

Money and Mind Report 2025



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Money and Mind Report 2025

In a world where financial stability is key, our Money and Mind Report uncovers the vital link between your finances and overall wellbeing. This comprehensive report delves deep into the intricate relationship between financial health and personal happiness, offering valuable insights into the concerns, priorities, and behaviours shaping how people manage their financial journeys today.

When it comes to seeking advice, many individuals turn to their partners and friends, while only a small percentage consult a professional adviser.

Our research reveals that a significant portion of the population is deeply concerned about their finances, with over 60% of respondents expressing varying levels of worry. This concern is not just a fleeting thought; it profoundly impacts both mental and physical health. However, there is a silver lining: effective financial planning can be the solution. By adopting sound financial strategies and seeking the right support, individuals can alleviate financial stress and improve their overall wellbeing.

More than half of the respondents reported that financial stress affects them mentally, underscoring the importance of proactive financial management.

With the right tools and guidance, financial peace of mind is within reach.

When it comes to seeking advice, many individuals turn to their partners and friends, while only a small percentage consult a professional financial adviser. This indicates a gap in professional financial guidance that needs to be addressed. This is where we fit in—by filling the gap and offering support through accessible, affordable, and trustworthy advice. Our goal is to help you navigate your financial journey with confidence and peace of mind, ensuring you have the guidance you need to make informed decisions.

The cost-of-living crisis, a situation where the cost of basic necessities like food, housing, and energy rises faster than incomes, has emerged as a major concern. Nearly 70% of respondents are worried about its impact on their finances. This crisis has led to increased stress and anxiety, with many individuals thinking about their finances more frequently. By understanding the cost-of-living crisis and its effects, we can better address these challenges and support those affected.

Nearly
70%
of those surveyed are
worried about the cost of
living crisis and how it will
impact their finances.

Despite these challenges, there is a strong desire among individuals to take control of their financial future. Becoming debt-free, building an emergency savings fund, and increasing retirement contributions are among the top financial goals. However, barriers such as the perceived cost of financial planning and the misconception that it is only for the wealthy need to be addressed.

This report highlights the importance of financial wellbeing and the critical role that financial planning can play in supporting you. By understanding your key concerns and priorities, we can develop strategies and solutions that not only help alleviate financial stress but also aim to enhance your overall wellbeing.

We hope that the insights from this report will inspire meaningful conversations and actions towards a more financially stable and mentally healthy future for you.



Key findings and summary

For this year's Money and Mind Report, we surveyed 1,000 UK adults aged 35 years and above to understand their feelings about finances, the impact on their wellbeing, and what actions they plan to take to actively manage their finances in the future.

Our findings show that many people are worried about their finances, which is affecting their mental wellbeing. Most turn to loved ones for support rather than professionals, and many are struggling with basic needs like food and bills. However, there's a growing awareness and willingness to make financial plans, despite barriers like thinking they don't need help, concerns about costs, and not knowing where to start. This highlights the importance of accessible and affordable financial advice to help people manage their money better.



Financial concerns
62% of respondents are concerned or very concerned about their finances. Individuals aged 35 to 54 (68%) are more concerned about their finances than those aged 55 and over (52%) because they are typically balancing multiple financial responsibilities, such as mortgages, raising children, and saving for retirement, all while potentially facing career uncertainties.

Financial priorities
41% have made sorting out their finances a top priority, a 5% increase from 2023.

Support systems
The most common source of support is a partner, with 33% confiding in a loved one, while only 6% discuss their money worries with a professional financial adviser.

Financial planning
55% are likely to make a financial plan, a 6% increase from 2023, but only 8% currently have one in place.

Cost-of-living crisis
70% are worried about the impact of the cost-of-living crisis on their finances.

Basic needs
35% are most concerned about affording food or basic household bills, a significant increase of 10% since our 2023 report.

Increased financial awareness
41% think about their finances more frequently than in our 2023 Money and Mind Report.

