



**TACKLING CORONAVIRUS (COVID-19)**  
CONTRIBUTING TO A GLOBAL EFFORT



# OECD/INFE Webinar: Financial resilience and financial literacy: challenges and lessons beyond the Covid-19 crisis

2 December 2020





# FINANCIAL RESILIENCE AND FINANCIAL LITERACY: COVID-19 CRISIS AND BEYOND

**Flore-Anne MESSY**  
Opening Remarks

2 December 2020 | 10 a.m.-12:30 p.m. CET



# PRESENTATION OVERVIEW

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1. Challenges to financial resilience and literacy



2. OECD/INFE policy tools and guidance



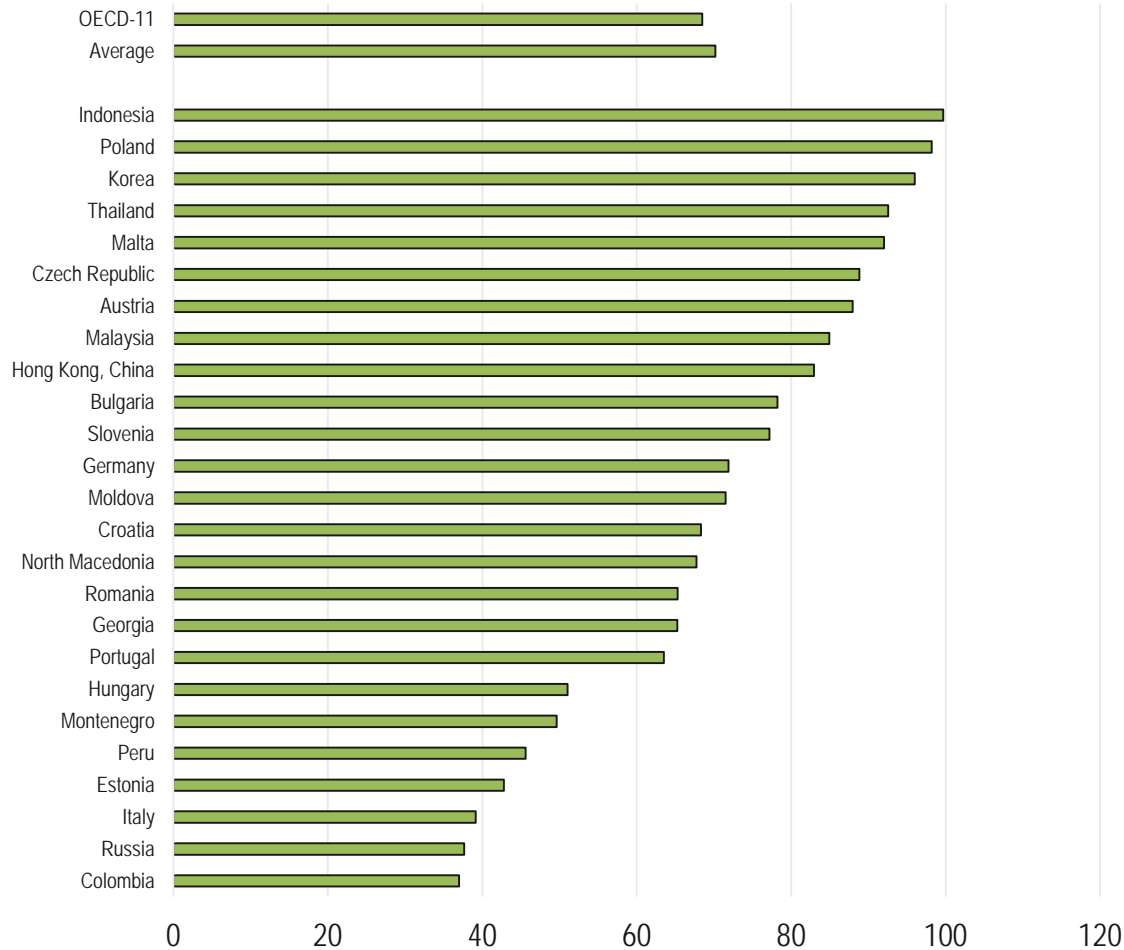
3. Webinar series and today's agenda



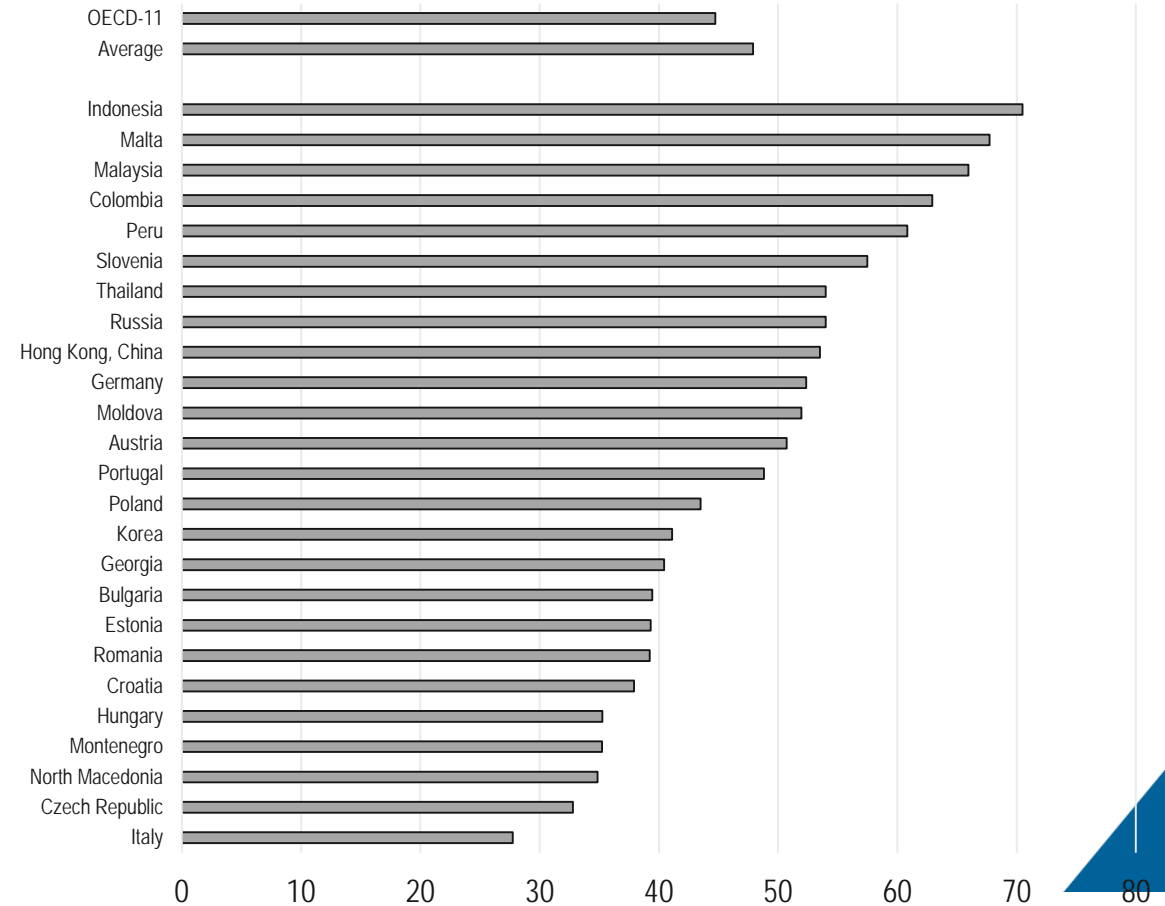
# 1. CONTEXT

## LIMITED FINANCIAL LITERACY AROUND SAVING AND PLANNING

**Active saving:** Percentage of adults who responded they were actively saving money



**Long term financial goals:** Percentage of respondents who suggested they have a long-term financial goal towards which they plan and save



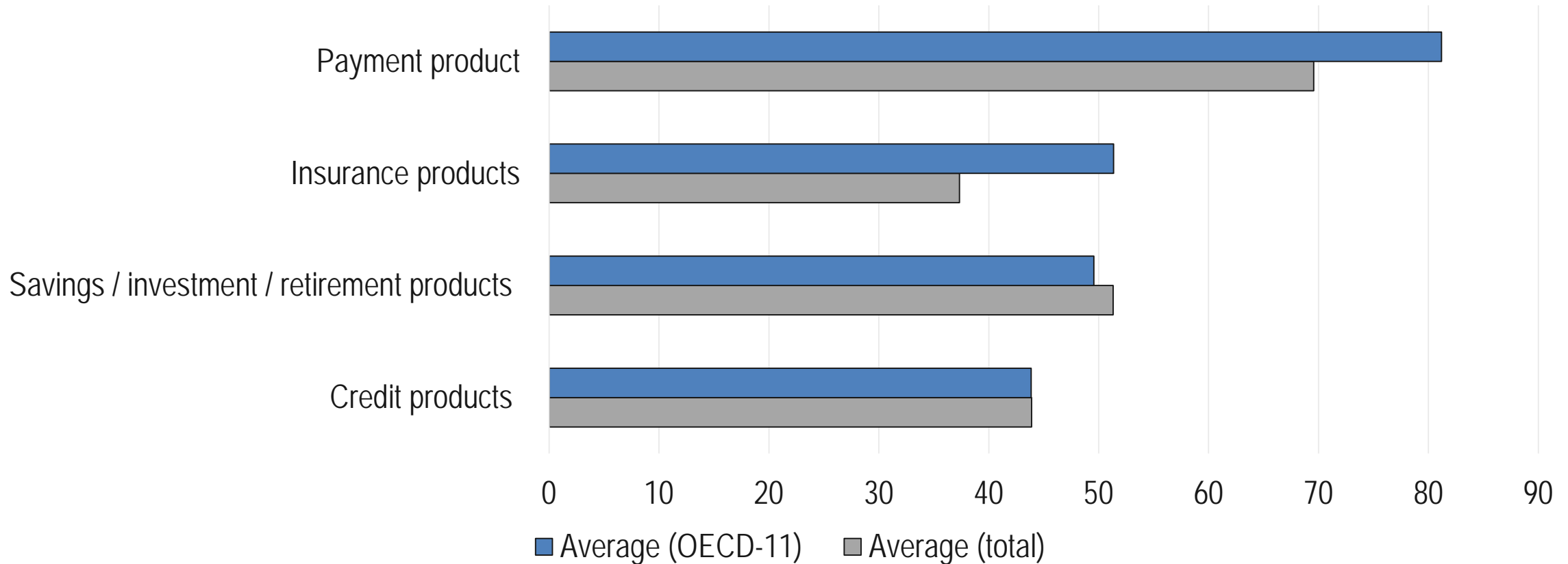
Source: OECD (2020), [OECD/INFE 2020 International Survey of Adult Financial Literacy](#)



