

PRESS RELEASE FROM THE CENTRE FOR SOCIAL JUSTICE AND LOWELL

UNDER EMBARGO UNTIL -- / --

Half of Brits want urgent help managing their cash, new poll finds

Leading think tank launches Financial Education Initiative, backed by Lowell, to boost financial skills among the most disadvantaged.

Nearly half of UK adults (44%) want urgent help in managing their own money, according to a new opinion poll highlighting the dire state of the personal finances of millions of people. They said that if they were better taught how to manage their household budgets and bills they would be in much better shape financially.

Problems are particularly acute among young people with two thirds (68%) saying a lack of money management skills is a key factor in driving them into debt.

So too are many people taking on new forms of debt with almost one in ten (9%) respondents saying they would use a Buy Now Pay Later product at Christmas, rising to one in five (17%) of 18-34 year olds. Half of all respondents (46 per cent) experiencing financial problems or having experienced them in the past said they attribute their financial woes to poor money management skills.

The findings come from a poll by Opinium of 4,000 people commissioned by the leading think-tank, the Centre for Social Justice (CSJ), and credit management company Lowell, who produce the [UK's first Financial Vulnerability Index](#). Recent research from the Government's Money and Pensions Service also found that 24 million adults confessed to lacking confidence in managing their money.

With new financial products developing faster than they can be regulated, many struggling to manage their finances and financial vulnerability rising in the UK¹, financial education is urgently needed at more touch points across a person's financial lifespan.

The CSJ and Lowell are joining forces to reduce levels of financial illiteracy and improve the support for people on low-incomes facing a rapidly changing financial market and cost of living crisis.

Today they have launched the Financial Education Initiative: a research and policy programme that will gather data about the changing financial landscape, examining levels of financial literacy, reviewing the current financial education offer and making recommendations on where action can be taken.

Robert Halfon MP, Chair of the Education Select Committee, said:

¹ Financial vulnerability has risen 11% since Q3 2019, [Tracking Financial Vulnerability in the UK \(urban.org\)](#)

“The growing cost of living crisis means that families are under huge pressure to ensure every pound goes the extra mile.

“Financial education must be seen as a core element of the Skills agenda and must be firmly embedded in our education system. Building these skills to support the development of an apprenticeship nation must work in tandem with transforming our national curriculum to better prepare pupils for the future world of work.

“This is why I welcome the Financial Education Initiative launched by the Centre for Social Justice and Lowell today and await their findings with interest.”

John Pears, UK CEO of Lowell, said: “Every day we see people in vulnerable situations due to a lack of ability to manage their finances. With so many pressures on households with the rising cost of living and financial vulnerability in the UK, we want to get to the root of the problem and help people better manage their money. That means understanding what is going wrong, understanding why people aren’t getting the education and support they need. I am looking forward to seeing the results of the initiative and supporting the team at the CSJ campaign for action in the public and private sector.”

Andy Cook, CEO of the Centre for Social Justice, said: “It’s clear from our research that money management skills have a huge role to play in helping people, particularly those on low-incomes and young people, navigate their way through the cost of living crisis. We are delighted to be partnering with Lowell on this vital project to improve the nation’s financial literacy.”

The partnership will culminate with a report containing a suite of policy recommendations set for release in May of 2022. The CSJ is today launching a Call for Evidence from agencies, organisations, and individuals who have experience of delivering financial education, as well as those with an interest in reshaping how the Government tackles the issue of low financial literacy. The deadline for submissions is Friday 11th February 2022. Further details on how to submit evidence are available at www.centreforsocialjustice.org.uk

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Key Survey Findings

1. Half of all respondents (46 per cent) experiencing financial problems or having experienced them in the past said they attribute their financial woes to poor money management skills.

2. Among young adults aged 18 to 34, the position is even worse, with two thirds (68 per cent) of those struggling with money problems blaming their situation on their poor grasp of their personal finances.
3. Among the poorest, those earning less than £20,000 a year and suffering financial difficulties, more than one in three (35 per cent) link their plight to lack of money management skills.
4. The research found that almost one in ten (9 per cent) said they would use an unregulated Buy Now Pay Later (BNPL) product at Christmas, meaning as many as 500,000 people could find themselves behind on debt repayments in the coming months.² This rises to 17 per cent of people aged 18-34.
5. The poll also found that people on low incomes are now choosing to use unregulated BNPL products (9 per cent) at a higher rate than traditional low-cost credit cards (6 per cent).

About Centre for Social Justice & Lowell: Financial Education Initiative

The initiative, led by the Centre for Social Justice and backed by Lowell, will gather data about the changing financial landscape, examining levels of financial literacy and reviewing the current financial education offer.

The programme of research will identify areas for improvements in delivering effective financial education from cradle-to-grave to help inform the Government's plans to create a 'high-skilled, high-wage economy'. This includes:

- Early interventions for children; with a focus on financial education delivery in schools and at home;
- Young adults (18–34); financial education in the face of a fast-evolving financial landscape;
- Mid-life MOTs; financial education through avenues at work, interactions with the welfare system and at points of reskilling;
- Later life; supporting intergenerational family finances and protecting the vulnerable from financial exploitation.

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About Lowell

Lowell is one of the largest credit management services companies in the UK and Europe. Headquartered in Leeds, Lowell employs over 1,500 people in the UK and 4,000 across Europe. Lowell is at the forefront of consumer credit and credit collections in the UK, with its fair and ethical collection practices of no interest, fees or charges extending across its 9.5m UK accounts. Lowell's mission to make credit work better for all has seen it pioneer award-winning vulnerability strategies and continue to focus on driving change in the industry through its own practices, technological innovation and engagement on key personal finance issues for customers. [Find out more about the way Lowell work here.](#)

About Centre for Social Justice

Established in 2004, the Centre for Social Justice is an independent think-tank that studies the root causes of Britain's social problems and addresses them by recommending practical, workable policy

² One in ten people who use a buy now pay later service are contacted by debt collectors, according to [Citizens Advice](#).

interventions. The CSJ's vision is to give people in the UK who are experiencing the worst multiple disadvantages and injustice every possible opportunity to reach their full potential.

The majority of the CSJ's work is organised around five 'pathways to poverty', first identified in our ground-breaking 2007 report Breakthrough Britain. These are: educational failure; family breakdown; economic dependency and worklessness; addiction to drugs and alcohol; and severe personal debt.

Since its inception, the CSJ has changed the landscape of our political discourse by putting social justice at the heart of British politics. This has led to a transformation in government thinking and policy. For instance, in March 2013, the CSJ report It Happens Here shone a light on the horrific reality of human trafficking and modern slavery in the UK. As a direct result of this report, the Government passed the Modern Slavery Act 2015, one of the first pieces of legislation in the world to address slavery and trafficking in the 21st century.

Our research is informed by experts including prominent academics, practitioners and policy-makers. We also draw upon our CSJ Alliance, a unique group of charities, social enterprises and other grass-roots organisations that have a proven track-record of reversing social breakdown across the UK.

The social challenges facing Britain remain serious. In 2022 and beyond, we will continue to advance the cause of social justice so that more people can continue to fulfil their potential.

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