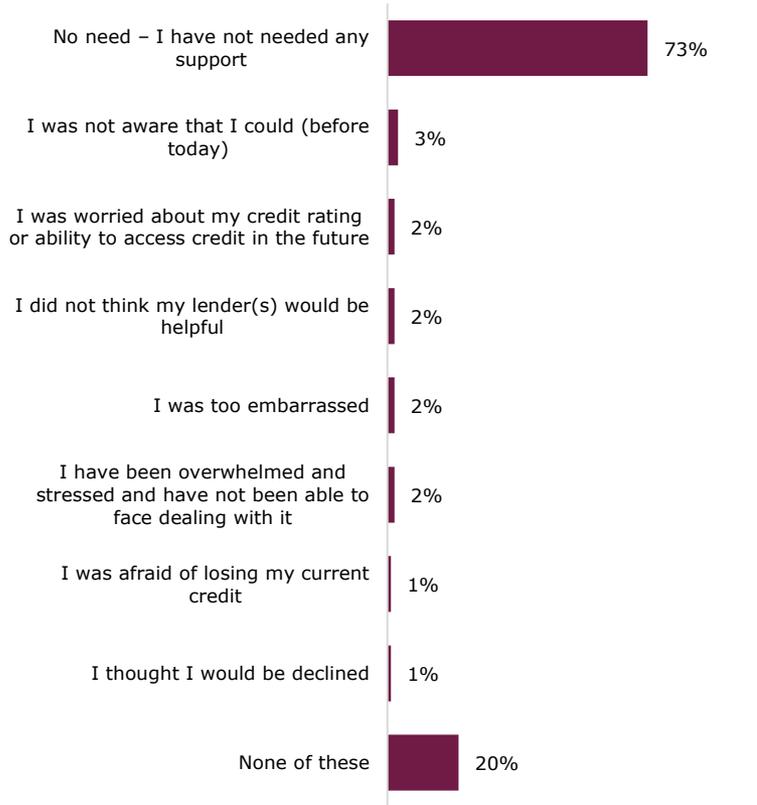
Proportion of adults with a consumer credit regulated agreement who have arranged support with any of their providers to help with payments in the last 2 years (2022)



Base: All UK adults holding one or more consumer credit regulated agreements now or in the last 12 months (2022:4,034)

Question: CC76. Thinking about the last 2 years, have you arranged any support with any of your credit or loan providers to help with your payments?

Reasons for not contacting lenders for support for those who have not arranged any support in the last two years (2022)

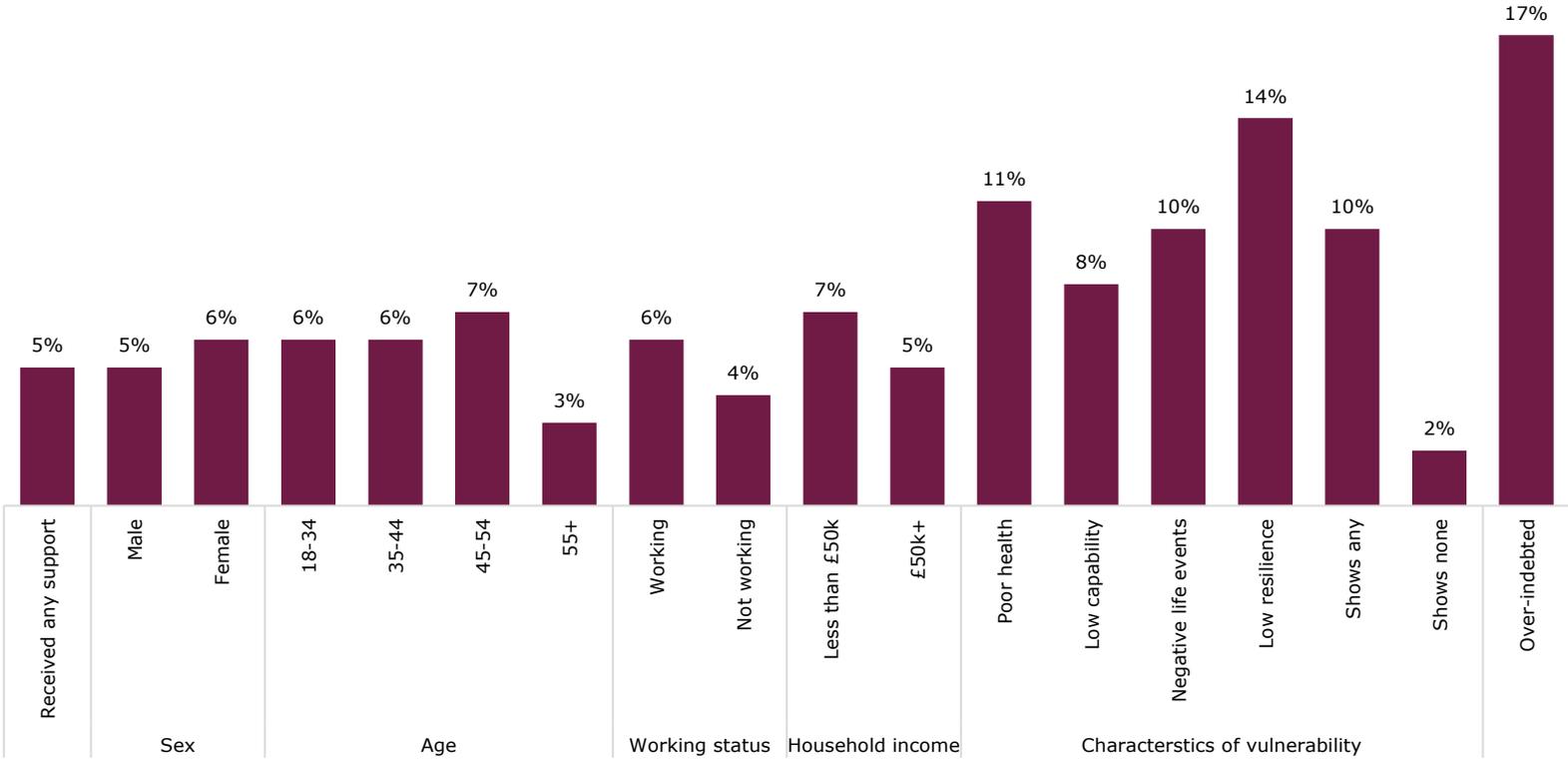


Base: All UK adults holding one or more consumer credit regulated agreements now or in the last 12 months and have not sought a payment deferral or any tailored support on any credit products in the last two years (2022:3,868) excluding 'don't know' responses (5%)

Question: CC79 (Rebased). Why have you not arranged a payment deferral or other tailored support from your lender(s) in the last two years?