## 1. CONTEXT

# LIMITED HOLDING OF SAVING AND INSURANCE

**Product holding:** Percentage of respondents holding each type of product

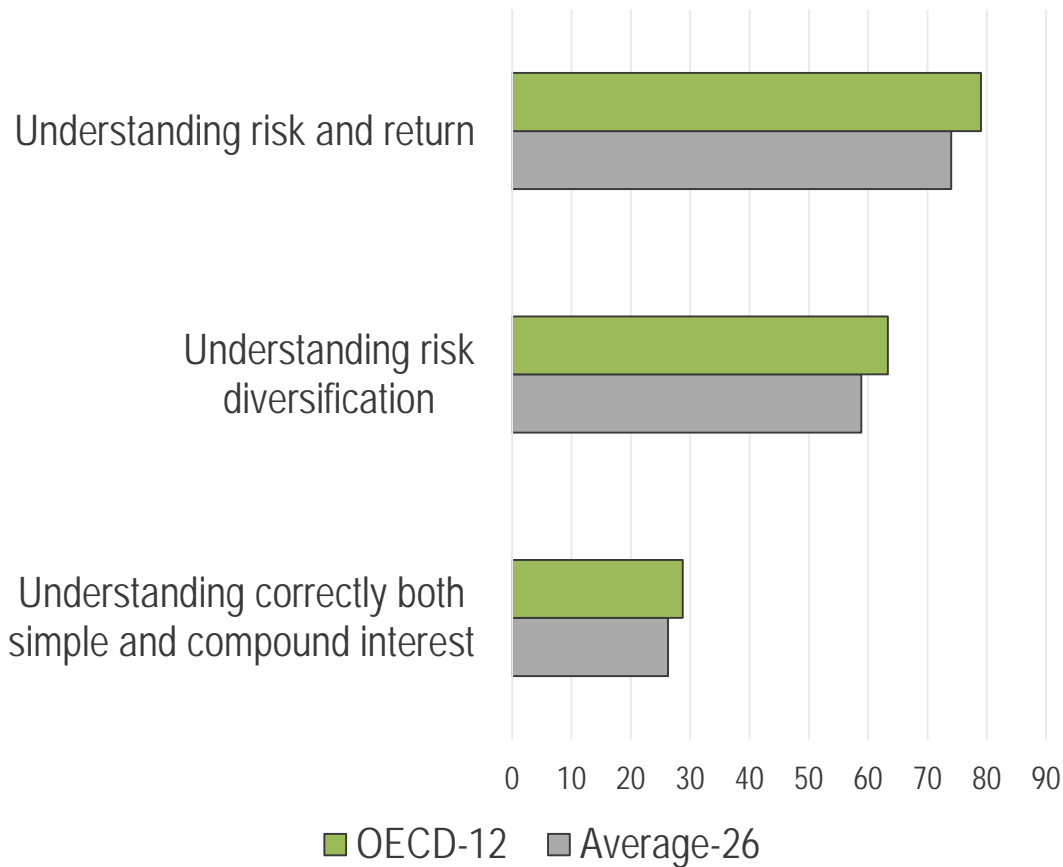




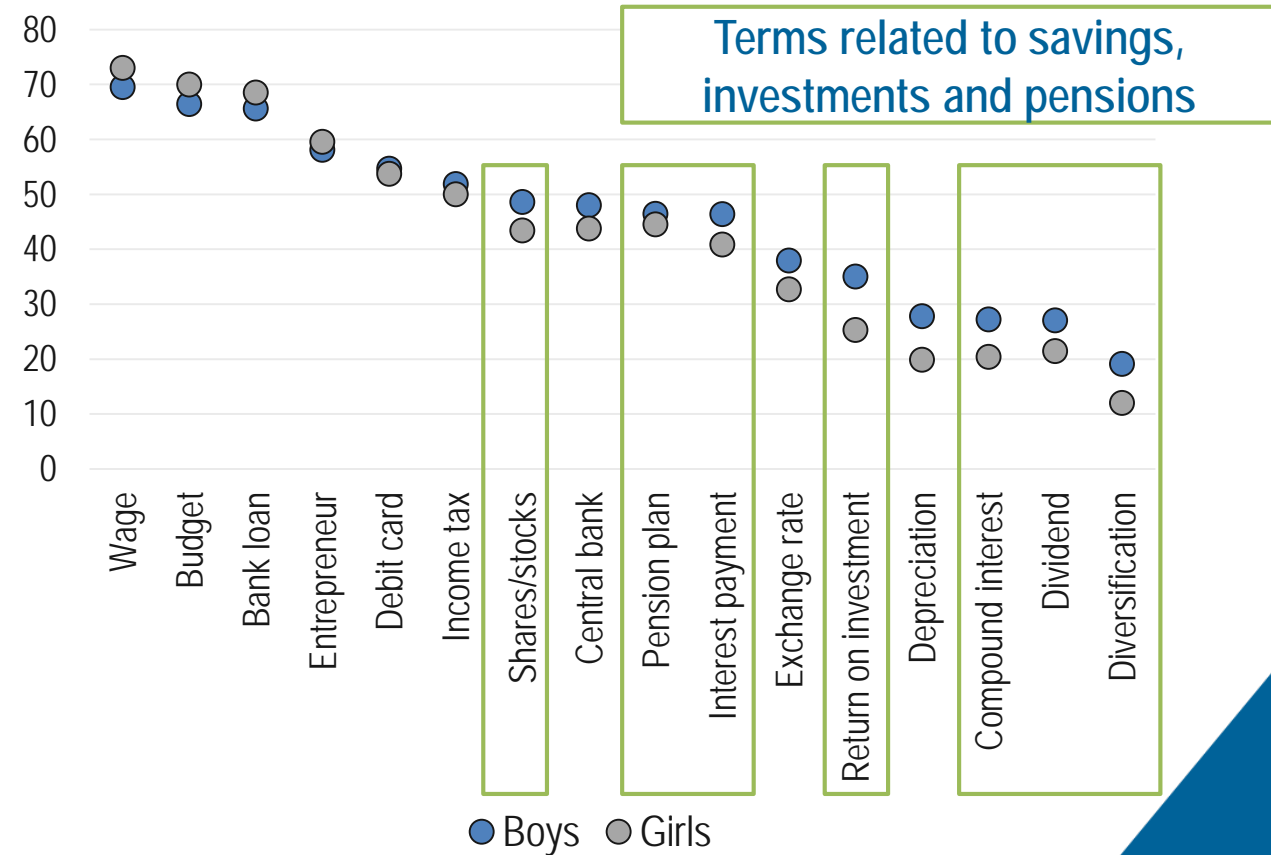
# 1. CONTEXT

## LIMITED KNOWLEDGE AND AWARENESS AROUND SAVINGS, INVESTMENTS, PENSIONS

**Adults:** Percentage of adults who gave correct answers to each financial knowledge question



**Students:** Percentage of students who reported that they had learned this term in school over the previous 12 months and know what it means; OECD average-13



Source: OECD (2020), [OECD/INFE 2020 International Survey of Adult Financial Literacy](#)

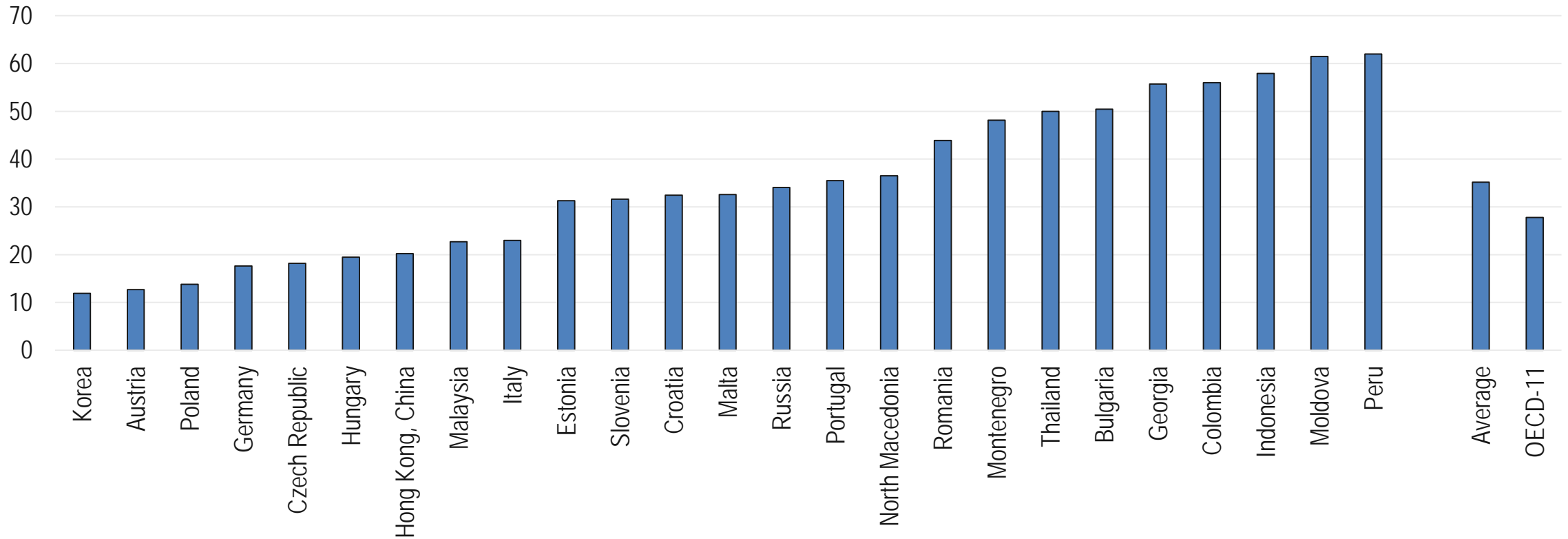
Source: PISA 2018 financial literacy assessment.



## 1. CONTEXT

# LIMITED FINANCIAL RESILIENCE ACROSS ECONOMIES

**Experiencing financial shortfall:** Percentage of respondents who reported experiencing financial shortfall (expenses were higher than income) in the 12 months before the survey

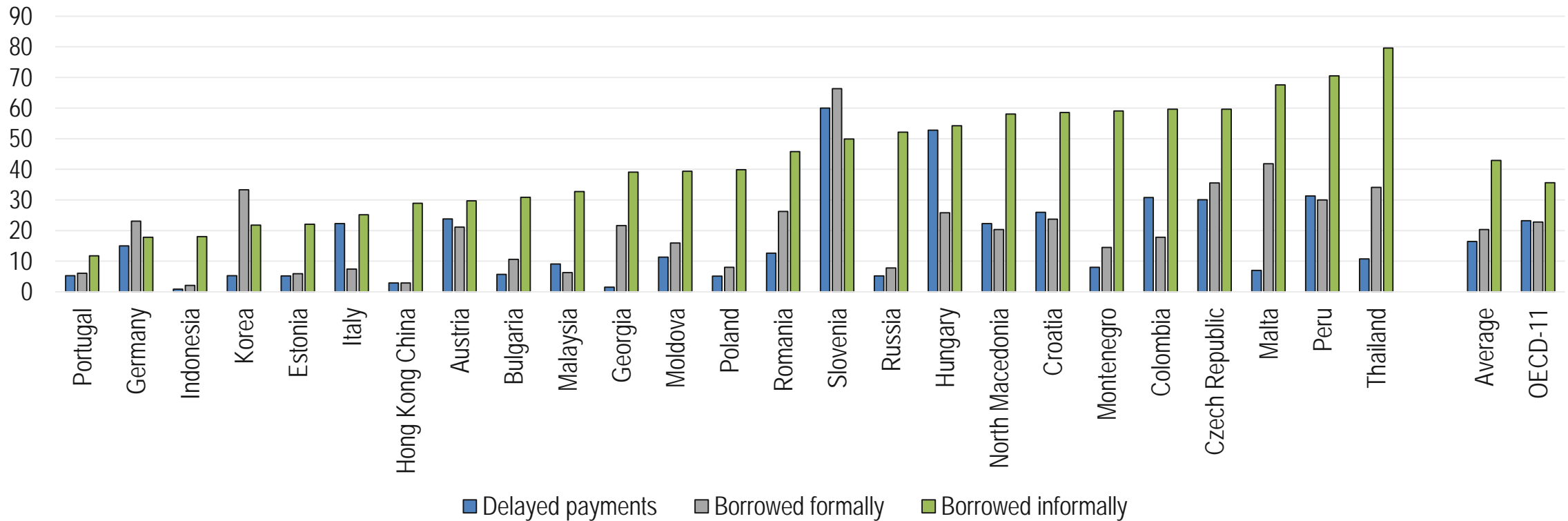




## 1. CONTEXT

# LIMITED FINANCIAL RESILIENCE ACROSS ECONOMIES

**Coping with financial shortfall:** Percentage of respondents who reported their ways of dealing with a financial shortfall. The graph reports responses grouped into (i) Borrowed formally, (ii) Borrowed informally, (iii) Delayed payment. Other responses were possible. Respondents could provide more than one answer and percentages do not add up to 100%.



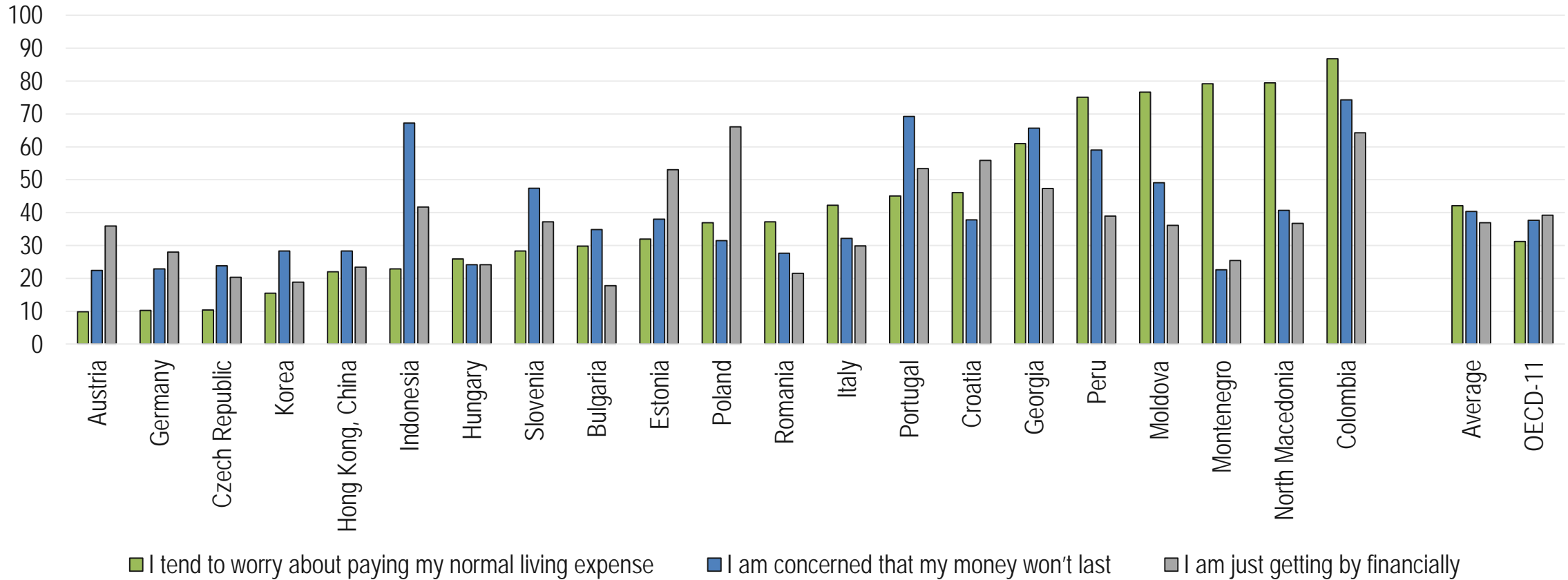




# 1. CONTEXT

## NEGATIVE IMPACT ON WELL-BEING AND HEALTH

Percentage of adults who agree with the statements of financial stress and concern





## 2. CURRENT AND FUTURE OECD/INFE TOOLS TIMELY GUIDANCE and LONG-TERM JOURNEY to support FINANCIAL RESILIENCE...

Since 2008 - OECD/INFE work on how financial education can support financial resilience, including on savings, investments, insurance pensions and retirement

OECD Working Papers on Finance, Insurance and Private Pensions No. 39

Financial Education for Long-term Savings and Investments: Review of

Adele Atkinson,  
Flore-Anne Messy,  
Lila Rabinovich,  
Joanne Yoong

<https://dx.doi.org/10.1787/5jrtgzfl6g9w-en>

OECD Pensions Outlook 2016

CORE COMPETENCIES FRAMEWORK ON FINANCIAL LITERACY FOR INVESTORS

Improving Financial Education and Awareness on Insurance and Private Pensions

Please cite this paper as:

