first actuarial
A Gallagher Company

Financial MOT tool
2026 results



Introduction

The Financial MOT is a tool designed by First Actuarial that generates a personalised action plan from responses about personal finance.

Every year, we collate the anonymous responses of users to highlight how people are performing across five key areas of financial wellbeing. In this report, we'll provide results and insights into each of these areas.

While many people are relatively comfortable managing their everyday finances, the results reveal particularly worrying awareness gaps in financial protection and investment. There is a clear need for more support to help employees safeguard their financial future.

For employers, the findings highlight valuable opportunities for targeting financial wellbeing support where it will make the most difference.



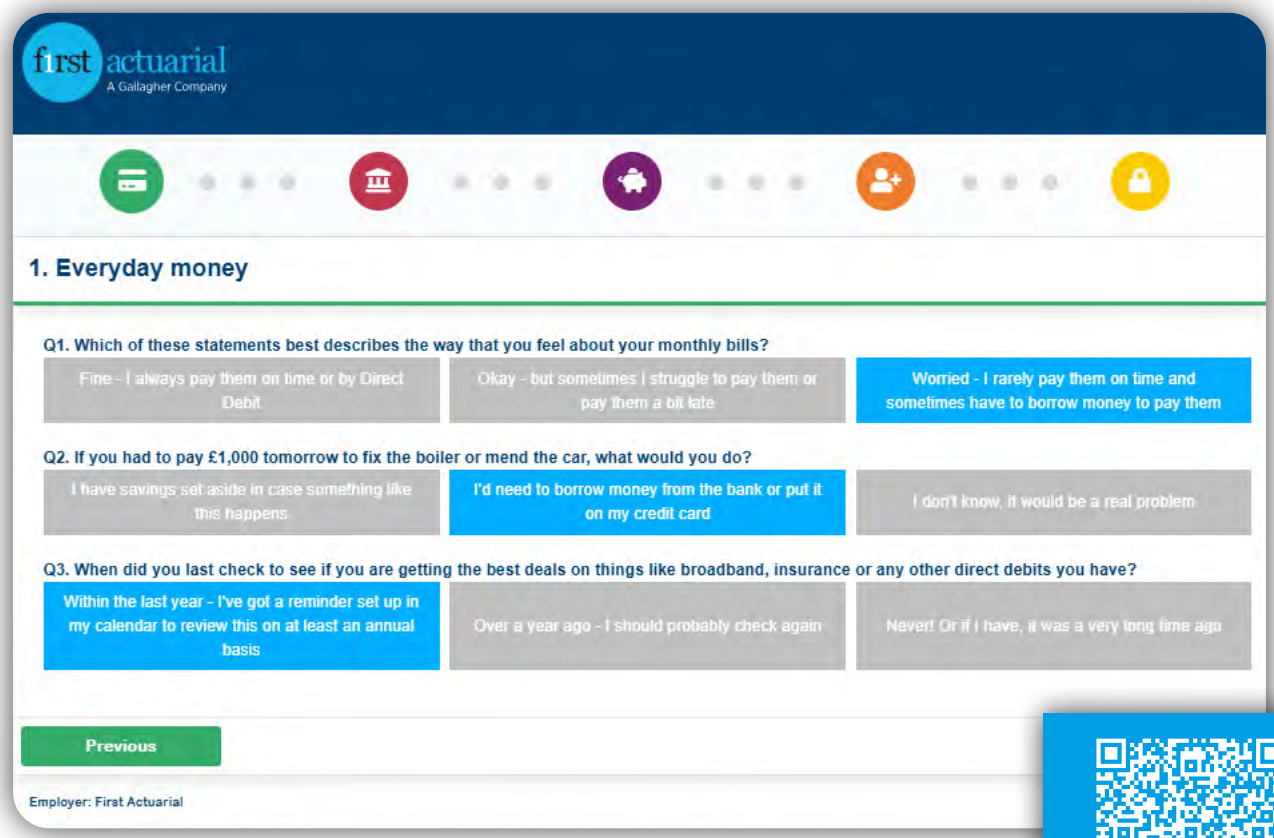
About the Financial MOT tool

Just like a car MOT checks whether a vehicle is safe and roadworthy, our Financial MOT gives people a structured way to gauge their financial wellbeing. It helps them understand what is working well today and where they may need to take action for the future.

The tool provides a quick and easy check across five key areas of personal finance – day-to-day money management, savings, borrowing, pensions and protection. It's designed to help people feel more informed and in control, whether they're facing immediate money worries or simply want to make sure they're on the right track.

The Financial MOT tool then generates a personalised action plan based on their answers. This will highlight the areas they may want to prioritise and, most importantly, provide ***practical and easily accessible steps they can take to better manage their day-to-day finances.*** It will also offer links to relevant guidance and tools.

