

Lending, Savings and Debt Research: Northern Ireland Consumers

Report Overview

Date completed: **March 2021**

What we did and who we spoke to:

The Consumer Council commissioned research to ask people their opinions, thoughts and experiences about lending, savings and debt. The researcher conducted telephone interviews with over 1,000 consumers across Northern Ireland, with a further 523 interviews with consumers in specifically targeted 'booster areas'. This is a repeat of research that we commissioned in 2019 as we wanted to learn about how consumers' experiences had been impacted by the COVID-19 pandemic.

What we asked:

This research aimed to provide greater insight into the habits, behaviours and views of Northern Ireland consumers in relation to things like general banking and saving habits, the types of borrowing products people used, levels of debt, awareness of illegal money lending and the impact of COVID-19 in respect of these.

What we were told:

Before the COVID-19 outbreak, 3% thought it was difficult to pay their usual household bills. Since the COVID-19 outbreak, more people (14%) stated it was difficult to do so.

Of respondents to the main survey who had borrowed money, 15% did so as a direct result of the COVID-19 pandemic.

For 29% of respondents, their ability to save decreased as a result of the pandemic and almost a third (32%) experienced a drop in their household income. However, for almost a quarter (24%) the COVID-19 pandemic lockdown had increased their ability to save and for 10% their household income had increased as a result of the COVID-19 pandemic.

The research highlighted that those most negatively affected financially by the COVID-19 pandemic were young people and social housing tenants. 22% of 16-24 year olds reported being in debt compared to 14% in 2019. This figure was 23% for social housing tenants in 2020, up from 10% in 2019.

The research also shows us that illegal money lending remains an issue in Northern Ireland. While awareness of illegal lending within respondents' local area fell from 35% in 2019 to 21% in this research, and from 50% to 40% for awareness outside the local area, the proportion of respondents having used illegal lenders increased from 2019 (from 1% to 2% for the main survey and 3% to 4% in the booster areas).

Those in social tenancy households were more likely than any other group to have used an illegal lender - 11% compared to 2% for private renters and 1% for home owners.

In addition, households with a disabled person emerged as a group who had a high level of awareness of illegal lending (28%).