17% of those with one or more consumer credit regulated agreements who were over-indebted arranged some type of support from their lenders in the last two years to help with their payments – this was over three times the average of 5%

Proportion of adults with a consumer credit regulated agreement who have arranged support with any of their providers to help with payments in the last 2 years to help with their payments, across a variety of demographic segments (2022)



Base: All UK adults holding one or more consumer credit regulated agreements now or in the last 12 months (2022:4,034)

Question: CC76. Thinking about the last 2 years, have you arranged any support with any of your credit or loan providers to help with your payments?

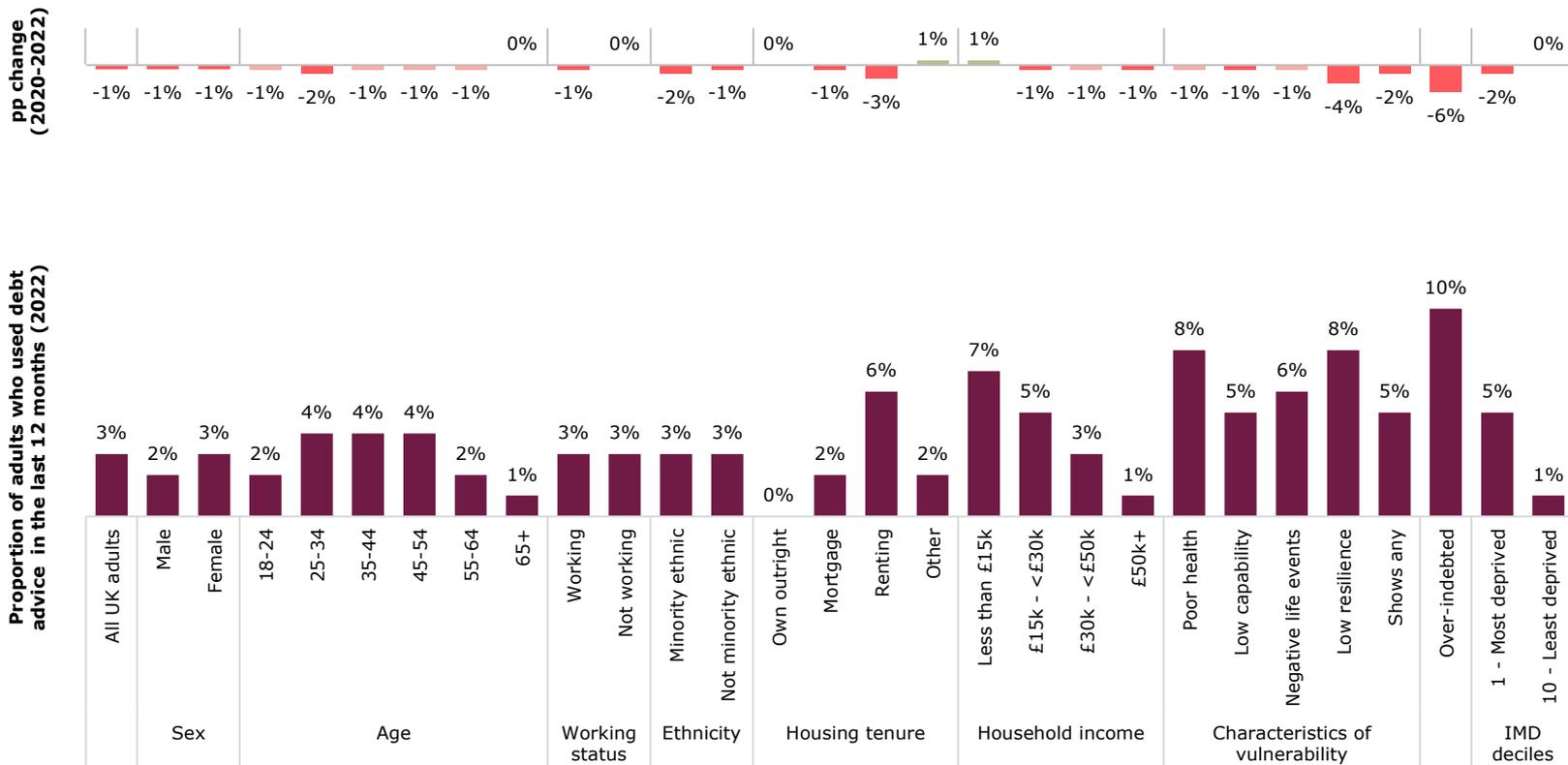
9. Debt Advice

- Use of debt advice across a variety of demographic segments
- Proportion paying for debt advice
- How contact was made with debt advisers
- Views on debt advice received
- Channels used to deliver debt advice



In 2022, 3% of all UK adults had used debt advice in the previous 12 months – use was highest among those who were in poor health (8%), those who had low financial resilience (8%) and those who were over-indebted (10%)

Proportion of adults who used debt advice in the last 12 months and percentage point change since 2020, across a variety of demographic segments (2022)



Base: All UK adults (2020:16,190/ 2022:19,145) excluding 'don't know' responses (1%/3%)

Question: P_CC20 (Rebased). In the last 12 months, have you used a debt advice or debt management service? CAVEAT