Lewis, S. and F. Messy (2012), "Financial Education, Savings and Investments: An Overview", *OECD Working Papers on Finance, Insurance and Private Pensions*, No. 22, OECD Publishing, <http://dx.doi.org/10.1787/5k94gxrw760x-en>

OECD Working Papers on Finance, Insurance and Private Pensions No. 22

Financial Education, Savings and Investments

AN OVERVIEW

Sue Lewis, Flore-Anne Messy

OECD/INFE POLICY FRAMEWORK FOR INVESTOR EDUCATION



## 2. CURRENT AND FUTURE OECD/INFE TOOLS

**TIMELY GUIDANCE** and **LONG-TERM JOURNEY** to support **FINANCIAL RESILIENCE...**

**2020 – OECD Recommendation on Financial Literacy adopted by the 37 OECD Governments and Brazil addresses how financial education can support resilience in the areas of saving/investment, insurance, retirement and pensions**

Promote awareness and understanding of the characteristics & risks products /services

Promote awareness on risk diversification, balance of risk and reward, etc

Empower individuals to evaluate products/ services

Promote informed and active choice

Provide unbiased generic advice to guide individuals through complex systems and decisions

Implications on society and the environment, and sustainability considerations



## WEBINAR SERIES | **Financial resilience and financial literacy: immediate needs and long-term approaches**

**1. 5 November : Financial resilience and financial literacy during the COVID-19 crisis**

**2. Today: Challenges and lessons beyond the COVID-19 crisis**

*How to help households foster financial resilience in the long term through savings, insurance and pensions? How to reduce the negative consequences of limited resilience on mental health?*

- Session 1: Protect what you have: financial education for long-term saving, pensions and insurance
- Session 2: Lack of financial resilience: financial difficulties and mental health

**3. 19 January 2021: Digital financial literacy & financial resilience**



# Further resources

## **COVID-19 RESPONSES**

[Supporting the Financial Resilience of Citizens throughout the COVID-19 Crisis](#)

[Financial Consumer Protection responses to COVID-19](#)

[Global Financial Markets policy responses to COVID-19](#)

[Strengthening Seniors' Financial Well-being throughout the COVID-19 Crisis and its Aftermath](#)

## **(DIGITAL) FINANCIAL INCLUSION**

[Policy Guidance on Financial Empowerment for Vulnerable Groups](#)

[G20 Fukuoka Policy Priorities on Aging and Financial Inclusion](#)

[G20/OECD INFE Policy Guidance Digitalisation and Financial Literacy](#)

[Advancing the Digital Financial Inclusion of Youth](#)

## **SAVING, INVESTMENTS, INSURANCE**

[Financial Education, Savings and Investments: An Overview](#)

[Financial Education for Long-term Savings and Investments](#)

[The role of financial education in supporting decision-making for retirement](#)

[OECD/INFE policy framework for investor education](#)

[Improving Financial Education and Awareness on Insurance and Private Pensions](#)

## **WOMEN AND GIRLS**

[OECD/INFE Policy guidance on addressing women's and girls' needs for financial awareness and education](#)

[Women and Financial Education: Evidence, Policy Responses and Guidance](#)

## **YOUNG PEOPLE**

[PISA 2018 Results Are Students Smart about Money?](#)

[Policy handbook on financial education for young people in the Commonwealth of Independent States](#)

## **CORE COMPETENCIES FRAMEWORKS**

[OECD/INFE Core Competencies Framework on financial literacy for Youth](#)

[G20/OECD INFE Core Competencies Framework on financial literacy for Adults](#)

[IOSCO-OECD Core Competencies Framework on financial education for investors](#)

[OECD/INFE Core Competencies framework on Financial Literacy for MSMEs](#)

# Life Insurance: Decision States, Financial Literacy, and the Role of Personal Values

Hazel Bateman, Paul Gerrans, **Susan Thorp**  
and Yunbo Zeng

**Professor of Finance, the University of Sydney  
Business School, Australia**

Life Insurance:

A product we don't want to buy for an event we don't want to think about...



**But the ability to absorb financial shocks is a key part of financial well-being.**

# Most working-age people should take life cover.

## Stronger demand from people with:

- Higher risk aversion
- Stronger bequest motives
- Dependents
- Higher human capital (earnings potential)
- Higher financial literacy

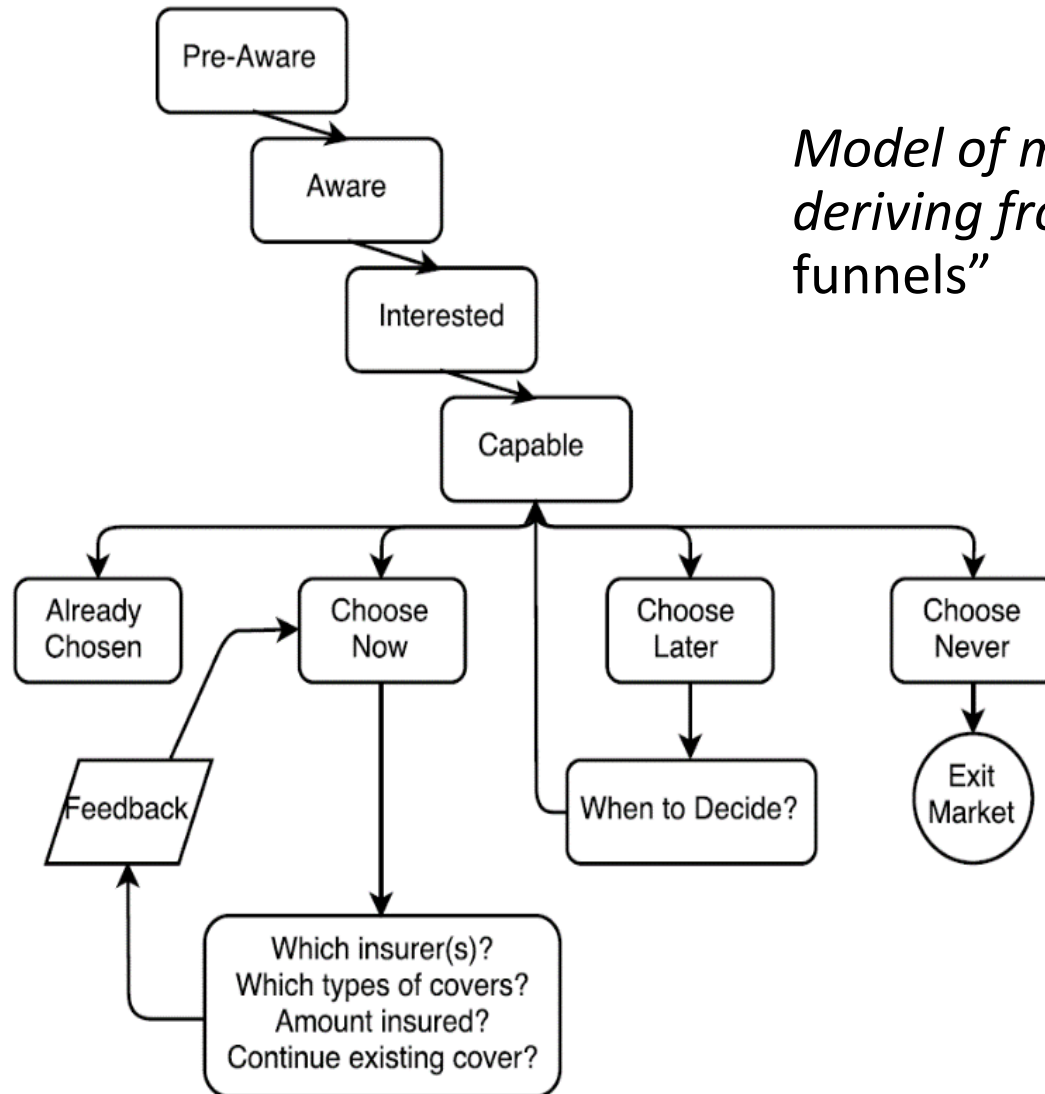
## Weaker demand from people with:

- Longer life expectancy
- Older age
- Impatience
- Higher net assets

**Underinsurance and disengagement persist =>  
social security costs and personal hardship**



# *Decision States Model* breaks the insurance purchase decision into stages.



*Model of market evolution,  
deriving from “consumer  
funnels”*

**Role of variables  
(e.g. financial  
literacy) may be  
lost if we focus  
on one state**

## We take a closer look at the demand for life insurance to better understand low engagement.

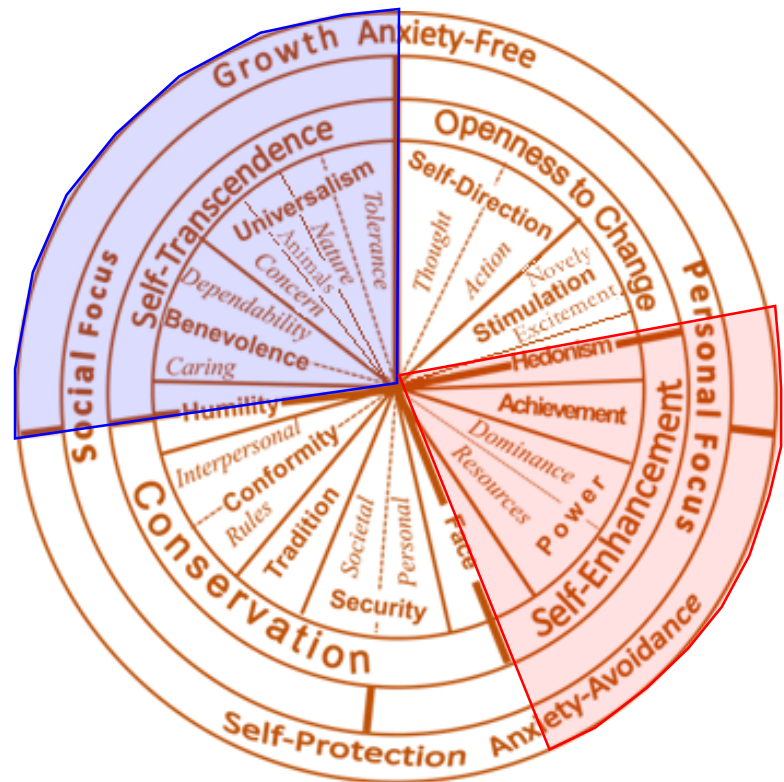
- Use a structured survey of 2000+ Australian consumers to study the **decision process** in detail:
  - What explains how consumers move through the stages of deliberation over life insurance?
  - Can we predict who becomes capable of making a choice?
- Test the importance of **financial literacy and personal values** to the stages of insurance choice.

# Personal Values are motivational life-goals that transcend situations. (Schwartz)

1. **Benevolence** (Dependability, Caring);
2. **Universalism** (Concern, Animals, Nature, Tolerance);
3. **Self-Direction** (Thought, Action);
4. **Stimulation** (Novelty, Excitement);
5. **Hedonism**;
6. **Achievement**;
7. **Power** (Dominance, Resources);
8. **Security** (Societal; Personal);
9. **Tradition**;
10. **Conformity** (Rules, Interpersonal);

# Basic values can aggregate to higher orders.

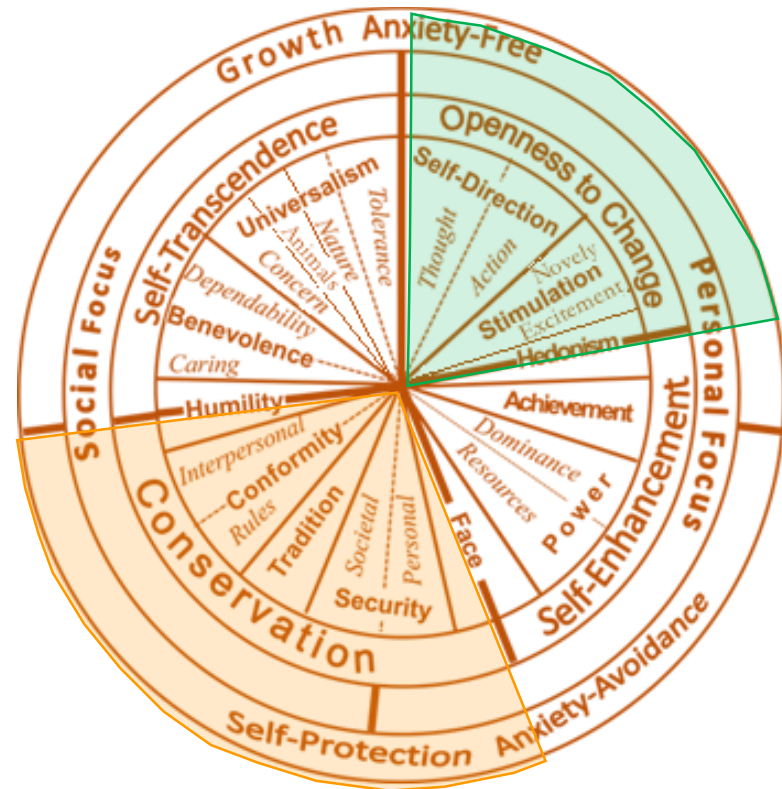
- **Self-Transcendence**
  - Benevolence
  - Universalism
- **Self-Enhancement**
  - Achievement
  - Power



People with higher **Self-Transcendence** will be more willing to purchase life insurance to benefit others and will advance to higher decision states.

