

How are NHS staff
coping with the cost
of living squeeze?

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Introduction

At Salary Finance, we understand the profound impact finances have on our health and happiness. This extends to our home and work life, especially when it comes to helping those who need it in tough times.

Our mission is to help millions become financially healthier and happier. We do this by partnering with employers to provide a holistic suite of salary-linked employee financial wellbeing benefits.

Our comprehensive, award-winning benefits offering currently reaches over 4 million employees, helping them get on top of their finances by getting out of debt quicker. We do that through responsible borrowing, building positive financial habits, advancing earned pay to meet unexpected expenses and saving simply.

Over 90 NHS Trusts have chosen Salary Finance as their trusted partner to help their employees reduce stress, improve productivity, become happier in life and be more engaged at work by taking control of their finances.

Across the Trusts we partner with we see:

400K+

Staff with access to our products.

62%

Of Salary Finance products used by Band 6 and below.

65%

Use Salary Finance for debt consolidation.

£1,262

Average interest savings on loans per year.

How does their current financial situation make NHS staff feel?

Overwhelmingly, 57% of NHS workers say their financial situation makes them feel anxious.

In total, 3 in 4 (76%) used a negative emotion to describe how their current financial situation makes them feel. Those aged 25 to 34 say they're the most anxious (66%).

PAY BANDS

2 and 4

Are feeling anxious about their financial situation the most (59% & 61%).

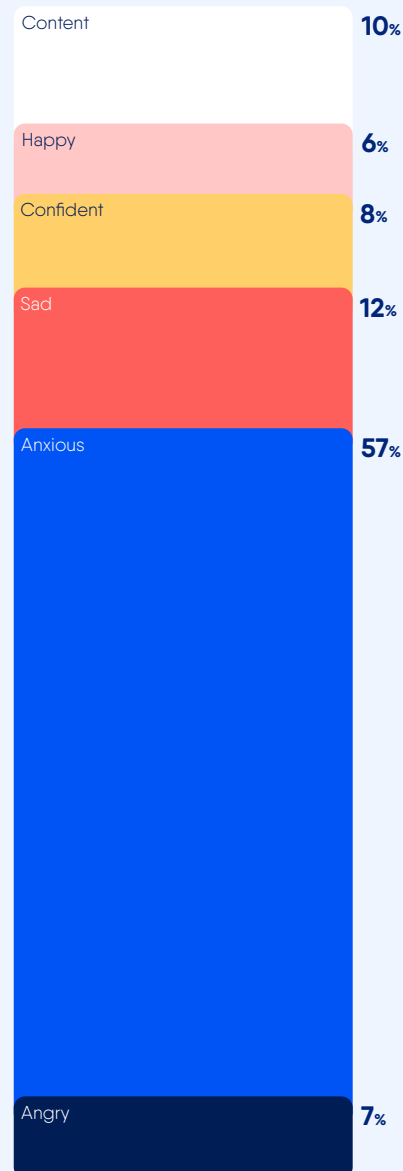
57%

Say that their financial situation makes them feel anxious.

62%

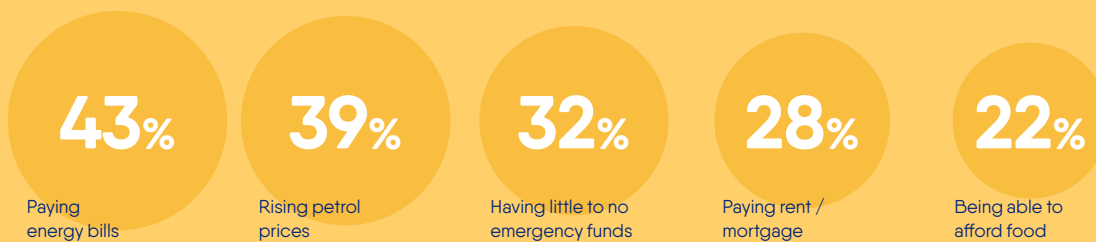
Of women say they feel anxious about their financial situation compared to just 39% of men.

Which emotion best describes how you currently feel about your financial situation?



What's keeping NHS staff up at night?

Top five financial issues giving those in the NHS sleepless nights



Paying energy bills

Is the biggest concern for everyone surveyed but more so for those in Bands 4 and 7, and for the over 35s.

Rising petrol prices

Is the second biggest concern for everyone surveyed but more so for those in Bands 5 and 7, and for the over 55s.

330k

Members of NHS staff are worried about not being able to afford food.



How much debt do NHS staff have and where is it held?

Five most common types of unsecured debts among NHS staff



Those aged 45 to 54 have the most unsecured debt, averaging at £6,418.

The stats above show the five most common places where NHS staff are holding their unsecured debts. This is representative across all demographics.

An outlier is that 45% of those in Band 4 hold their debts as a personal loan, more than any other pay band.