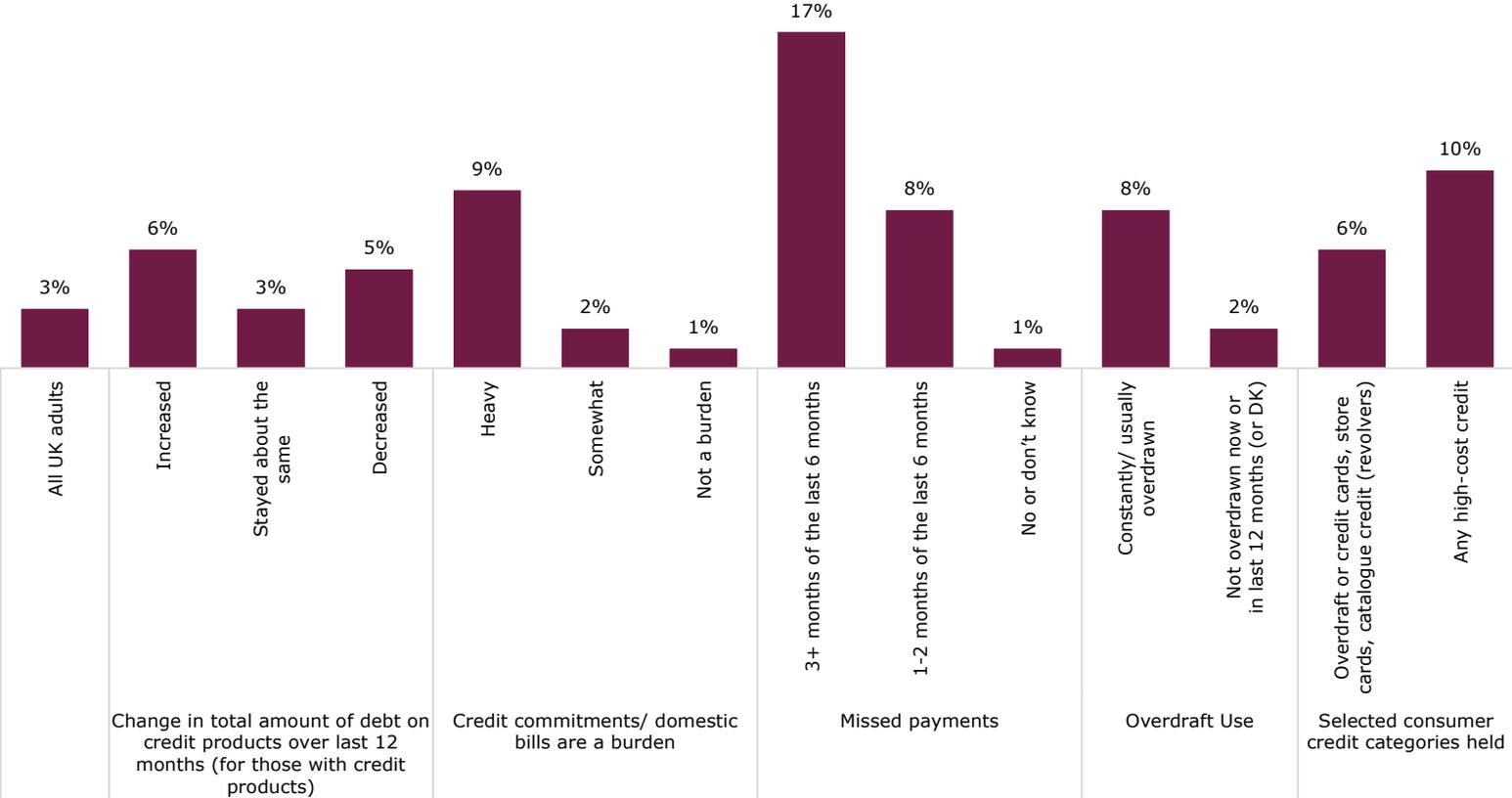
■ % who used debt advice (2022)

■ pp change that is statistically significant (2020-2022)

■ pp change that is not statistically significant (2020-2022)

In 2022 use of debt advice was highest among those who had missed payments for credit commitments or domestic bills in three or more months in the last six months, high-cost credit users, and those who found credit commitments/domestic bills to be a heavy burden

Use of debt advice in the last 12 months by unsecured debt levels, changes to debt, and ownership of other credit products (2022)

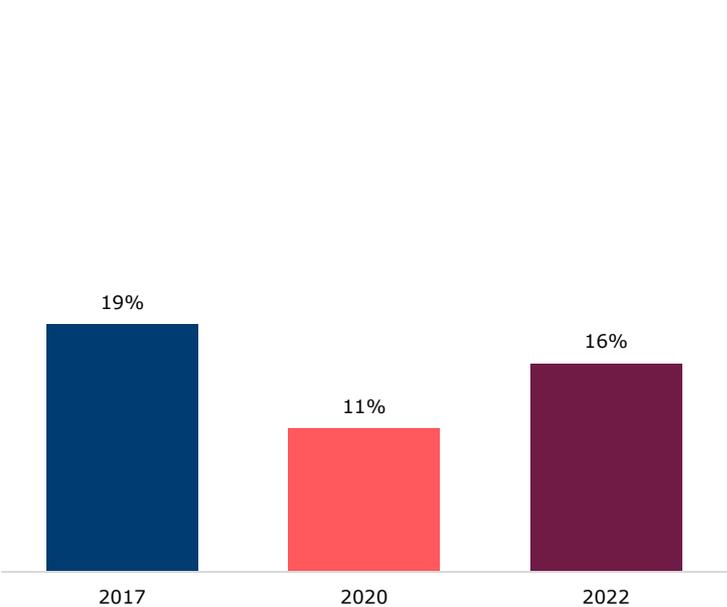


Base: All UK adults (2022:19,145) excluding 'don't know' responses (3%)

Question: P_CC20. In the last 12 months, have you used a debt advice or debt management service? CAVEAT

Comparing 2022 to 2020, a higher proportion of debt advice users paid for debt advice in 2022 – one in three who paid were not aware that free services exist

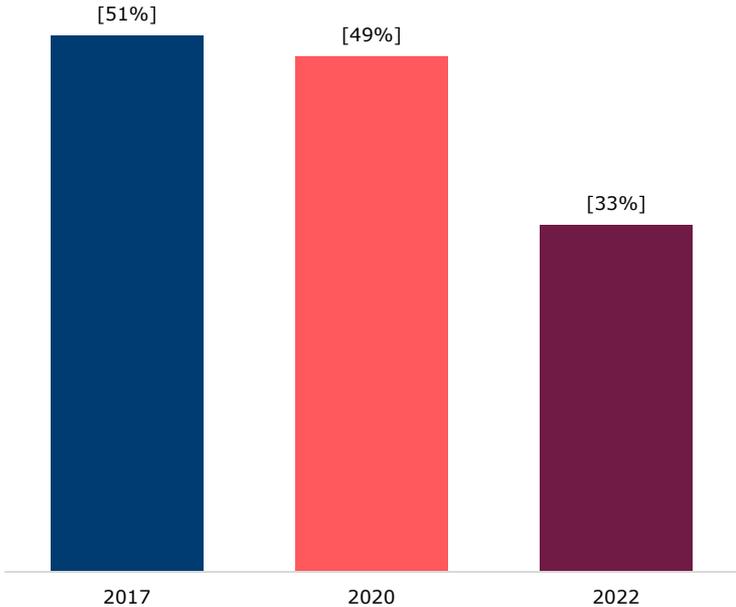
Proportion of adults who used debt advice or debt management service who paid



Base: All UK adults who have used debt advice or debt management in last 12 months (2017:318/ 2020:509/ 2022:431)

Question: P_CC20A. Did you pay for any of the debt advice or debt management services you used in the last 12 months?