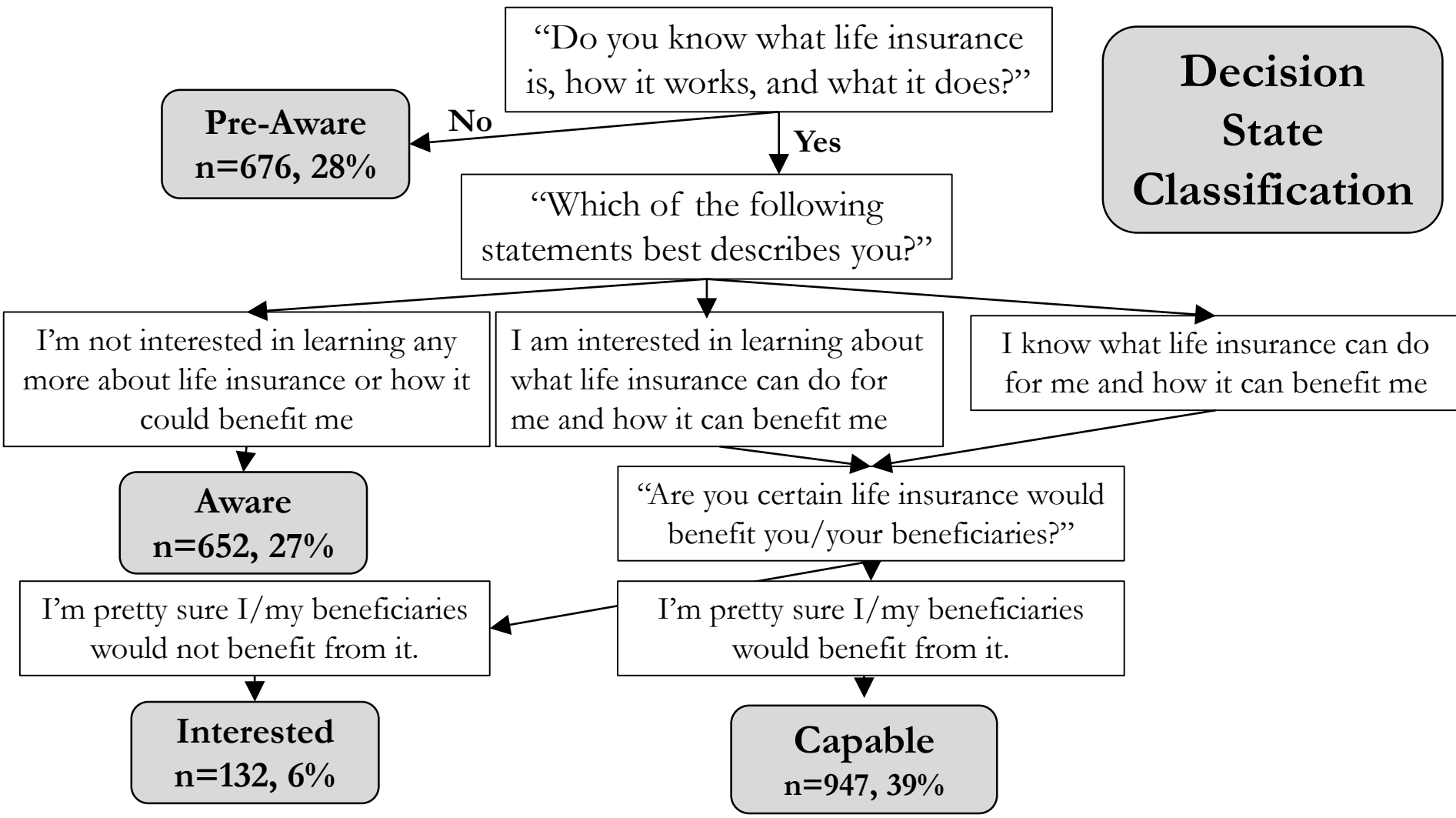
# Basic values can aggregate to higher orders.

- **Openness to Change**
  - Self direction
  - Stimulation
- **Conservation**
  - Security
  - Tradition



People with higher **Openness to Change** will be less likely to be in the lowest decision state due to the importance they place on Self-Direction.

# Results



Estimation results 'decision state' model: **People with higher financial literacy/ experience likely to be at higher decision states**

	<b>Pre-aware (0.30)</b>	<b>Aware (0.28)</b>	<b>Interested (0.06)</b>	<b>Capable (0.37)</b>
Financial Literacy	-6 ppts	+3 ppts	-	+2 ppts
Have life coverage	-9 ppts	-13 ppts	-	+24 ppts
Misunderstand life cover	+11 ppts	-	-	-10 ppts

**Those with low financial literacy are not a homogeneous group – spread across a number of decision states**



Estimation results ‘decision state’ model: **Personal values matter for decision state membership**

	<b>Pre-aware (0.30)</b>	<b>Aware (0.28)</b>	<b>Interested (0.06)</b>	<b>Capable (0.37)</b>
<b>Openness-to-Change</b> (less) Conservation	-	+10 ppts	-	-
<b>Self-Transcendence</b> (less) Self-Enhancement	-9 ppts	+5 ppts	-	+5 ppts

- People with **higher Self-Transcendence** (lower Self-Enhancement) are more willing to purchase life insurance to benefit others and belong to higher decision states due to the importance they place on **Benevolence**
- People with **higher Openness to Change** (lower Conservation) are be less likely to be in the lowest decision state due to the importance they place on **Self-Direction**

## Conclusion

- **Standard economic factors** - responsibility for dependents, human capital, age, wealth, bequest intentions, future time perspective –associated with higher decision states (Aware/Capable)
- **Financial literacy** and financial experience associated with higher decision states (Aware/Capable)
- **Personal values** matter. People who value benevolence (Self-Transcendence) more likely to belong to higher decision states (Aware/Capable); those who value self-direction (Openness-to-Change) more likely to be Aware

## Discussion

- A large proportion of the sample (30%) are Pre-Aware
- Informed engagement with life insurance decisions (i.e., progression to higher decision states) could be enhanced by:
  - Financial literacy
  - Priming to target personal values (Self-Transcendence, Openness-to-Change)



**ASF**

Autoridade de Supervisão  
de Seguros e Fundos de Pensões

**OECD Webinar “Financial resilience and financial literacy:  
challenges and lessons beyond the Covid-19 crisis”**

**Eduardo Pereira, Head of the Market Conduct Supervision  
Department**

**2 December 2020**





# INSURANCE EDUCATION IN PORTUGAL

- The **Portuguese Insurance and Pension Funds Supervisory Authority (ASF)** established as one of its top priorities to promote financial literacy on insurance and pension funds issues
- ASF is a member of the **National Plan for Financial Education (“PNFF”)**
  - The National Plan has assumed a set of goals, including to **promote risk awareness and education on insurance issues**
  - In the wake of **COVID-19 pandemic** we have been reinforcing our intervention by investing in the promotion of financial education through digital channels



# INSURANCE EDUCATION IN PORTUGAL

- We have been working with different partners in order to develop programmes designed for each target group

Schools	MSME	Vulnerable groups	Workers
 <p><b>Ministry of Education</b></p> <ul style="list-style-type: none"> <li>Core competencies with specific modules on risk and insurance</li> <li>Teacher's training programme</li> <li>Workbooks</li> </ul>	 <p><b>Public Agency for Competitiveness and Innovation (IAPMEI)</b></p> <p><b>Portuguese Tourism Agency</b></p> <ul style="list-style-type: none"> <li>Core competencies with specific modules on insurance and pension funds</li> <li>Train the trainers programme</li> </ul>	 <p><b>Portuguese Institute for Employment and Vocational Training (IEFP)</b></p> <ul style="list-style-type: none"> <li>Train the trainers programme</li> <li>Specific modules on insurance</li> </ul>	 <p><b>Portuguese Institute for Employment and Vocational Training (IEFP)</b></p> <ul style="list-style-type: none"> <li>Pilot programme</li> <li>Specific modules on insurance and retirement planning</li> </ul>



# IMMEDIATE ACTIONS

## > Websites

Consumer website [+](#)



ASF sub-site dedicated to consumers' information

Everybody Counts website [+](#)



National Plan for Financial Education website

- **COVID-19 dedicated area with information on:**

- Health insurance
- Life insurance
- Workers compensation insurance (especially in case of lay off and teleworking)
- Specific measures taken by the Portuguese jurisdiction, including insurance “moratoria”

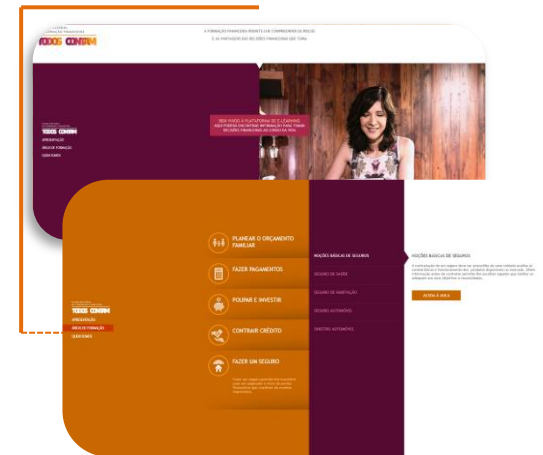
 **COVID-19**

## >Online training

- Transition from **face-to-face** programmes to **online training**
  - We have conducted online training targeting:
    - ❑ **Employees** of the Portuguese Institute for Employment and Vocational Training;
    - ❑ Trainers working with **MSME**;
    - ❑ Trainers working with **vulnerable groups**, such as unemployed.

## ONLINE TRAINING

### E-learning platform



Provides access to classes on the following topics:

- **Basic insurance concepts**
- **Health insurance**
- **House insurance**
- **Motor insurance**
- **Pension savings scheme**



 **COVID-19**

## >Campaigns (ongoing)



- **Segure-se bem!** (“Know how to insure yourself”)
  - ❑ ASF launched a digital campaign **with tips to consumers** on the following topics:
    - ❑ Tips when buying insurance
    - ❑ Health Insurance explained
    - ❑ Buying insurance through digital channels
    - ❑ Travel and insurance

# DIGITAL CAMPAIGNS



 **COVID-19**

## >Social media campaigns (ongoing)

- **Falar seguros** (“Talk Insurance”) 
  - ❑ Explores basic insurance concepts
- **Sabia que...** (“Did you know that...?”) 
  - ❑ Helps consumers to better understand insurance coverage

**We are also boosting the most relevant posts in order to get more people to react, share and comment on it.**

## SOCIAL MEDIA





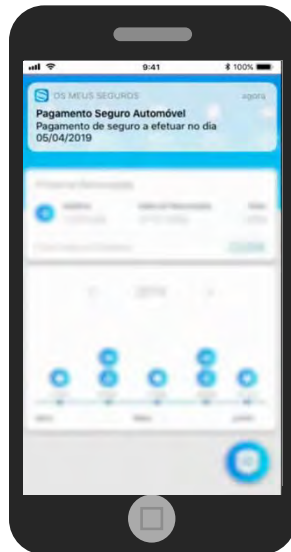
# APP “My Insurance”

We have selected the most relevant information to consumers and made it available through the app.

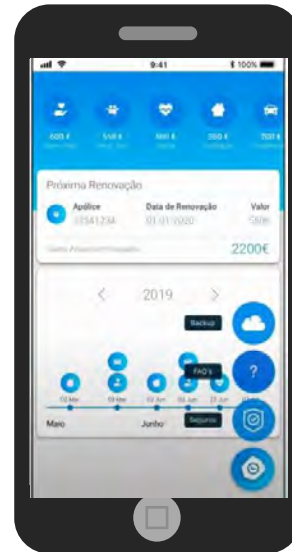
## >Mobile app



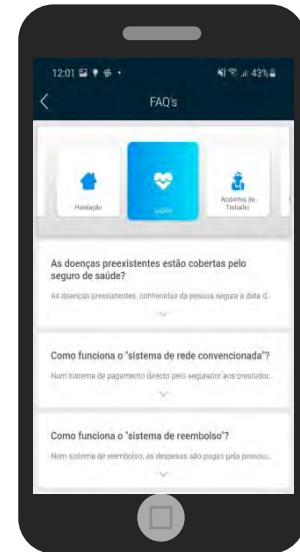
To add information about insurance policies



Setting alerts



To attach documents



Frequent asked questions

 **COVID-19**

## RECENT PROJECTS

OCT. 2020

Online questionnaire on health insurance coverage



NOV. 2020  
DEC. 2020

Sessions to discuss health literacy and health insurance coverage  
(healthcare providers, public authorities and consumer associations)



DEC. 2020

Co-operation agreement to extend online training to other public sector bodies (within the Ministry of Labor)

PLANO NACIONAL  
DE FORMAÇÃO FINANCEIRA  
**TODOS CONTAM**

2021

ASF Consumer Academy



# Thank you!

Eduardo Pereira, Head of the Market Conduct Supervision Department  
[eduardo.pereira@asf.com.pt](mailto:eduardo.pereira@asf.com.pt)



**ASF**  
Autoridade de Supervisão  
de Seguros e Fundos de Pensões



# Financial Difficulties and Mental Health A Psychological Perspective

**Dr. Thomas Richardson**

**Clinical Psychologist, Solent NHS Trust  
Visiting Academic, University of Southampton**

**Email: [Thomas.Richardson@solent.nhs.uk](mailto:Thomas.Richardson@solent.nhs.uk)**

**Twitter: [@DrTomRichardson](https://twitter.com/DrTomRichardson)**

# Debt and Mental Health

Richardson et al. (2013) meta-analysis:

- Those in debt more than 3 times as likely to have a mental health disorder.
- 9% of those with no mental disorder are in debt compared to 25% in debt in those with MH.
- 42% of those in debt have mental disorder compared to 18% of those not in debt.





# Debt and Mental Health

Relationship between debt and specific mental health problems:

- Depression
  - Suicide attempt or completion
  - Problem drinking and drug dependence
  - Psychotic disorders
- 
- Relationships hold after controlling demographics & other economic variables.
  - Studies from many different countries.