Financial goals
39% aim to build an emergency savings fund, maintaining the same priority as last year.

Barriers to financial Planning

- 1 Perceived self-sufficiency**
31% believe they don't need help with their finances.
- 2 Sales concerns**
23% don't want to be sold additional financial products.
- 3 Cost**
22% think financial planning would be too expensive.
- 4 Uncertainty**
21% wouldn't know where to start.

Mental wellbeing
79% of those concerned report that their financial situation impacts their mental wellbeing.

Stress and anxiety
30% feel stressed and anxious about their financial situation.

43%

of those surveyed, reported being concerned about their finances with an additional 19% indicated that they are very concerned.

Financial concerns and wellbeing

In today's economic climate, which refers to the overall state of the economy including factors like employment rates, inflation, economic growth, and consumer confidence, financial concerns are a significant issue for many individuals.

Our survey reveals that a substantial portion of respondents are worried about their financial situation. Specifically, 43% of respondents reported being concerned about their finances, while an additional 19% indicated that they are very concerned. This high level of concern highlights the pervasive nature of financial stress in our society.

The impact of these financial worries extends beyond mere concern; they have tangible effects on individuals' health and wellbeing. The survey data highlights that financial stress affects both mental and physical health. A notable 51% of respondents reported that their financial concerns primarily impact their mental health, leading to increased anxiety, stress, and other mental health issues. Additionally, 29% of respondents indicated that their financial worries affect them both mentally and physically, manifesting in symptoms such as sleep disturbances, headaches, and other stress-related physical ailments.

Interestingly, although men told us that they suffer more mentally when it comes to worrying about finances (54% compared to 48% of women), women are more likely to suffer both mentally and physically (32% compared to 25% of men).

One reason why this may be the case is that financial concerns often affect men and women differently due to societal expectations and roles. Men may feel a heightened sense of responsibility to provide financially, which can lead to greater mental stress when they perceive their ability to do so is threatened. On the other hand, women, who often juggle multiple roles as caregivers, employees, and household managers, may experience a wider impact on their wellbeing than just physically or mentally. The physical manifestation of financial stress in women could be attributed to the added pressures of balancing these responsibilities, which can exacerbate stress-related physical symptoms such as sleep disturbances, headaches, and fatigue.

These levels of concern have remained stable since our last Money and Mind Report in 2023. However, there was one alarming increase. The top reason cited for financial worries was the inability to afford food or basic household bills, marking a 10% increase from 2023. This rise is particularly concerning given the current economic environment, characterised by rising inflation and stagnant wages, which has put additional strain on household budgets and exacerbated financial anxieties.

Only 4% of those surveyed had no concerns at all about their finances.

Of the 62% who were concerned or very concerned, 51% were affected mentally.

Top 3 concerns when it comes to finances were:

- 1 Not being able to afford food or basic household bills (35%)
- 2 Not being able to save enough to retire (23%)
- 3 Not being able to afford to contribute towards savings (17%)



"These findings emphasise the need for comprehensive financial planning and support services. By addressing financial concerns and providing effective strategies to manage finances, we can help alleviate the mental and physical burdens that financial stress imposes on individuals. This, in turn, can lead to improved overall wellbeing and a better quality of life for those affected."

Vanessa Hubbard
Personal Wealth Adviser



Sources of financial advice

When it comes to managing finances, individuals often seek advice from various sources.

The most common sources of financial advice are personal connections and well-known financial experts. Partners are the primary source of advice for 33% of respondents, indicating a high level of trust and reliance on close relationships for financial guidance. Friends also play a significant role, with 13% of respondents turning to them for advice. Additionally, financial experts like Martin Lewis, known for his practical and accessible financial tips, are a trusted source for 14% of respondents.

Despite the availability of professional financial advisers, only 6% of respondents reported consulting them for financial advice. This low percentage may be due to barriers, such as perceived cost, accessibility, or a lack of awareness about the services offered by professional advisers. Additionally, there are many myths surrounding financial advice, such as the belief that it is only for the wealthy or that it is too expensive, which may further discourage people from seeking professional help.