Of those who paid, proportion who paid because they didn't know free services existed or knew about them but didn't know who to contact (2017/2020/2022)

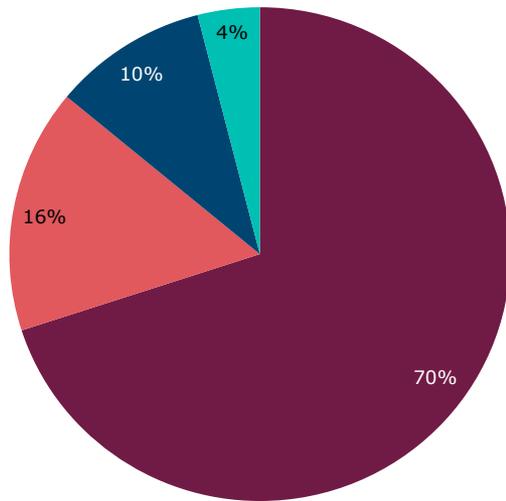


Base: All UK adults who paid for debt advice or debt management in the last 12 months (2017:68/ 2020:63/ 2022:60)

Question: P_CC20C. Why did you pay the debt advice or debt management services rather than get free debt advice from a not-for-profit organisation?

In 2022, 70% of debt advice users approached their adviser directly rather than being referred – two-thirds (65%) of debt advice users agreed that their debts were more manageable having spoken to a debt adviser

How debt advice users made contact with debt adviser (2022)

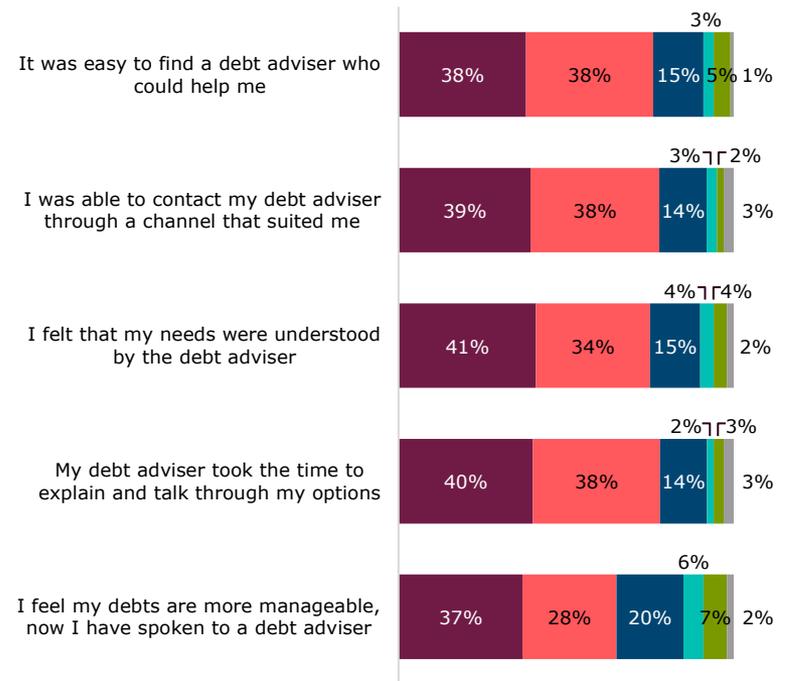


- I approached them directly
- I was referred to them by a financial services provider, such as a bank or credit card company
- I was referred to them by a someone else
- I was contacted by an unsolicited approach from them out of the blue

Base: All UK adults who have used debt advice or debt management in last 12 months (2022:431) excluding 'don't know' responses (2%)

Question: P_CC20D. How did you first get in contact with the debt adviser or debt management service?

Views on debt advice received (2022)



- Strongly agree
- Agree
- Neither agree nor disagree
- Disagree
- Strongly disagree
- Don't know

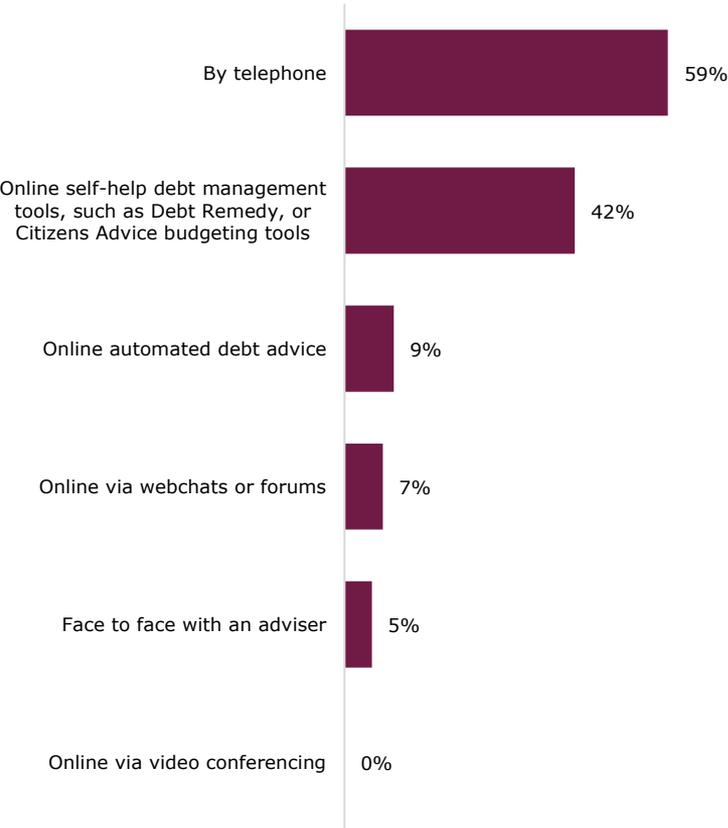
Base: All UK adults who have used debt advice or debt management in last 12 months (2022:431)/ All UK adults who have used debt advice or debt management in last 12 months and approached an adviser directly (2022:290)

Question: P_CC20g_a-e. Thinking about the last time you received debt advice, how much do you agree or disagree with the following statements?