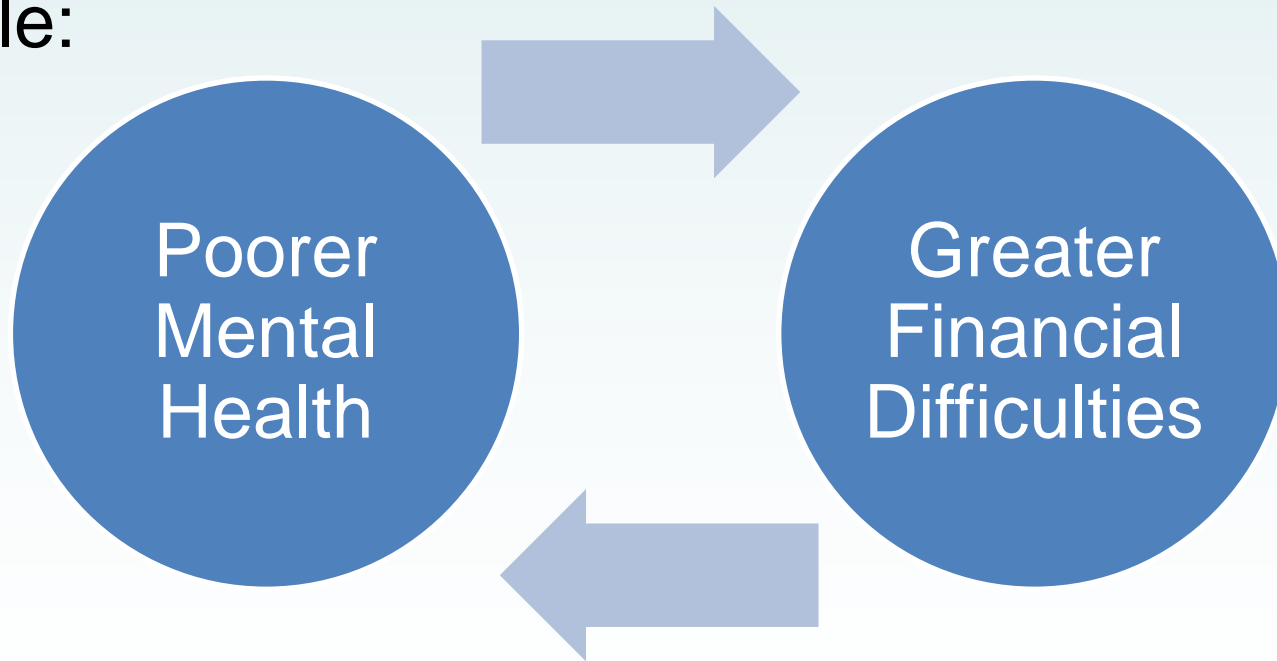


# Which comes first?

- My research with students and those with Bipolar Disorder:
- Financial difficulties (e.g. unable to pay rent, go without meals), and worry about finances increases over time:
  - Eating disorder risk
  - Psychotic symptoms
  - Anxiety
  - Alcohol problems
  - Stress

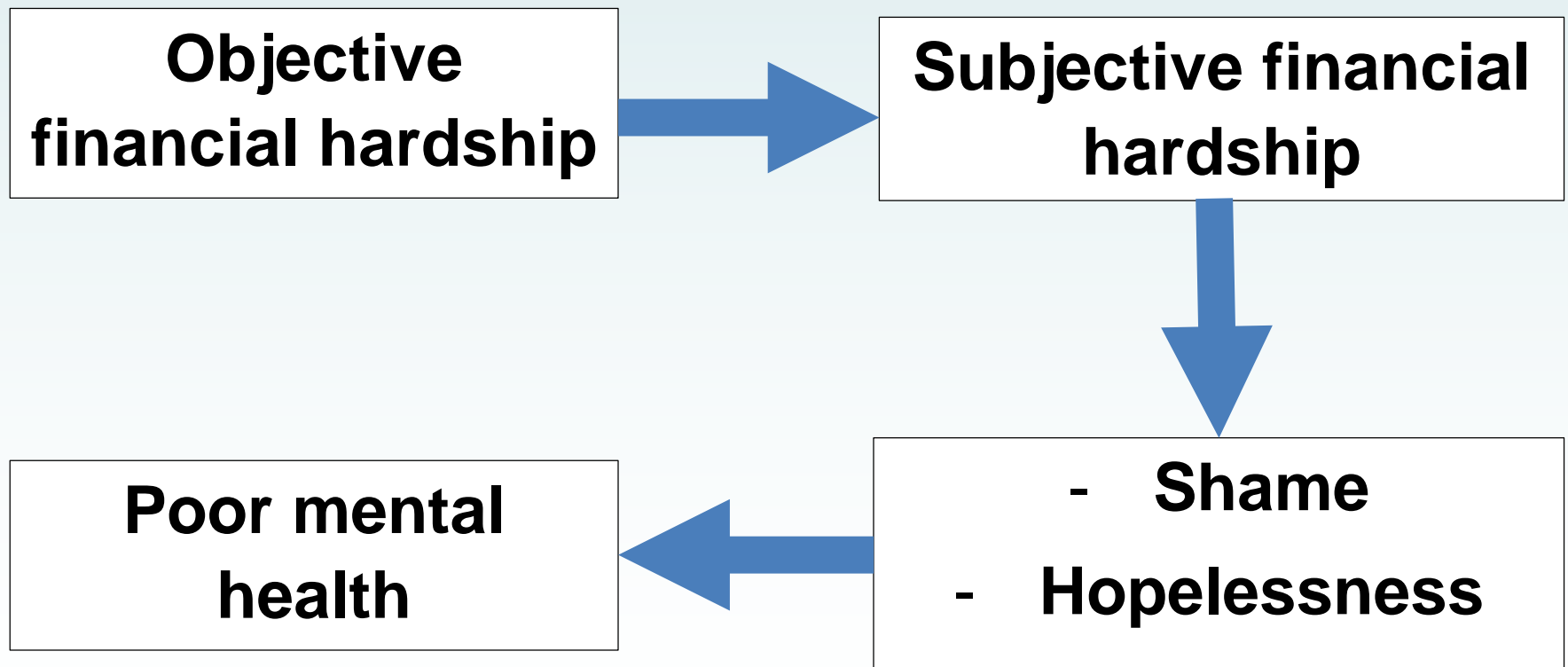
# Vicious Cycle

- Relationship stronger for financial problems leading to poorer mental health over time.
- But, to an extent it works both ways, vicious cycle:



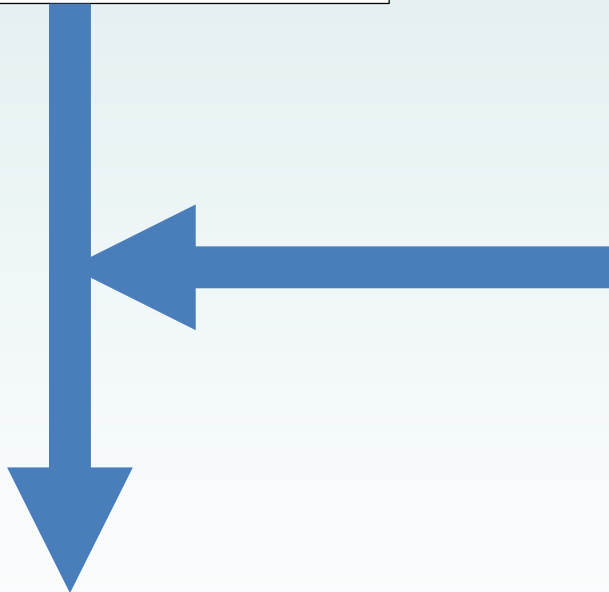
# Psychological Mechanisms

- Subjective (stress/worry about finances) more important than objective measures of finances (e.g. amount debt).



# Psychological Mechanisms

**Objective  
financial hardship**

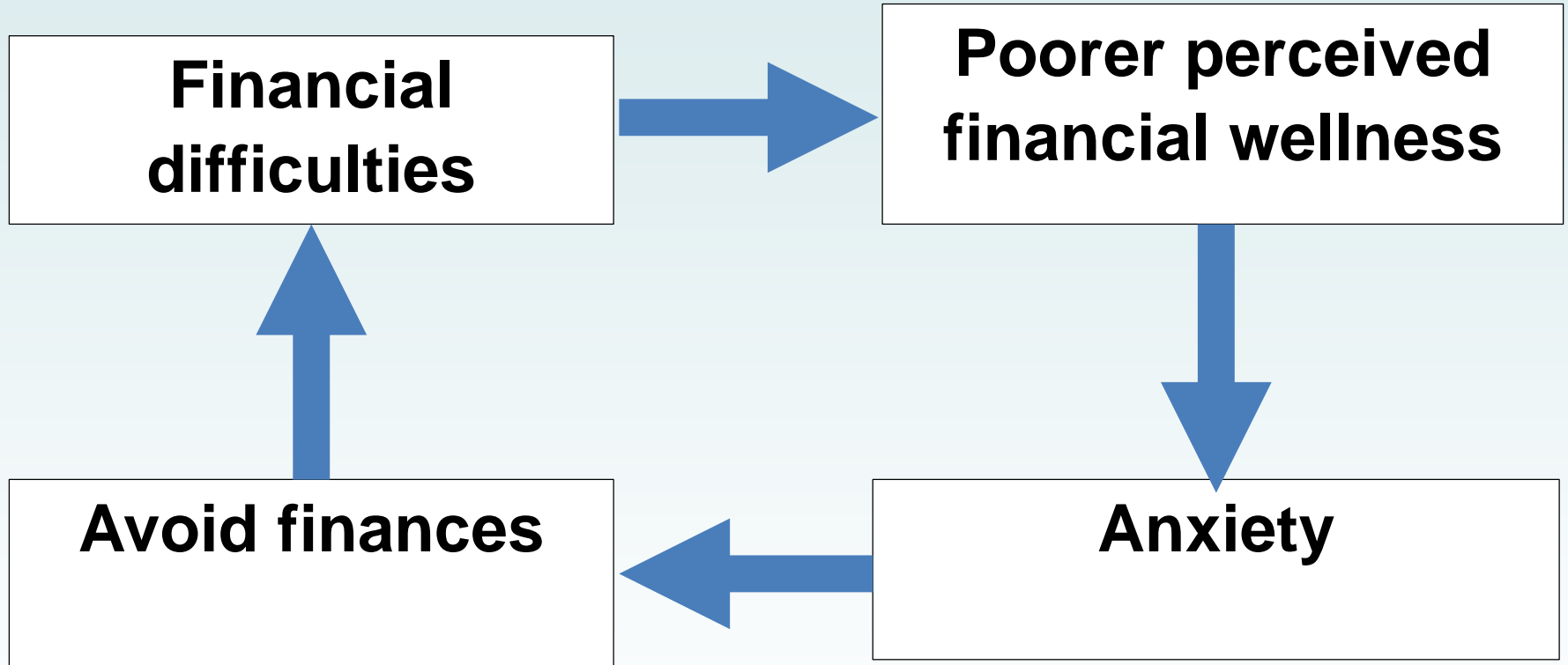


**Poor mental  
health**

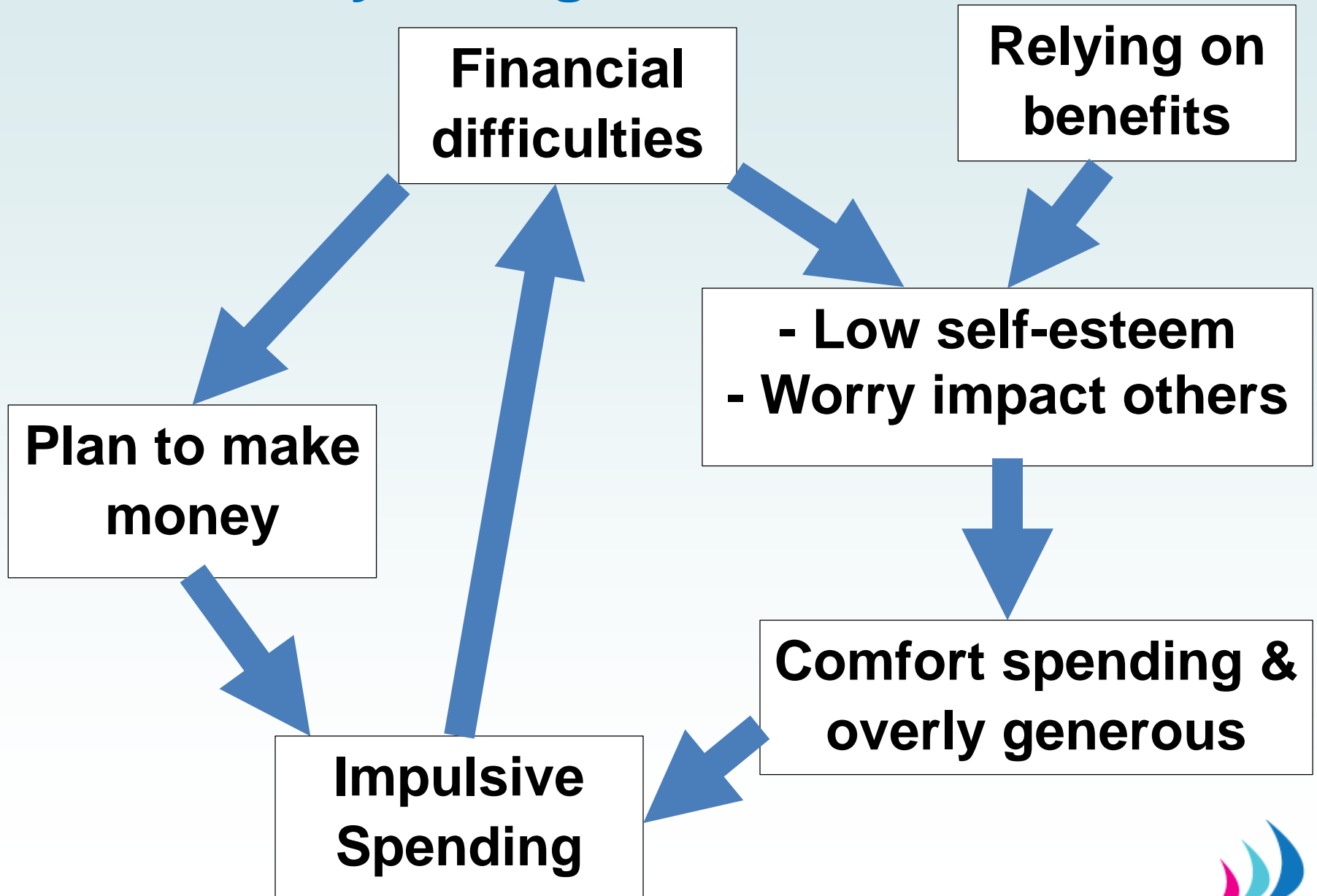
## Protective factors:

- **Self-Esteem**
- **Personal Agency**
- **Active Coping**

# Psychological Mechanisms



# Psychological Mechanisms



# What about covid?

Many economic variables present which are linked to poor mental health and suicide risk:

- Rising unemployment
- Recession
- Rising debt
- Increased use of benefits/welfare
  
- Uncertainty= More Anxiety?
- Out of our control/no agency= Greater impact?
- Impact of inequality?
  