“Many people believe that financial advice is only for the wealthy or that it comes with a high price tag, but this is a misconception. Our goal is to provide tailored advice that could help individuals achieve their financial goals, whether it’s saving for retirement, managing debt, or planning for a major life event. We work closely with our clients to understand their unique circumstances and develop a plan that fits their needs.

It’s also important to remember that seeking professional advice could save you money in the long run. By helping you make informed decisions and potentially avoid costly mistakes, a financial adviser can provide significant value. We aim to empower our clients with the knowledge and tools they need to take control of their financial future.”

Richard Allan
Financial Planning Director



29%

said they were unlikely to consult a financial adviser to help them make a financial plan.

13%

said they don’t understand the benefits of a financial plan and how a financial adviser could help them achieve their financial goals, manage their money more effectively, and provide personalised advice tailored to their unique circumstances.

Financial priorities and goals

The survey results highlight the significant emphasis individuals place on managing their finances effectively.

Sorting out finances is a top priority for 41% of respondents, with an additional 48% considering it somewhat of a priority. This overwhelming majority underscores the importance of financial stability and the proactive steps people are willing to take to achieve it.

However, the survey also reveals a concerning trend: while many individuals prioritise financial planning, few are taking action to seek appropriate support and guidance. This lack of professional advice could put them at risk of potential future financial harm. It's crucial for individuals to not only prioritise their finances but also to seek expert advice to ensure they are making informed decisions and safeguarding their financial future.

The survey also sheds light on specific financial goals that individuals are striving to achieve. Building an emergency savings fund is a critical goal for 39% of respondents, highlighting the importance of having a financial safety net to handle unexpected expenses. Becoming debt-free is another key goal for 35% of respondents, reflecting a strong desire to eliminate financial burdens and gain greater control over their finances. Additionally, 21% of respondents aim to increase their retirement contributions, indicating a forward-thinking approach to their financial future.

These goals reveal a clear trend towards not only being focused on immediate financial concerns but also on planning for long-term stability.

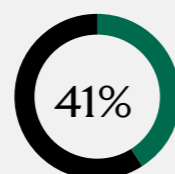


“Achieving financial goals requires more than just good intentions; it needs a well-thought-out plan and the right guidance. As financial advisers, our role is to help clients navigate the complexities of financial planning, from budgeting and saving to investing and retirement planning. We provide the expertise and insights needed to make informed decisions that align with their long-term objectives.

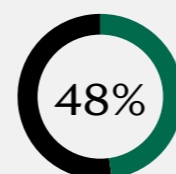
By working with a financial adviser, individuals can gain clarity on their financial situation, set realistic goals, and develop a plan that aims to achieve them. This personalised approach ensures that clients are not only prepared for the future but also able to enjoy peace of mind knowing they are on the right path.”

Alice Harmer
Personal Wealth Adviser

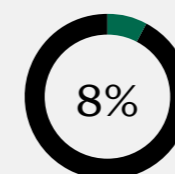
How high of a priority is sorting out your finances?



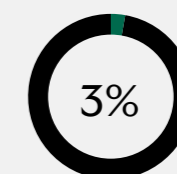
Top priority



Somewhat of a priority



Low priority



No priority at all

22%

of those surveyed, believe that financial planning is only for the wealthy.



Financial planning and advice

The likelihood of individuals engaging in financial planning varies, and several barriers can hinder this process.

The survey results indicate that a significant portion of respondents are inclined towards making a financial plan. Specifically, 37% of respondents are somewhat likely and 18% are very likely to create a financial plan. This shows a positive trend towards proactive financial management. However, it is important to note that 23% of respondents remain neutral, neither likely nor unlikely to make a financial plan.

Despite the inclination towards financial planning, several barriers prevent individuals from taking this important step. The perception that financial planning is costly is a significant deterrent, with 31% of respondents citing this as a barrier.