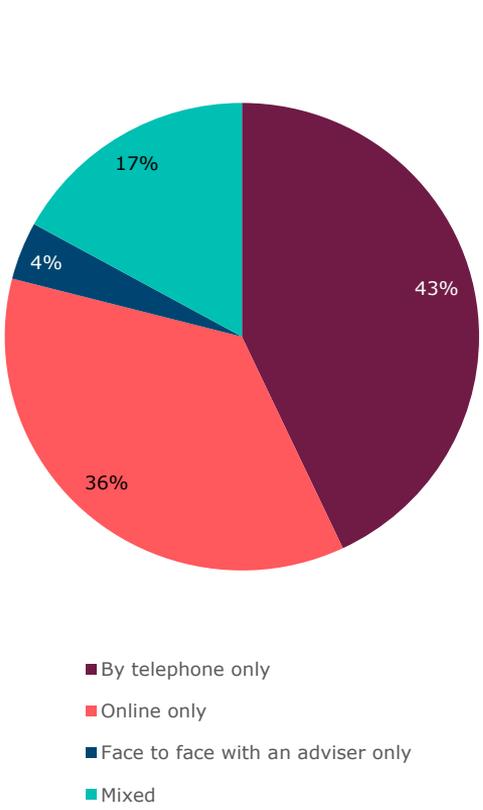
In 2022, telephone was the most frequently used channel for the delivery of debt advice, with 59% of users using the telephone at some stage, and 43% exclusively using the telephone

The type of channels used to deliver debt advice (2022)

Use of any type of channel (2022)



Exclusive use of channel (2022)



Base: All UK adults who have used debt advice or debt management in last 12 months (2022:431) excluding 'don't know' responses (3%)

Question: P_CC20f. Thinking about how you received your debt advice, which of the following channels did you use?

10. Problems and complaints

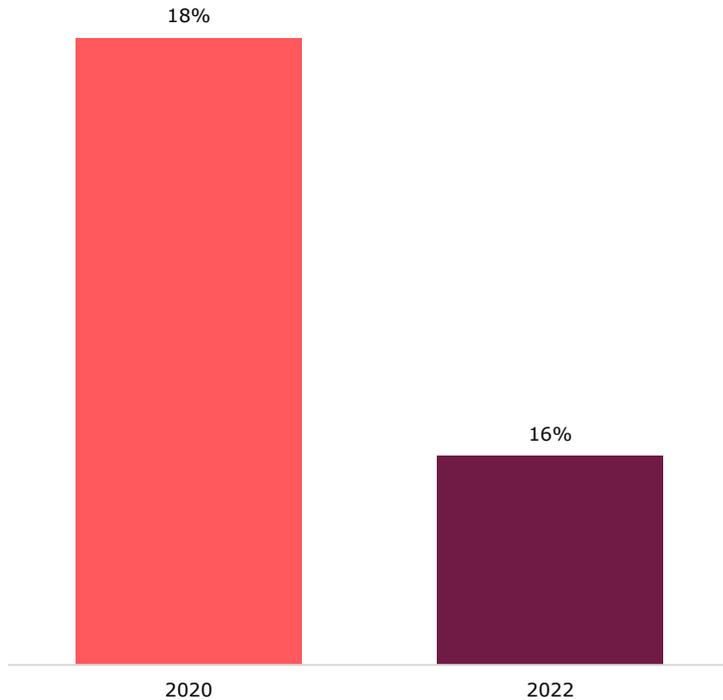
- Proportion of adults holding one or more consumer credit regulated agreements who had experienced a problem in the previous 12 months and type of problem experienced
- Impacts of the problem experienced
- Proportion who complained – and reasons for not complaining
- Satisfaction levels with how the complaint was handled by the provider



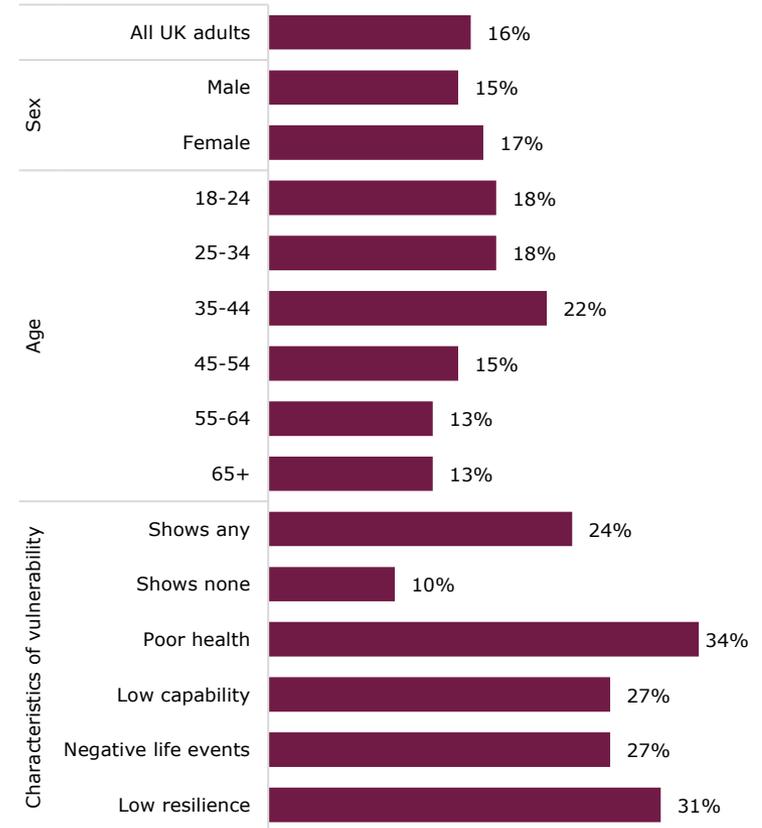
16% of UK adults holding one or more consumer credit regulated agreements said they experienced a problem in the 12 months to May 2022 – rising to 34% of those in poor health

Proportion of adults holding one or more consumer credit regulated agreements (now or in the last 12 months) who have experienced a problem with any of these products in the last 12 months

By year (2020/2022)



By sex, age and characteristics of vulnerability (2022)