- BUT...less shame?
- Hope for 2021?

# References

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- Richardson, T., Jansen M. & Fitch, C. (2019) Financial Difficulties in Bipolar Disorder Part 2: Psychological Correlates and a Proposed Psychological Model. *Journal of Mental Health*, 8, 1-9.



# Mental Health and Financial Wellbeing

Money and Pensions Service



**Claire Herbert**

**Mental Health Policy and Challenge Group Lead  
Money and Pensions Service**



**Money &  
Pensions  
Service**

# Money and Pensions Service - Our role



We deliver financial guidance and support across five core functions:

Pensions guidance	Debt advice	Money guidance	Consumer protection	Strategy
We provide information to people about <b>workplace and personal pensions</b> .	We provide people in England with <b>information and advice on debt</b> and are the biggest funder of free debt advice.	We provide information designed to enhance people's <b>understanding and knowledge of financial matters</b> and <b>day-to-day money management skills</b> .	We will work with government and the Financial Conduct Authority (FCA) in a new remit to <b>protect consumers against financial scams</b> .	We will <b>focus the efforts</b> of everyone working on financial capability with children and young people and delivering debt advice.

We are the largest single funder of free debt advice in England and we also work alongside partners across the UK to make debt advice easier and quicker to access, and to improve standards and quality across the sector.



Sponsored by:



Engages with:



# UK Strategy for Financial Wellbeing: Agendas for Change



## The UK Strategy for Financial Wellbeing on a page

We believe: A financially healthy nation is good for individuals, communities, business and the economy



Our vision: Everyone making the most of their money and pensions



Our shared Agendas for Change– the five ways we will drive change at scale, working with others

	Who →	Financial Foundations	Nation of Savers	Credit Counts	Better Debt Advice	Future Focus
<b>2030 National Goals</b>		Children, young people and their parents	Working-age 'struggling' and 'squeezed' people	People who often use credit for food and bills	People who need debt advice	All adults
<b>Goal →</b>		<b>National Goal 2m more</b> children and young people getting a meaningful financial education.	<b>National Goal 2m more</b> working-age 'struggling' and 'squeezed' people saving regularly.	<b>National Goal 2m fewer</b> people often using credit for food & bills.	<b>National Goal 2m more</b> people accessing debt advice.	<b>National Goal 5m more</b> people understanding enough to plan for, and in, later life.
<b>Outcome →</b>		Children and young people will get a meaningful financial education so that they become adults able to make the most of their money and pensions.	People will get the savings habit, build cash reserves to help with short-term emergencies and have a clearer future focus in their financial lives.	More people will access affordable credit, and more people will make informed choices about borrowing.	People will access and receive high quality debt advice when they need it, because of stronger and earlier engagement, and because funding, supply and services more closely match need.	People will engage with their future and be empowered to make informed decisions for, and in, later life.
				Cross-cutting lens: <b>gender</b>		
				Cross-cutting lens: <b>mental health</b>		

See pages 4-6, 9-10

See pages 14-33

See page 11

See pages 34-36

<https://moneyandpensionsservice.org.uk/uk-strategy-for-financial-wellbeing/>



# Why a UK strategy for financial wellbeing?

According to the OECD, the UK is well down the G20 rankings in terms of financial wellbeing.

MaPS has been given a legal duty to coordinate a national strategy to address this vital issue.

If stakeholders across the UK unite to address financial wellbeing, we can have a significant impact on individuals, communities, business and the wider economy.



**5.3m**

children do not get a meaningful financial education



**9m**

often borrow to buy food or pay bills



**11.5m**

people have less than £100 in savings



**22m**

do not know what they need to plan for retirement



Sir Hector Sants, MaPS Better Debt Advice | Eric Leenders, UK Finance Financial Foundations | Sarah Porretta, MaPS Financial Foundations | Ndidi Okezie, UK Youth Financial Foundations | Marlene Shiels OBE Nation of Savers



Prof Dame Carol Black Future Focus | Emma Douglas, L&G Future Focus | Sacha Romanovitch Credit Counts, Workplace | Ben Page, Ipsos MORI Credit Counts | Paul Farmer, MIND Mental Health | Jackie Leiper, Lloyds Gender

**11 change-makers from the UK public, private & voluntary sectors are co-creating solutions**

**And 145 sector leaders are working with them – to define delivery plans for the 2030 wellbeing goals**



In October 2020, these leaders published their thoughts about how the UK should respond to the financial wellbeing/Covid crisis.



2018



5.3m

out of 10.1m children

children did not get a meaningful financial education



11.5m

out of 52.4m adults

people had less than £100 in savings



9m

out of 52.4m adults

often borrowed to buy food or pay bills



5.2m

out of 52.4m adults

people needed debt advice



22m

out of 40.2m working-age

did not know enough to plan for retirement

Now

Financial education charities have stopped activities and furloughed staff (April 2020)

16m adults are having to use savings to cover living costs (March 2020)

5.7m adults accessing more overdraft or borrowed more on credit card (April 2020)

MaPS predicts a rise in the need for debt advice of between 15-27% this year alone (May 2020)

The average pension fund has fallen by 15% (Q1 2020)

2021

When forbearance ends, up to one-third of the adult population are likely to be on the edge of financial distress. We calculate one-sixth will be in deep financial distress.

But as we emerge from the crisis, there is an opportunity to rebuild through a new financial wellbeing strategy:

2030

Children learning meaningful money management: a fresh financial foundation

A nation of savers with greater financial resilience for tens of millions more people

Millions more people understanding how credit counts: its cost and when and where its use is valuable

Better debt advice that reaches millions more people and helps people avert a debt crisis at an early stage

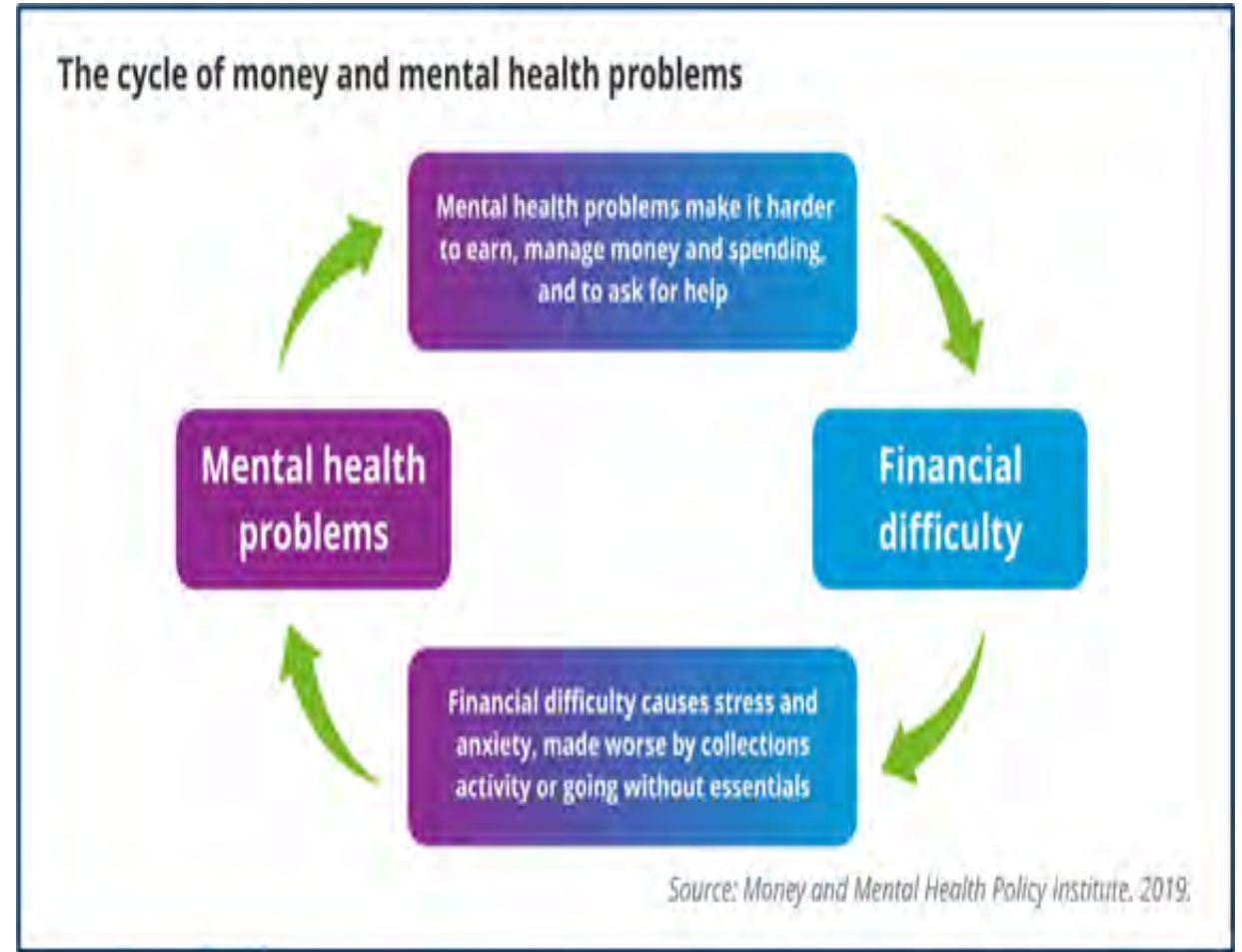
People throughout their lives having a better future focus about lifetime savings and spending