80%

Of NHS staff have debts other than their mortgage and student loans.

£4,753

Average amount of unsecured debt held by NHS staff.

£5,370

Average amount of debt held by men – close to £1,000 more than women.

PAY BANDS

£7,069

Average amount of debt held by those in Band 7 – close to £2,000 more than all others.

What is mental health on NHS workers?

A vast proportion of those in the NHS (65%) say their financial situation has a negative effect on their mental health. Of those, close to 1 in 5 say it has a very negative effect on their mental health.

What impact do your finances have on your mental health?



65%
Of NHS workers say their financial situation has a Negative / Very Negative impact on their mental health.

PAY BANDS
72%
Of those in Band 5 say their finances have a negative impact on their mental health – the same for those aged 25 to 34.

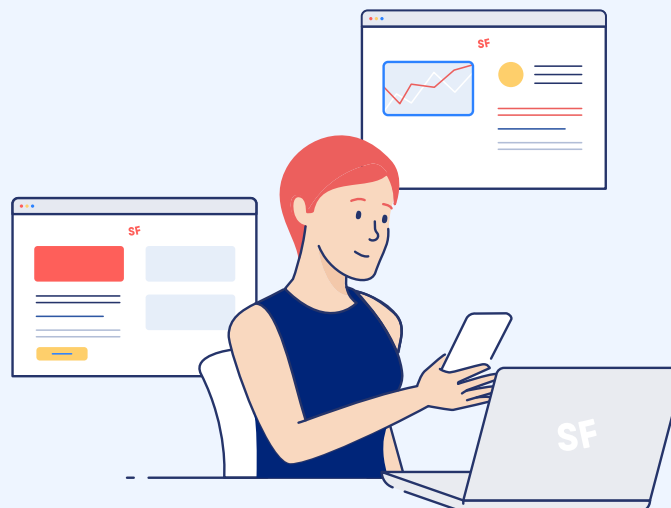
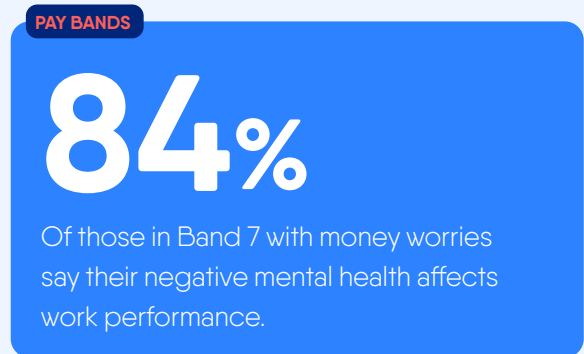
67%
Of women say their finances have a negative mental health impact compared to 55% of men.

How is the mental health impact affecting work performance?

We asked those who said their financial situation has a negative impact on their mental health to tell us how this affects their work.

Close to 3 in 4 (74%) of those say their mental health has a detrimental effect on their work. This same sentiment is felt across genders and Bands 2, 3, 5 and 6.

Bands 4 and 7 saw a bigger effect – with 79% and 84% respectively saying their mental health has a detrimental impact on work performance.



How much time off are NHS staff taking to deal with their finances?

Nearly half (47%) of NHS staff have taken at least one day of sick leave in the last 12 months to deal with personal finance issues.

The average number of sick days taken across the NHS is 1.7 – increasing to 1.9 days in Band 2 and 2 days in Band 3.

Assuming an average annual salary of £35,076, these sick days are costing £236 per employee per annum – bringing the total cost for the NHS to £354,000,000.

47%

Have taken at least one sick day in the last 12 months to deal with personal finance related issues.

1.7 DAYS

Average number of days NHS workers have taken off sick in the last 12 months to deal with personal finance related issues.