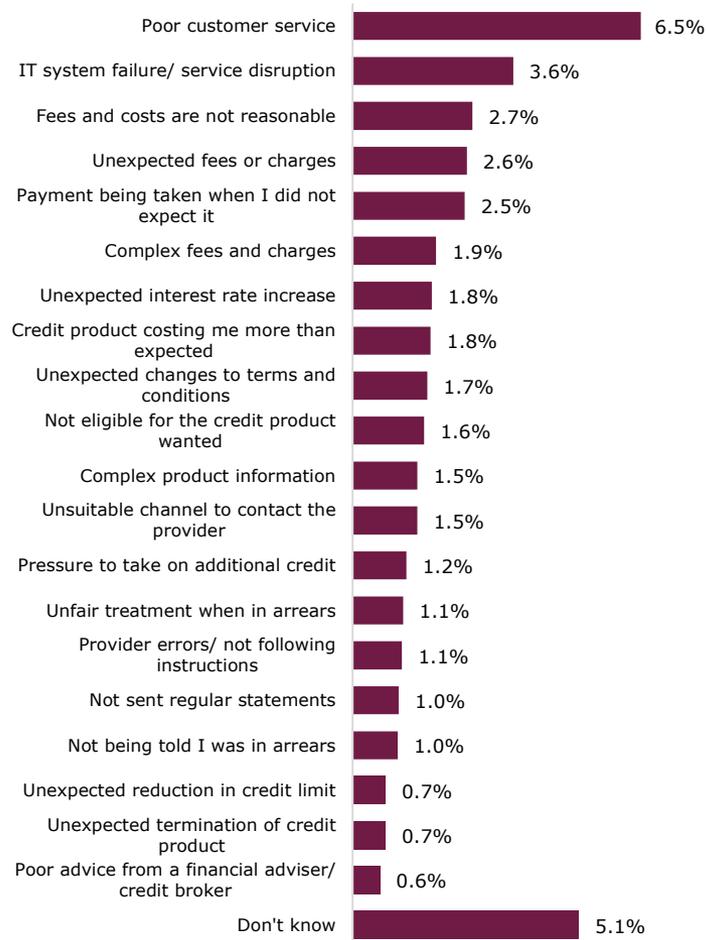


Base: All UK adults holding one or more consumer credit regulated agreements now or in the last 12 months (2020:3,604/ 2022:4,034)

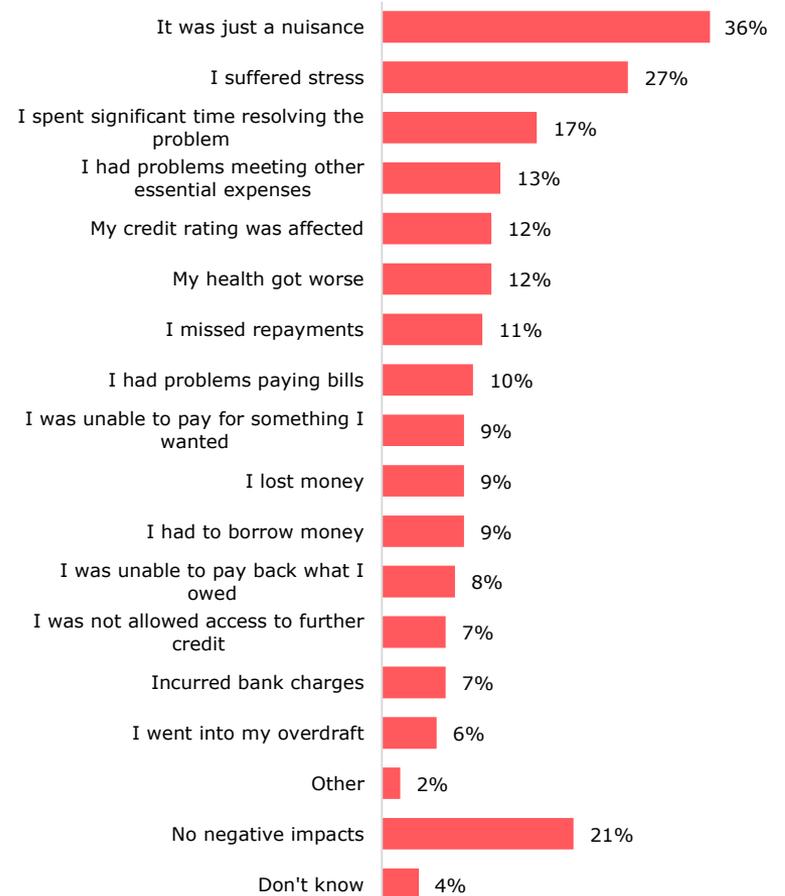
Question: CC35. Would you say you have experienced a problem in the last 12 months with any of the credit products you hold or have held over the last year?

Customer service and IT system failure issues were the top two problems experienced in 2022

Proportion of adults holding one or more consumer credit regulated agreements who have experienced a problem in the last 12 months, by type of problem experienced (2022)



Impact of (the most serious) problem experienced in the last 12 months by adults holding one or more consumer credit regulated agreements (2022)



Base: All UK adults holding one or more consumer credit regulated agreements now or in the last 12 months and experienced a problem in last 12 months (2022:589)

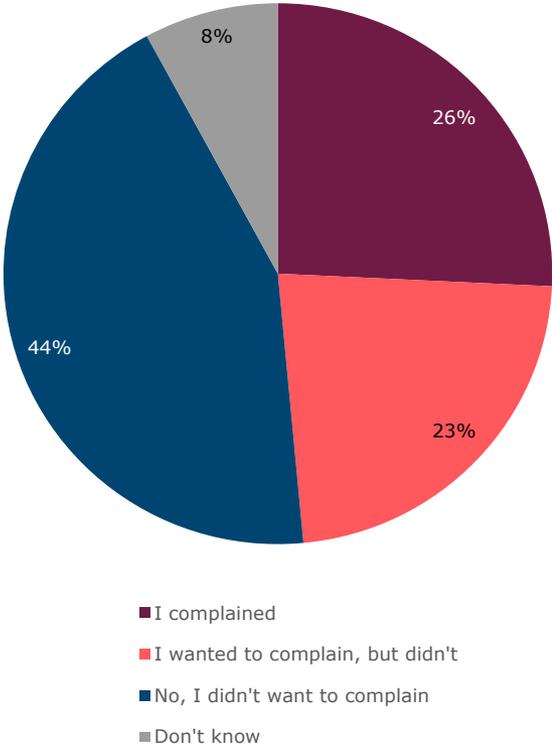
Question: CC42. As a result of the (most serious) problem with your credit product(s), did any of the following happen? CAVEAT