# A Cross Sectoral approach to Mental Health and Financial Wellbeing in the UK

Paul Farmer, CEO  
MIND

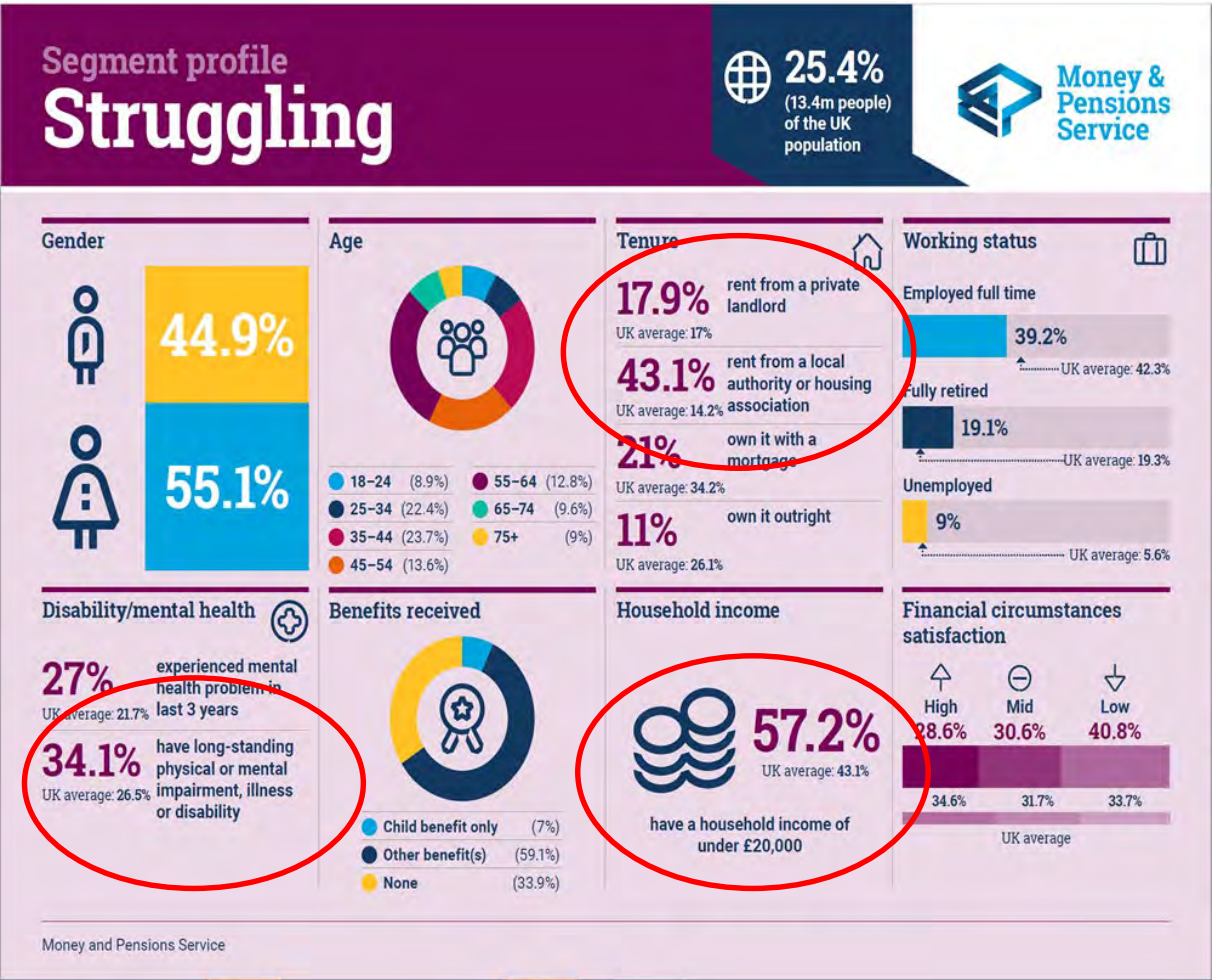
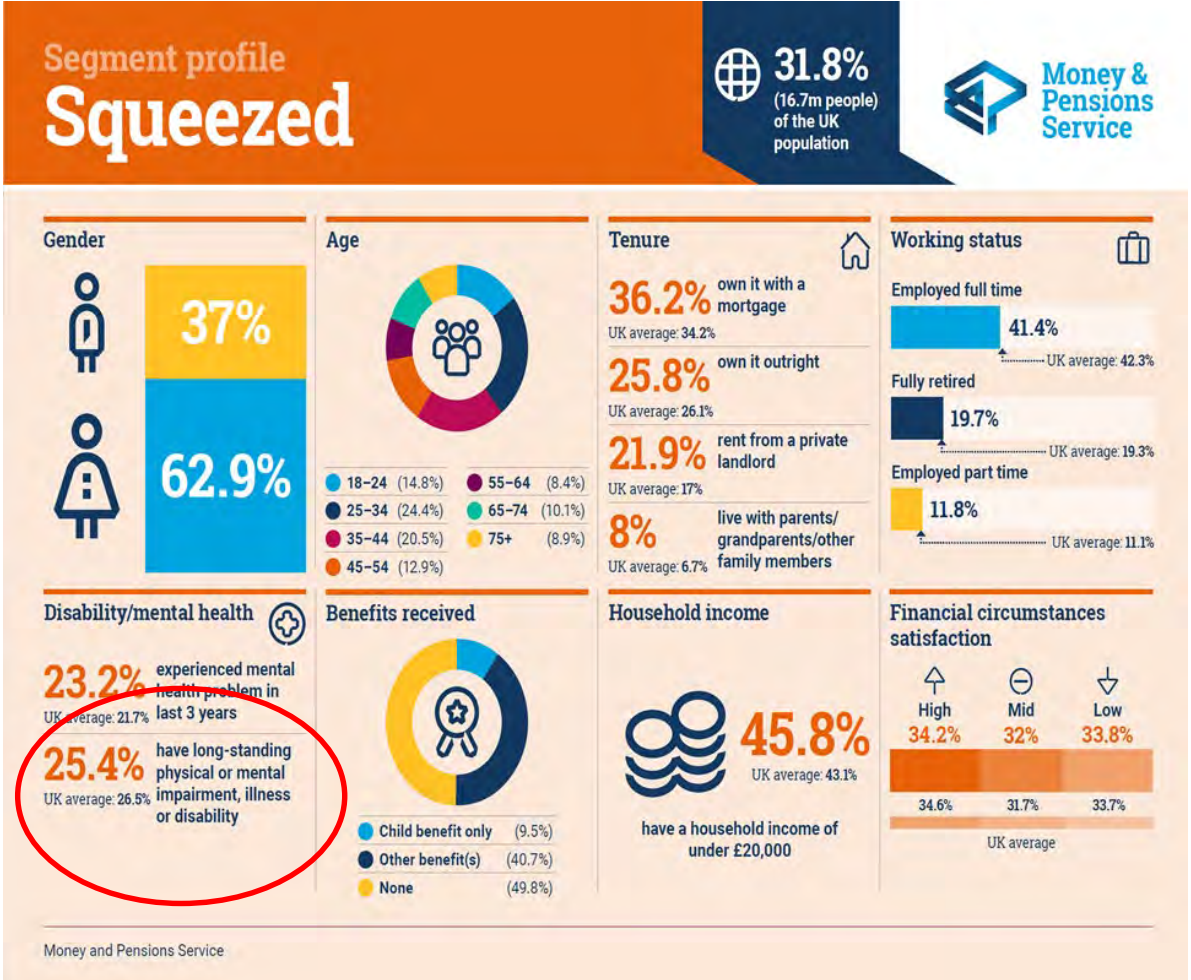


- Mental Health charities
- Banking
- Statutory bodies
- Debt advice
- Research think tanks





# Understanding Financial Wellbeing need in the UK (2018)





# UK, Pre-pandemic.....

## People experiencing mental health problems

### What do we know about the evidence?

People experiencing mental ill-health fare much worse with debt and credit.

	Have a diagnosed mental health problem	Rest of UK population
Are over-indebted	36%	11%
Missed payments in 3+ of last 6 months	27%	8%
Have used any form of short-term, high-cost credit in last 6 months	24%	8%
Have experienced emergency issues (e.g. court summons, bailiffs) in last 6 months	23%	6%

More people experience mental health problems than receive a formal diagnosis – and we believe that the wider group is also more likely to suffer poor financial wellbeing than people who do not experience mental health problems. This is why we think people experiencing mental health problems is the right group to target across our Agendas for Change.

Building on the work of the Money and Mental Health Policy Institute we want more organisations to build mental health awareness into their service delivery.

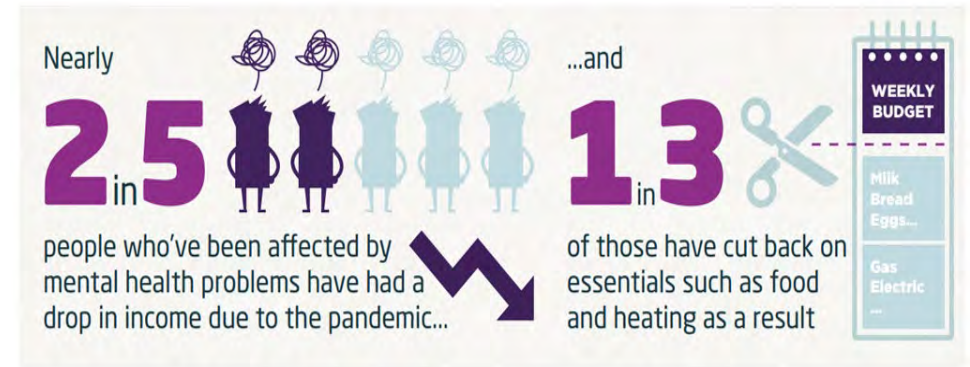
### What could help to close the gap?

The most obvious and immediate target for change is debt advice delivery. We know many people experiencing mental health problems seek help here. We also see our Agenda for Change on managing credit (Credit Counts) as an opportunity to promote service design that better supports people experiencing mental health problems.

The new mental health specific element of the proposed Breathing Space in particular creates an opportunity to reach and serve those experiencing mental health problems, as well as building stronger partnerships between the debt advice and mental health sectors.

As with gender differences, gathering more and better data at points of contact with all types of services will be an important foundation for work over the 10-year strategy period.

# UK, During the Pandemic.....



Source: Money and Mental Health Policy Institute, Income in Crisis, June 2020

# Covid impact in the UK

Institute of Fiscal Studies report shows the Covid pandemic has widened mental health inequalities, with the groups that had the poorest mental health pre-crisis also having had the largest deterioration.

- **Women**

- More likely to feel concerned for their mental wellbeing, feel lonely and isolated <sup>(1)</sup>
- Young women aged 16-25 saw the largest deterioration in mental health → the share reporting a severe problem doubled from 17.6% to 35.2%. <sup>(2)</sup>
- As with all groups, need to consider how multiple vulnerabilities are affecting young women – e.g. those living in the most deprived households, from a BAME background, single parent households

- **Younger age groups**

- Students, young workers

*ONS data shows “while they were more optimistic, young people were much more likely to report being bored and lonely during the lockdown period, and 42% of them reported that it was making their mental health worse.” <sup>(3)</sup>*

Sources: 1. The Health Foundation and Ipsos MORI, Covid19 Polling, 1-10 May 2020.

2. Institute for Fiscal Studies, “The mental health effects during the Covid-19 pandemic in the UK”, June 2020.

3.ONS, “Coronavirus and the social impacts on young people in Great Britain”: 3 April to 10 May 2020.

# Covid impact in the UK (continued)

Along with groups that already had the poorest mental health pre Covid19, some new groups may be gaining focus for reported increase in experiencing mental health problems

- **Low income households** <sup>(2)</sup>
- **Those living alone** → In particular those were already experiencing mental health problems prior to Covid19 <sup>(4)</sup>
- **People who are married or in a civil partnership**
  - High levels of anxiety significantly increased for people who are married or in a civil partnership during lockdown to 39%, up from 19% in the last quarter of 2019. <sup>(3)</sup>
- **Households with children**
  - Those with very young children aged 0-4 saw a significantly larger increase in overall mental health problems (but not severe problems). Those with school-aged children aged 5-15 also saw a large increase. <sup>(2)</sup>



# Mental Health & Money Toolkit

Free help guide to improve your mental health and money situation



The screenshot shows the website's navigation menu with options: Home, Welfare Benefits, Managing Money, Mental Health Care, Tools, and Top Tips. The main heading is "Mental Health and Money Toolkit". Below it, a paragraph explains the toolkit's purpose. A "Download Toolkit" button is visible. A section titled "How to use the Mental Health & Money Toolkit" features a video player with a circular graphic of diverse people's faces. Below the video, the text "Why use the Mental health and Money Toolkit?" is followed by a list of benefits: understanding the relationship between money and mental health, learning self-help techniques, and taking control of finances.

<https://www.mentalhealthandmoneyadvice.org/en/toolkit/>

na.org.uk  
ed charity number: 1170815  
Version 1

# Free independent information from the Money Advice Service

The screenshot shows the Money Advice Service website with the 'Budgeting and managing money' section highlighted. The main article is titled 'Money problems and poor mental wellbeing'. The page includes a navigation menu, a search bar, and a sidebar with various topics like 'Running a bank account', 'Managing money', and 'Living on a budget'. The main content area contains an introduction to the article and a list of related guides.

The screenshot shows the Money Advice Service website with the 'Talking about money' section highlighted. The page features a navigation menu, a search bar, and a main heading 'Talking about money'. Below the heading is a sub-heading 'Guidance to help you have those tricky conversations with friends and family about money.' and a list of related guides. At the bottom, there are three contact options: 'Web chat', 'WhatsApp', and 'Contact Us'.

The screenshot shows the Money Advice Service website with the 'Coronavirus support' section highlighted. The page features a navigation menu, a search bar, and a main heading 'Coronavirus support'. Below the heading is a sub-heading 'Support with income and life at home' and a list of related guides. The page also includes a photograph of a woman and a child wearing face masks.

<https://www.moneyadvice.org.uk/en>

# MaPS products to help customers

## Debt advice locator tool

- Allows a customer to find their local service.

## Covid-19

- Some local services will be restricted due to the Covid-19 outbreak.


The screenshot shows the 'Face-to-face and local services' section of the MaPS Debt Advice Locator tool. It includes a search box for town or postcode, a 'Search' button, and a 'Use current location' button. A red error message is displayed below the search box, stating: 'We're struggling to get your location. Please make sure location services are enabled on your device and try again. Alternatively you may want to search manually by entering your town or postcode in the search box above.' Below the search box, there is a link to 'Business Debtline' and a 'Spotted an error? Let us know' link. At the bottom, there is a disclaimer: 'While we try to ensure this information is accurate and up to date, we cannot be responsible for any inaccuracies in the information. The Money Advice Service takes no responsibility and is not liable for any advice given by third parties.'

**Face-to-face and local services**

Search for a debt advice service **near** you. You can then set up a face-to-face appointment and speak to an expert adviser in person.

Where shown, some local services can also provide debt advice by phone.

Due to recent government guidance regarding COVID-19, it is possible that face-to-face services listed are no longer delivering advice on site or in person. Many services are still offering telephone advice or advice online. For the most up-to-date information on a provider's service, please contact them directly - either through their website or contact number.

Enter a town or postcode 

**We're struggling to get your location. Please make sure location services are enabled on your device and try again. Alternatively you may want to search manually by entering your town or postcode in the search box above.**

If you are self-employed or run a small business and have personal or business debts, contact the free advice service in your area: [Business Debtline \(England and Wales\)](#) and [Business Debtline \(Scotland\)](#) or [Advice NI Business Debt Service \(Northern Ireland\)](#).

[Spotted an error? Let us know.](#)

While we try to ensure this information is accurate and up to date, we cannot be responsible for any inaccuracies in the information. The Money Advice Service takes no responsibility and is not liable for any advice given by third parties.

[www.moneyadvice.service.org.uk/en/tools/debt-advice-locator](http://www.moneyadvice.service.org.uk/en/tools/debt-advice-locator)



# Money Navigator Tool

A simple online diagnostic

**Together we have developed a tool that helps people find all the guidance they need if their finances have been impacted by the coronavirus pandemic.**

In answering a series of questions the tool will provide a tailored result page that will direct them to partners that can help.