And it appears that women are more concerned about the cost of financial advice than men with 29% highlighting this as a barrier compared to just 17% of men. This could be because women, on average, tend to earn less

than men and have longer life expectancies, leading to greater financial uncertainty and a heightened sensitivity to potential costs.

The biggest barrier to financial advice for men is that they don't believe that they need help with their finances, with 39% giving this as a reason compared to just 21% of women. This could be because men feel a greater sense of responsibility and pressure to handle financial matters independently, making it challenging for them to seek external advice. Additionally, cultural norms may lead men to perceive seeking financial help as a sign of weakness or inadequacy, further deterring them from pursuing professional financial planning.

Similarly, this line of reasoning seems to be more prevalent among the older generation compared to younger individuals who are more inclined to seek financial advice from professionals. Only 26% of individuals aged 35 to 54 stated that

they did not need help with their finances, in contrast to 36% of those over the age of 55. Another common barrier is the belief that financial planning is only for the wealthy, as indicated by 22% of respondents.

This is a widely believed myth, yet financial planning is beneficial for individuals at all income levels.

22%

of those who would not consider making a financial plan think that it would cost too much.

23%

don't want to be sold additional financial products that they don't need.

“Cost should not be a barrier to accessing financial advice. At Lloyds Wealth, we begin with a free, no-obligation conversation to understand if our service is right for you. From there, we will build you a personalised financial plan that takes into account your current situation, future goals and maps out how you could achieve them. There are no hidden fees or charges, and you'll only pay if you choose to proceed.

Additionally, we understand that people are often concerned about being sold products they don't need. Rest assured, all our advisers are salaried,

so they have no requirement to recommend any products other than those they believe are best suited to your needs.

It's why I'm proud of what I do. We want to improve the way financial advice is offered, by making it simple, accessible, and affordable to more people. For us, it's about more than just financial advice – we want to change lives.”

Damien Goodall
Personal Wealth Adviser



Tips to improve your financial wellbeing

We believe improving financial wellbeing is essential for achieving long-term stability and peace of mind. Here are six tips to help you enhance your financial health:



1

Create a budget and stick to it

A budget is a fundamental tool for managing your finances. Start by tracking your income and expenses to understand where your money is going. Categorise your spending and identify areas where you can cut back. Setting realistic spending limits and sticking to them can help you save more and avoid unnecessary debt.

2

Build an emergency fund

An emergency fund acts as a financial safety net for unexpected expenses, such as car repairs or household emergencies. Aim to save at least three to six months' worth of living expenses. Start small if necessary, and gradually increase your savings over time. Having an emergency fund can reduce financial stress and provide peace of mind.

3

Pay off high-interest debt

High-interest debt, such as credit card debt, can quickly become a financial burden. Focus on paying off these debts as soon as possible. Consider using the debt snowball method (paying off the smallest debts first) or the debt avalanche method (paying off the highest interest debts first). Reducing your debt can free up more money for savings and investments.

4

Invest in your future

Investing is a key component of long-term financial wellbeing. Contribute to a retirement pot, such as a workplace pension or a personal pension plan and take advantage of employer matching programmes if available. Diversify your investments to spread risk and consider seeking advice from a financial adviser to create a personalised investment strategy.

5

Educate yourself about personal finance

Knowledge is power when it comes to managing your finances. Take the time to educate yourself about personal finance topics, such as budgeting, investing, and retirement planning. The more you know, the better equipped you'll be to make informed financial decisions.

6

Engage with a financial adviser

While the previous steps can be done on your own, getting to grips with your finances can be daunting, so engaging with a financial adviser could help you provide the guidance you need. A qualified adviser can create a plan tailored to your goals and priorities, offer advice on financial products and investments, and answer any questions you have.

About Lloyds Wealth

Our aim is to improve the way financial advice is offered, by making it simple, affordable, and accessible to more people.