Base: All UK adults holding one or more consumer credit regulated agreements (2022:4,034)

Question: CC35. In the last 12 months have you experienced any of the following with any of your credit/loan products? CAVEAT

Four in ten (44%) adults experienced a problem with one or more consumer credit regulated agreements in the 12 months to May 2022 but did not want to complain – 47% of those not complaining didn't believe the provider would do anything about it

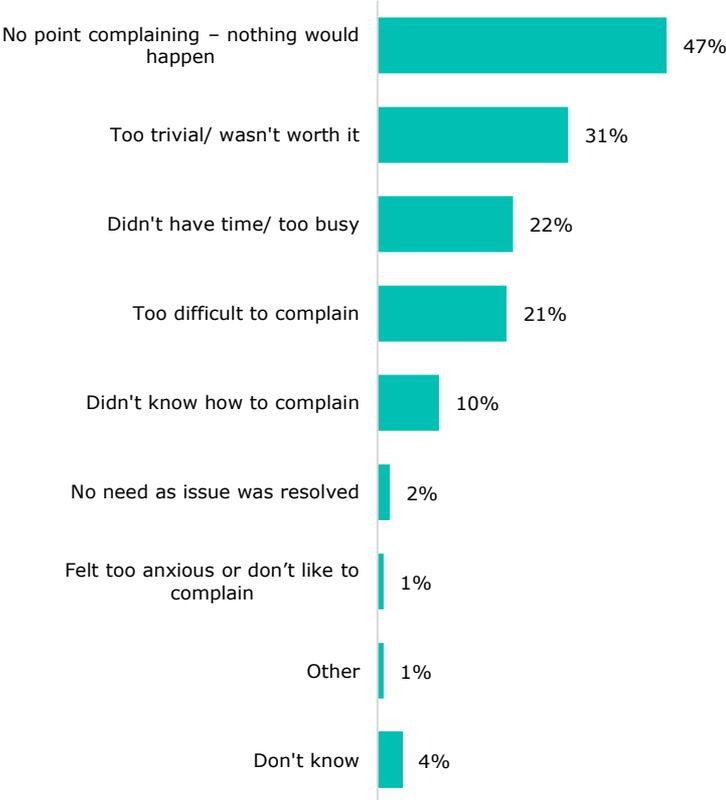
Whether or not those who experienced a problem with one or more consumer credit regulated agreements in the last 12 months have complained about it (2022)



Base: All UK adults holding one or more consumer credit regulated agreements now or in the last 12 months and experienced a problem in last 12 months (2022:589)

Question: CC36. Did you complain about this?

Reasons why those who experienced a problem with one or more consumer credit regulated agreements in the last 12 months decided not to complain about it (2022)

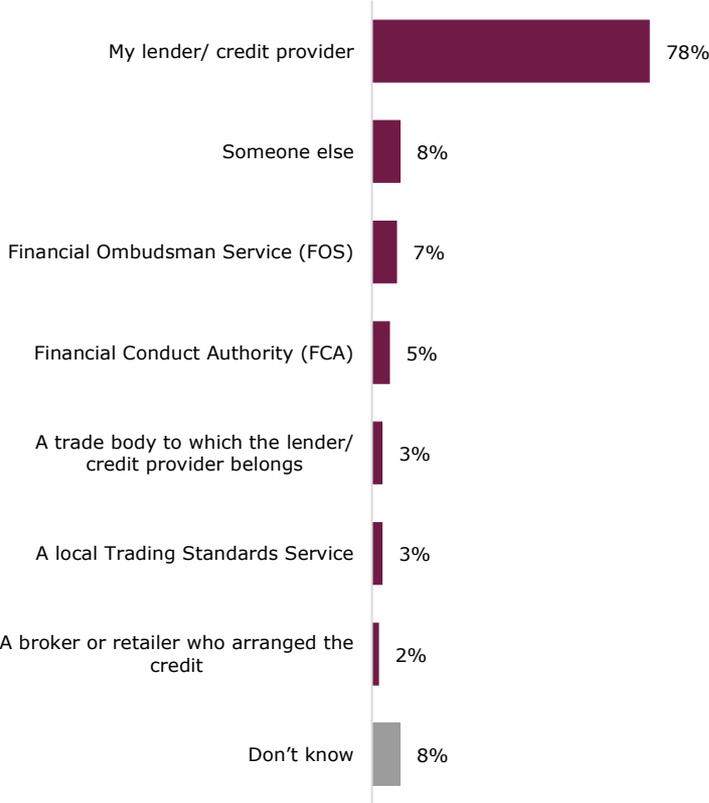


Base: All UK adults holding one or more consumer credit regulated agreements now or in the last 12 months and experienced a problem in last 12 months who wanted to complain but didn't, or didn't want to complain (2022:400)

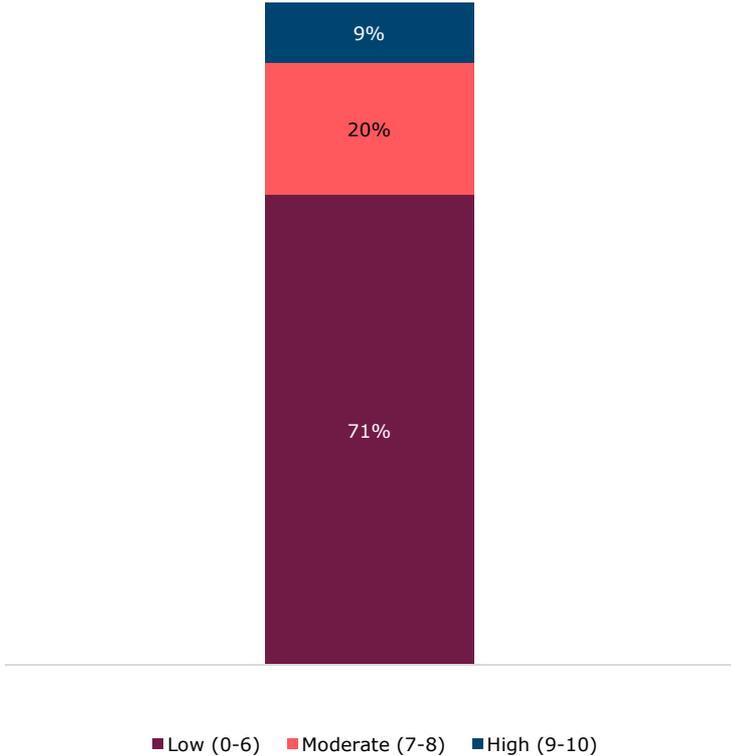
Question: CC41. Why didn't you complain?