This means consumers will:

- **Recognise the impact on all areas of their finances**
- **Know what they're entitled to, for example benefits, grants and payment holidays**
- **Understand where to go for free support across all financial matters**



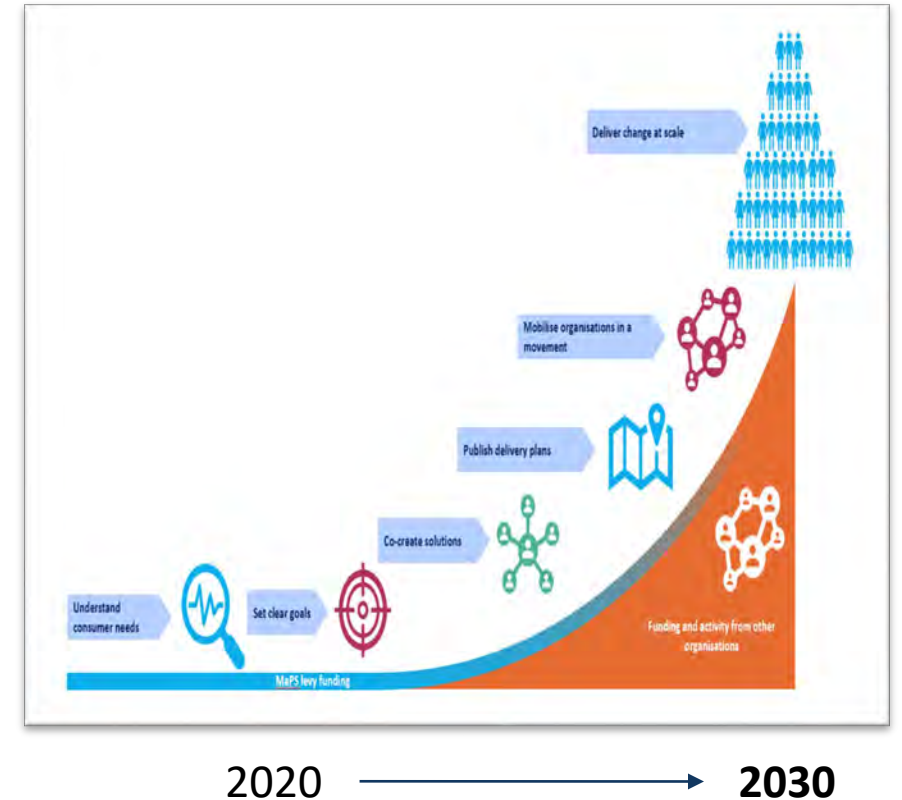
# Long term Proposals for Mental Health and Financial Wellbeing

Growing the **evidence-base** for Mental Health and Financial Wellbeing interventions

Achieving '**Accessibility by Design**' in Financial Services for People with Mental Health Problems

Supporting **Financial Wellbeing through Health** and Community-Delivered Services and Systems

Building and **Maintaining Financial and Mental Health Resilience** through Systems







**NIBUD**

# Financial resilience & COVID-19

OECD

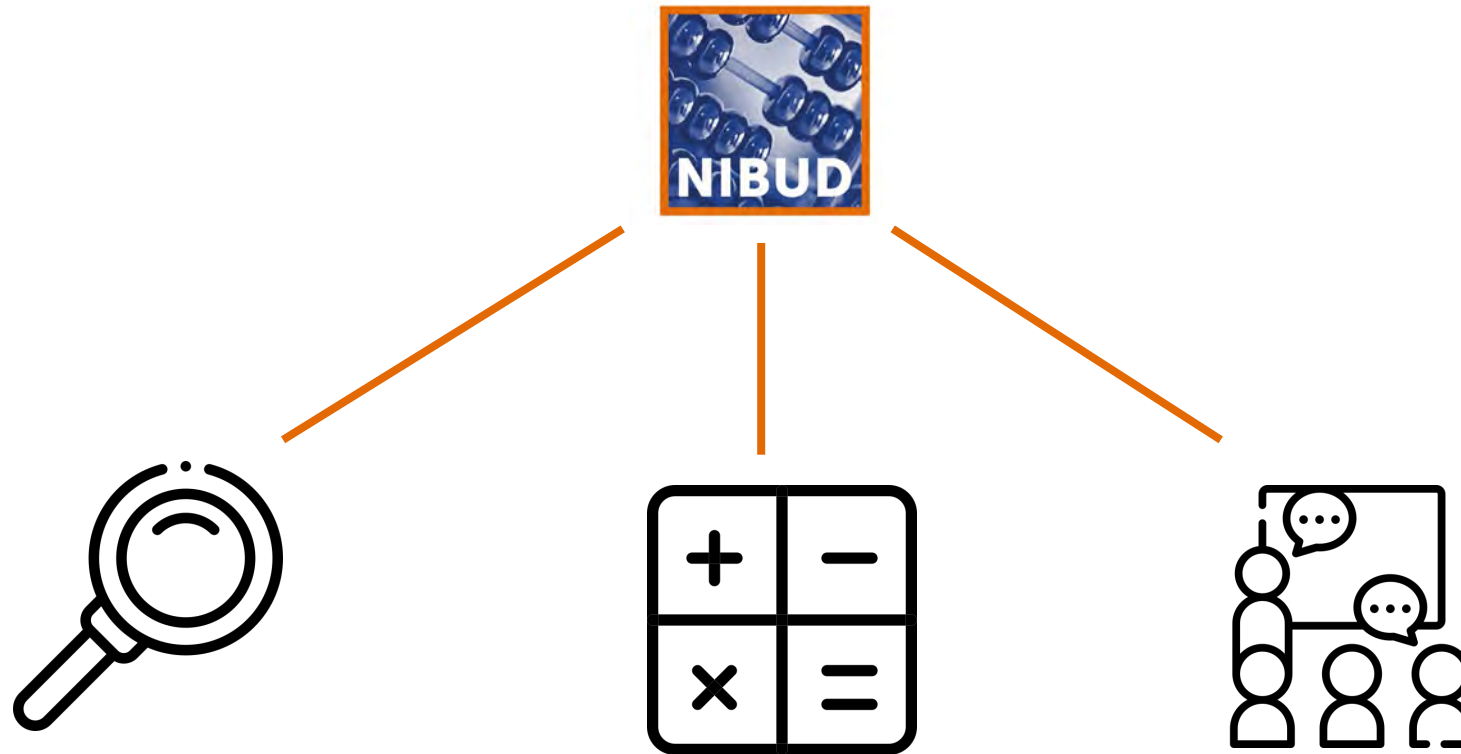
Nanne Houtsma

2-12-2020



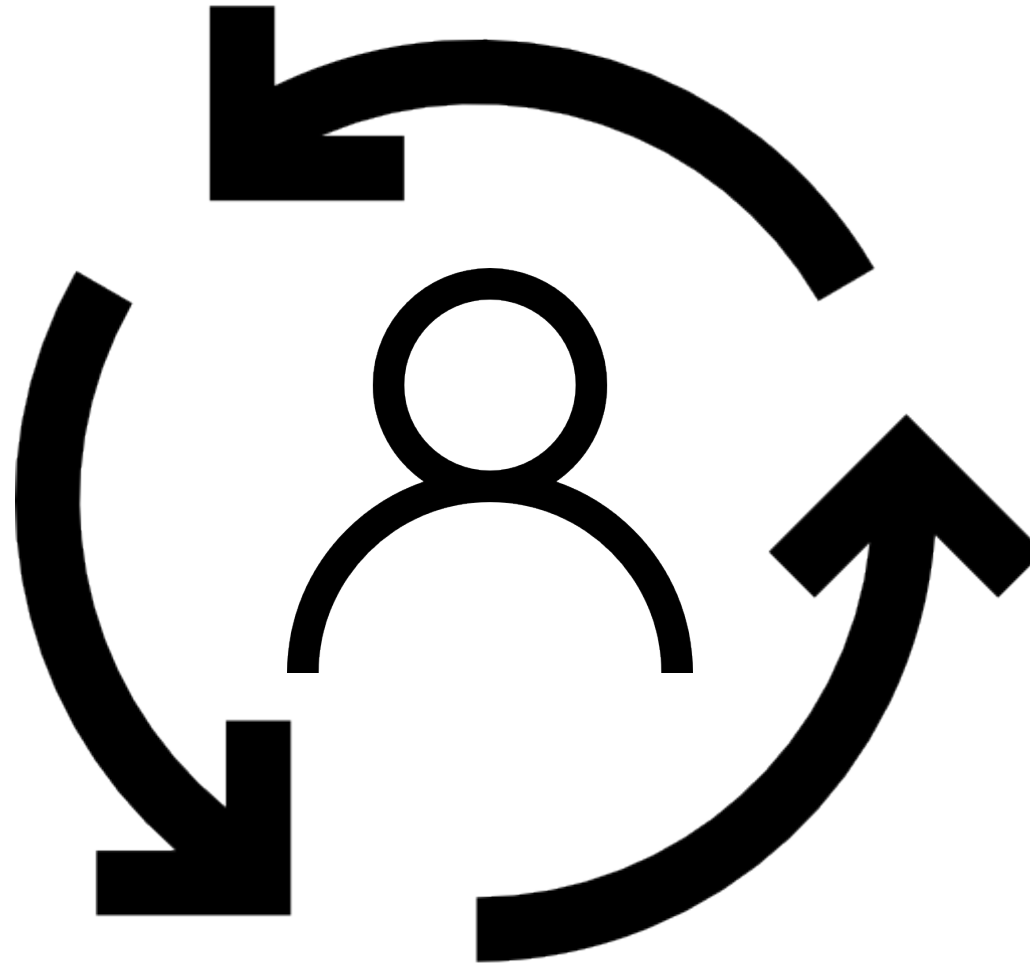
# Nibud (National Institute for Family Finance Information)

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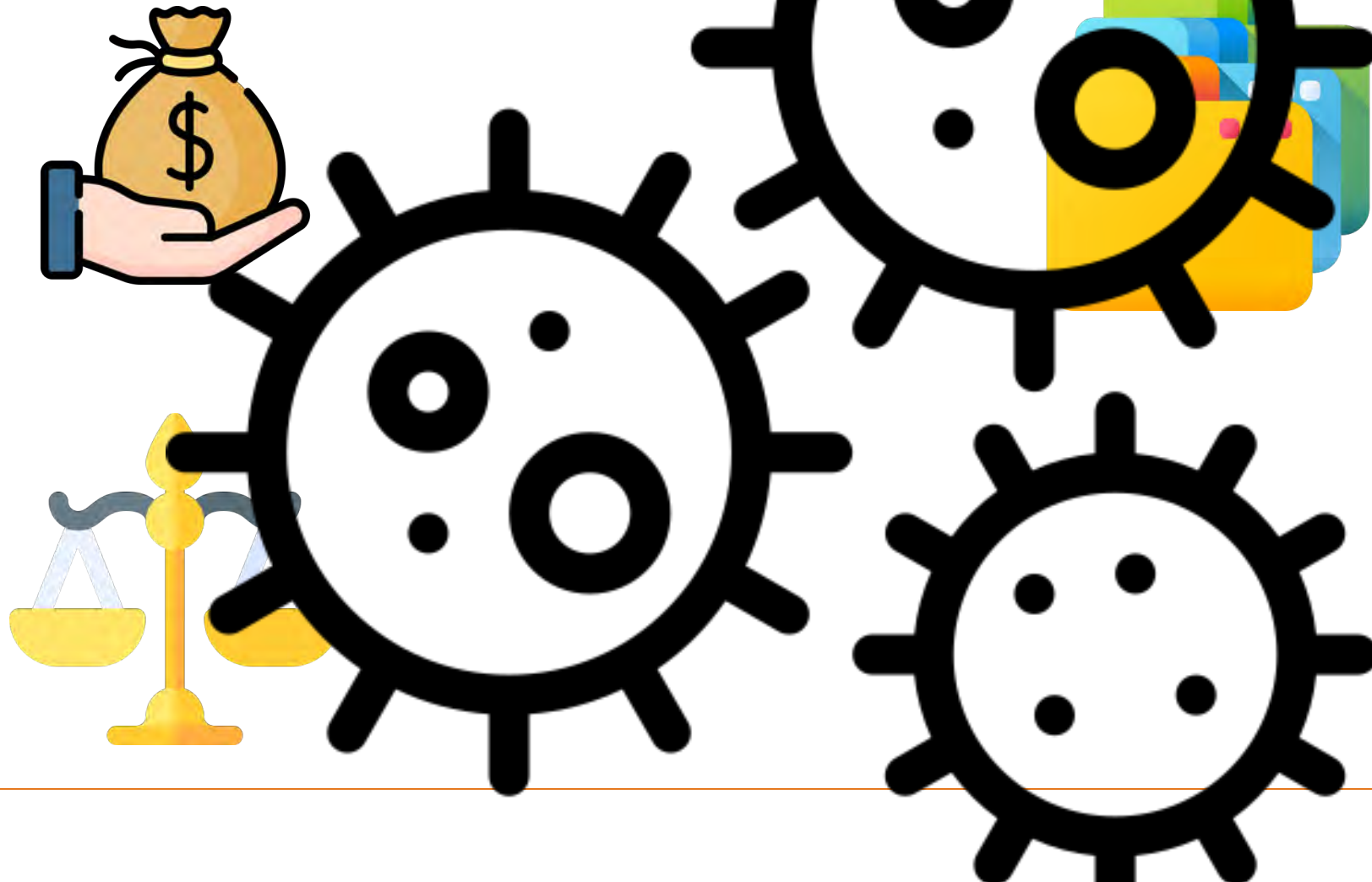
# Financial resilience

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# Competencies for financial resilience

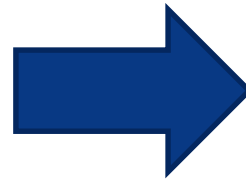
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# Effects of COVID-19 on households' financial situations

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- 3 surveys (March, May, June)
- 1000-2000 respondents
  
- Entrepreneurs
- Temporary contract workers
  - Young people (<35 y/o)



40% experience an  
decrease in income



Big financial **worries**



# Calm before the storm

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# Train your employees!

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# In order to be financial resilient ...

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- Individuals need to have **competencies**
- The environment needs be **educated** on the detection of financial problems





**NIBUD**

# Financial resilience & COVID-19

OECD

Nanne Houtsma

2-12-2020