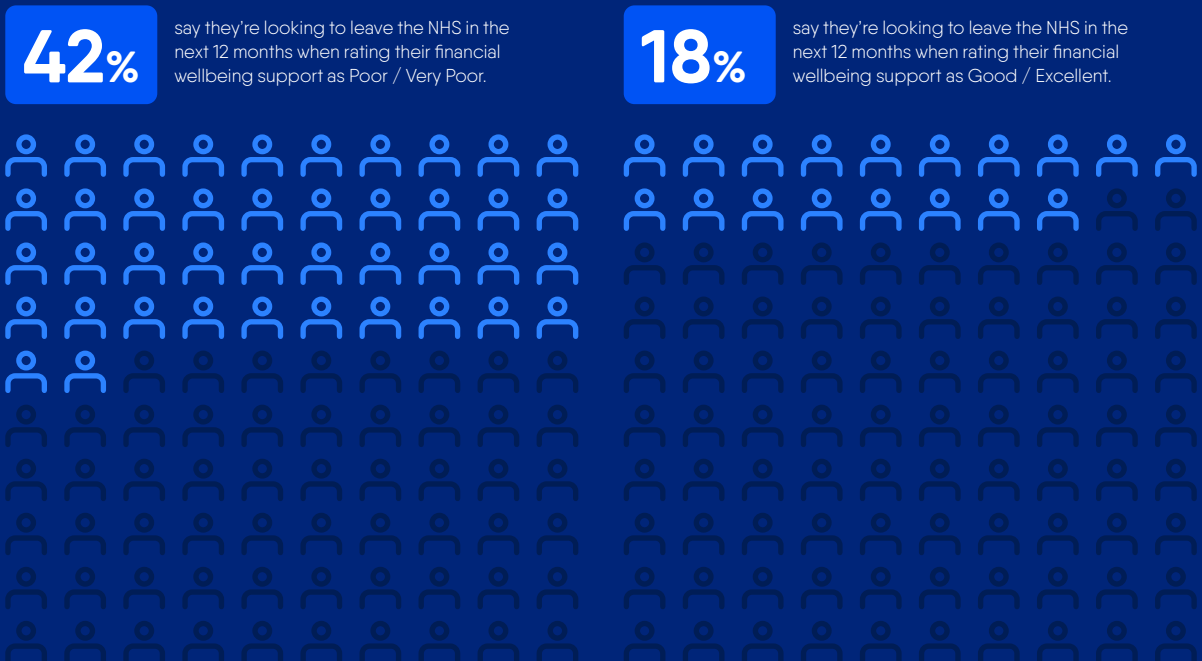
£354,000,000

Annual cost to the NHS for sick days taken by employees to deal with personal finance related issues (1.5m NHS employees).

What impact does financial wellbeing support have on retention?

To better understand the impact of financial wellbeing on retention, we asked NHS staff to rate the financial wellbeing support they received and compare it to how likely they are to leave the NHS in the next 12 months.

Amount of staff looking to leave the NHS in the next 12 months based on how they rate their financial wellbeing support



8%

Potential reduction in attrition when investing in financial wellbeing support which staff rate as Good / Excellent.

33%

Of NHS staff rate their financial wellbeing support as Poor / Very Poor.

To find that potential reduction in attrition, we have to acknowledge that 33% of people said their financial wellbeing support is Poor / Very Poor and 42% of them say they are likely to leave the NHS.

That's set against 18% saying they're likely to leave when financial wellbeing support is rated as Good / Excellent – these people are looking to leave despite feeling supported.

So financial wellbeing support can reduce that 42% likeliness of leaving down to 18%, giving us a 24% reduction.

Now, as we know, 33% of the total survey said their financial wellbeing is poor. So that 24% reduction is across that 33%, representing 8% of the total amount of people who took our survey.

Therefore, by investing in financial wellbeing support, you can potentially reduce attrition in your NHS Trust by 8%.

Stand out gaps in financial wellbeing and retention

	How people rate their financial wellbeing support		Amount looking to leave the NHS in next 12 months
Band 4	Poor	29%	47%
	Good	29%	18%
Band 5	Poor	43%	44%
	Good	21%	18%
Band 6	Poor	36%	49%
	Good	26%	5%
Age 35 to 44	Poor	31%	57%
	Good	28%	19%
Age 45 to 54	Poor	38%	50%
	Good	26%	20%

Financial wellbeing directly impacts productivity and retention

This report shows when NHS staff say their finances have a negative effect on their mental health, three-quarters go on to say their negative mental health has a detrimental affect on work performance.

We also see that when NHS staff rate the financial wellbeing support they receive from their employer as poor, they're more than twice as likely to want to leave the NHS.

With that logic, providing financial wellbeing support to your staff now will both improve their performance at work and increase the likelihood of them staying in the NHS.

Your opportunity to improve financial wellbeing

The debate for some time has been whether employers are overreaching by supporting their employees' financial situation – but it's clear that by providing access to products and supporting your staff, you'll help them to bring the best version of themselves to work.

To help, we've created two additional resources which we hope you find useful:

Educate staff on support available

Let staff know what you already have available – be that discounts, salary advances, loans or education. The next few months are crucial. Signposting staff to what's already available will be a big boost.

To help you get creative, get our guide on 10 tips for more effective staff communication. [Download for free here.](#)

Give managers tools for conversations

Good relationships between managers and staff are important for supporting financial wellbeing. Educate managers on how to talk about financial wellbeing and where to signpost colleagues who need help.

To help, get our guide with three ways to help managers support financial wellbeing. [Download for free here.](#)

Methodology

We surveyed a nationally representative sample of 1,000 NHS employees across the UK on the Attest platform between July 22nd to August 2nd 2022. Statistics are based on there being 1.5m NHS employees. To see the full demographic breakdown and survey results, please visit [here](#).



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