For us, it's about more than just financial advice. We believe that a good financial plan can help change people's lives, giving you and your loved one's peace of mind.

At Lloyds Wealth, transparency is key. We have no hidden fees or charges. You only pay if you decide to proceed with the recommendations in your personalised financial plan. Before any costs are incurred, we will clearly explain the charges for the products and services you choose. This way, you can make an informed decision about which services to use.



“At Lloyds Wealth we help people make plans which aim to get them to where they want to be in their lives. That’s a great responsibility and it clearly points us towards an important purpose.”

Mark Duckworth
Managing Director



How could Lloyds Wealth help you?

Here are just five ways that Lloyds Wealth helps our valued clients:

Personalised financial advice:

1

We offer tailored financial advice to meet the unique needs and goals of each client. Our advisers take the time to understand their clients' current circumstances, future hopes, and financial responsibilities before recommending any solutions.

Access to global markets:

2

Through our partnership with Schrodgers, clients have access to global markets and top fund managers. This allows clients to benefit from a wide range of investment opportunities that are unavailable anywhere else in the market.

Comprehensive financial planning:

3

We provide a holistic approach to financial planning, covering everything from retirement planning and estate planning to buying property and protecting possessions. Our advisers can also introduce clients to specialists for more complex financial needs.

Transparent and competitive pricing:

4

We are committed to offering clear and transparent pricing. We aim to make financial advice simple, accessible, and affordable, ensuring clients get the best value for their money.

Ongoing support and reviews:

5

Clients who opt for our Ongoing Advice Service benefit from regular reviews and ongoing support from their dedicated advisers. This ensures that their financial plans remain on track and can be adapted to any changes in their circumstances.

Our values

We asked our clients to articulate the things they value most about Lloyds Wealth and the relationship that they hold with us.

Better understanding

Our clients value our clear communication. Finances can be complicated, so we want to keep everything straightforward for you. That's why, we always try to avoid baffling jargon.

We want to make it not just comfortable, but enjoyable to discuss where you are financially and how you could get to where you want to be.

Peace of mind

We believe that the best outcome from financial advice is achieved when you have a long-term trusted financial partner.

Our clients not only value the opportunity to regularly review their financial plan, but also our transparency when it comes to pricing.

Our Ongoing Advice Service (OAS) could help you stay on track to achieve your financial goals. For any big life events that come your way within the year, we'll be on hand to support you and your loved ones.

A firm you can trust

Our clients value their long term, trusted relationship with Lloyds Wealth and their Personal Wealth Adviser.

With over 300 advisers based across the UK talking to us is easy. Our advisers will meet you at a time and place that is convenient to you, whether it's at home, your local Lloyds Bank, Halifax or Bank of Scotland branch or digitally.

Our advisers don't work on commission, so they have no requirement to recommend any action or product other than those they believe are best suited to your needs.

Powerful resources

Our clients appreciate the stability and comprehensive services we offer through our partnership. With Schrodgers, we provide access to global markets and top fund managers. Lloyds Banking Group enhances this with broader resources, allowing our advisers to connect clients with specialists for property purchases, asset protection, business finance, and complex tasks like establishing trusts.



Clear direction

Our clients value our tailored and personal financial planning process. It's all about your current circumstances, your future hopes and ambitions, your finances, your responsibilities to your loved ones.

Before they say anything about financial solutions, our advisers take the time to discover what, precisely, those solutions need to achieve for you.

Whether you are looking for a general financial health check, advice on retirement planning or passing on your wealth, we can help you put a plan in place.



[LloydsWealth.com](https://www.LloydsWealth.com)

Please contact us if you need this information in an alternative format such as Braille, large print or audio.

Important Information

This is for information purposes only. It is not intended as investment advice.

Fees and charges apply at Lloyds Wealth.

The value of investments and the income from them can fall as well as rise and are not guaranteed. Investors might not get back their initial investment.

Tax treatment depends on the individual circumstances of each client and may be subject to change in the future.

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