

Personal Financial Wellbeing: Income isn't everything... where you live also matters

Find out more about
the project here



Research funded by



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Financial wellbeing (FWB) is the overall financial health and satisfaction with one's financial situation.

MaPS* calculated a **FWB score out of 100** based on 9 questions:

- **2 attitudinal** (satisfaction, confidence)
- **7 income-related** (money management, saving and borrowing behaviours, and retirement planning)



Deprivation refers to the lack of material benefits considered to be basic necessities.

Index of Multiple Deprivation (IMD) measures deprivation at the LSOA** level across:

- **Domains common across nations** (income, employment, education, health, crime)
- **Other domains** (housing, services and living environment)



Little is known about the role of local deprivation in shaping FWB. Our research explores this.



RESEARCH FINDINGS

1

People living in deprived areas have **lower FWB** compared to their counterparts living in affluent areas, even after accounting for socio-demographic factors.



Alex



Blake

Same age, gender, ethnicity, social economic status, financial literacy, health status and household composition

Lives in deprived LSOA

Lives in affluent LSOA

Low FWB score

High FWB score

2

IMD is associated with the **income-related elements of FWB**, rather than the attitudinal elements of it.

3

Only the **income, employment, health and education aspects of deprivation** are related to individuals' FWB.



TAKE AWAY

For **greater impact with limited resources**, prioritise:

- improving the income-related FWB measures
- addressing the income, employment, health and education aspects of local deprivation.



METHODS

Data: MaPS* Financial Wellbeing Survey 2021

Key variables: FWB score and IMD quintiles

Methods: OLS regressions***