Among those who complained about the problem, most (78%) complained to their lender – satisfaction levels with how the complaint was handled by providers were low

Who complained to about a problem experienced in the last 12 months (2022)



Satisfaction level with how complaints made to lenders/credit providers were handled (2022)



Base: All UK adults holding one or more consumer credit regulated agreements now or in the last 12 months and experienced a problem in last 12 months who complained (2022:152)

Question: CC38. Who did you complain to?

Base: All UK adults holding one or more consumer credit regulated agreements now or in the last 12 months and experienced a problem in last 12 months who complained to their lender (2022:126) excluding 'don't know' responses (1%)

Question: CC40 (Rebased). Overall, how satisfied were you with how your complaint was handled by your lender/ credit provider?

11. Abbreviations and glossary

- Abbreviations
- Glossary

Abbreviations

Term	Definition
CDFI loan	Community development finance institution loan
CRA	Credit Reference Agency
DPC	Deferred Payment Credit
ESASs	Employer Salary Advance Schemes
FCA	Financial Conduct Authority
FLS	(The FCA's) Financial Lives survey
IMD	Indices of Multiple Deprivation
na	Not asked
pp	percentage point
UK	United Kingdom
vs.	versus

Glossary

Term	Definition
Consumer credit regulated agreement	Hold any type of credit or loan, but excluding adults only holding non-FCA regulated credit (ie student loans, deferred payment credit, loans from friends or family), or employer salary advance schemes, or loans from informal/ unlicensed (ie illegal) moneylenders
Any credit or loan	Hold any type of credit or loan, regardless of whether it is FCA-regulated or not
Community development finance institution (CDFI) loan	CDFIs are social enterprises that lend to people who may struggle to get credit elsewhere
Credit broker	Credit brokers are firms that refer customers to finance providers or other brokers. Some credit brokers operate online through websites, and some sell non-financial goods and services as well as credit (eg a car dealer may refer the borrower to a lender for finance when they sell them a car)
Credit Reference Agency (CRA)	One of the three main Credit Reference Agencies: Experian, Equifax or TransUnion (formerly Callcredit). Consumers can access their credit file on a one-off or an ongoing basis
Credit union loan	A loan from a credit union
Deferred payment credit (DPC)	Often referred to as 'Buy Now, Pay Later' but is currently unregulated by the FCA. Defined for survey respondents as: 'Buying goods using a 'Buy Now, Pay Later' payment service. This is a payment service where you defer payment for a short period of time (usually 30 days) or payments are split over a few instalments (typically between three and six). You may have seen this option offered when shopping online at the checkout page, and being offered by firms such as Klarna or Clearpay.' In the questionnaire, if a respondent said they had used this type of payment service in the last 12 months, they were asked to name the providers they had used in this period. Only those using providers not regulated by the FCA were included in our deferred payment credit statistics
Guarantor loan	Where someone else, eg a family member or friend, agrees to make payments on the loan if the person taking out the loan cannot pay. In FLS qualifying loans are credit union loan, CDFI loan, peer-to-peer loan, logbook loan, home-collected loan, payday loan, short-term instalment loan or personal loan.
Heavy DPC user	Those who used DPC ten times or more in the 12 months to May 2022
High-cost credit/loan	Revolve a balance on a catalogue credit or shopping account, bought products with rent-to-own finance in the last 12 months, or have one or more of the following loan products now or in the last 12 months: pawnbroking loan, home-collected loan, payday loan (single payment), short-term instalment loan, or logbook loan. This grouping of products is used for reporting purposes. These products were not described to respondents as high-cost credit
Home-collected loan	This is a loan where an agent comes to the borrowers home to collect repayments.

Glossary

Term	Definition
Loans	Loans includes personal loan, payday loan (single payment), short-term instalment loan, peer-to-peer loan, home-collected loan, pawnbroking loan, credit union loan, CDFI loan, logbook loan, loan from friends or family or loans from informal/ unlicensed (ie illegal) moneylenders
Loan from informal/ unlicensed (ie illegal) moneylenders	This is a where someone lends money on a commercial basis, but without being authorised by the Financial Conduct Authority.
Logbook loan	A loan secured against the borrowers vehicle, using a bill of sale
Mainstream credit products	Having one or more of the following forms of credit now or in the last 12 months: credit cards, overdrafts, store cards, personal loans, motor finance, catalogue credit and shopping accounts (transactors only) and retail instalment credit. This grouping of products is used for presentation purposes. These products were not described to respondents as mainstream credit, and overdrafts are presented on separately
Payday loan	This is a loan repayable by a single payment on the borrowers next payday or within a short period
Peer-to-peer loan	This is where money is borrowed through an online platform
Personal loan	Personal loan which includes a personal loan to buy a vehicle
Retail finance	Having one or more of the following forms of credit now or in the last 12 months: store cards, catalogue credit, hire purchase, rent-to-own and retail instalment credit
Retail instalment credit	Where you buy goods, such as furniture, outright and pay for them by instalments under a credit agreement
Revolve, Revolver	Hold a credit card, store card and/or catalogue credit now or in the last 12 months but do not usually repay, or don't know if usually repay, the balance in full every month or most months
Short-term instalment loan	This is a loan repayable by more than one instalment within a period of less than 12 months
Store card	Defined for survey respondents as: 'A store card is like a credit card, but you can only use it at a specific shop or chain. Do not include credit cards which carry the branding of a store you got the card from, but can be used outside of that store as well'
Student loan	Loans from the Student Loans Company, or its equivalents in Scotland, Wales and Northern Ireland.
Transact/ transactor	A transactor is someone whose only consumer credit regulated agreements were credit cards, store cards and/or catalogue credit, or a mix of these, which they were paying off in full every month or most months

12. Your feedback please

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- “Feedback on the FLS Credit and loans” as the title of your email
- Your organisation and your role
- How useful you have found these findings – how they have helped you/ how you have used them
- Any suggestions for improving the content of this slide deck
- Whether you have also looked at our FLS 2022 main report and data tables – and what you think of them
- Your brief suggestions for improving how we make FLS results accessible to users like you
- Whether you would be willing to take part in a short survey about FLS
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