As with a car MOT, the value comes from regular checks. Circumstances, priorities and financial pressures change over time. An annual Financial MOT can help people keep track of their progress and make timely adjustments.



Watch our video to see our Financial MOT tool in action

This year's key themes

The latest responses on our Financial MOT tool present a mixed picture. Many people have a reasonable level of control over their day-to-day finances, but there are important areas where improved awareness, planning and action could make a meaningful difference.

The five themes to the right reveal where respondents appear most confident and are *ready to go*, and where the Financial MOT has identified gaps to explore to avoid financial plans *stalling*.

1. Day-to-day finances are generally stable

Most respondents feel comfortable managing monthly bills, suggesting a solid baseline of financial control.

2. Short-term resilience is mixed

While many have emergency savings, a meaningful proportion would still need to borrow for unexpected costs.

3. Some areas of financial planning receive much less attention

The results suggest individuals are more engaged with budgeting and pensions than with credit scores, investment choices and protection planning.

4. Long-term financial planning is inconsistent

Although reviewing the level of pension contributions seems to be fairly common, fewer individuals look at their investment choices or broader retirement strategies.

5. Financial protection is the weakest area

A significant number of individuals lack key protections such as wills and contingency planning for ill health, indicating potential financial vulnerability.

Everyday money

This area of the Financial MOT looks at how well people are managing their everyday finances, from keeping up with regular bills to coping with unexpected costs.

It also considers whether people are actively reviewing household expenses and comparing prices. This can help identify simple opportunities to reduce spending and avoid paying more than necessary.

Key findings

- 87% of respondents report they are comfortable paying their monthly bills.
- But around 32% would need to borrow or would struggle with a £1,000+ emergency.
- Only 48% have reviewed their household utility providers in the last year to make sure they're getting the best deal.

Regular bills keep everyday life moving, but they can quickly become more expensive over time.

A simple budgeting exercise – combined with a review of household costs such as broadband, utilities, mobile contracts and insurance – can help identify money leakage, i.e. spending that may no longer represent good value.

For some people, reducing those leaks can feel like they're giving themselves a small pay rise without needing to earn more.

Just as a car MOT can highlight wear and tear before it becomes a bigger problem, a regular review of everyday spending can help people spot where costs are creeping up and take action before pressure builds.

87%

of Financial MOT users are comfortable paying their monthly bills.

32%

would need to borrow money or would struggle with a £1,000+ emergency.

48%

have reviewed their household utility providers in the last year.

Borrowing and debt

This area focuses on how people use and manage borrowing – including credit cards, overdrafts and loans. It assesses whether individuals are paying down debt effectively and engaging with their credit health, by checking their credit score for example. Good habits can reduce financial stress and minimise the long-term cost of borrowing.

Key findings

- 75% pay off credit balances in full each month, suggesting that many individuals are managing their borrowing effectively.

However:

- 27% do not regularly check their credit score.
- A minority still rely on minimum debt repayments, running the risk of higher long-term costs.

Borrowing can be useful when it's planned and affordable, but ongoing reliance on credit can make finances more expensive over time.

Regular credit health checks help people understand how lenders may view them, and can highlight potential issues such as missed payments, high balances and credit file errors.

Relying on minimum repayments can also mean debt takes much longer to clear, with interest adding to the overall cost.

75%

of Financial MOT users pay off credit balances in full each month.

27%

of users do not check their credit score on a regular basis.

General savings

This area looks at how people build and manage savings for short- to medium-term goals such as holidays, home improvements and unexpected expenses. It also considers whether individuals regularly review their savings accounts to get good value and make their money work as hard as possible for them.

Key findings

- 52% actively save for short-term goals.
- 66% review savings accounts at least annually.
- Around 11% do not regularly save and may rely on borrowing instead.

Savings aren't just about putting money aside; they're also about making sure that money is working as effectively as possible.

Reviewing savings accounts regularly can reveal whether people are still receiving a competitive rate, especially when interest rates and product terms change. Even small differences in rates can add up over time, particularly when building up savings for planned costs or emergencies.

52%

of Financial MOT users actively save for short-term goals.

66%

review savings at least annually.

11%

do not save regularly and may rely on borrowing instead.



Saving for retirement

This area looks at how people are preparing financially for later life. It considers pension contributions and also whether people are reviewing and understanding their investment choices. Regular engagement in this area is key to achieving better long-term financial outcomes.

Key findings

- 76% review pension contributions annually.
- Only 51% regularly review pension investments.
- Nearly 30% have never reviewed their investments.

Pension contributions are an important part of retirement planning, but the investment choices behind those contributions also matter.

Over time, investment funds can perform differently and vary in cost. The level of risk that felt right at one stage of life may not be appropriate later on. Reviewing pension investments helps people check whether their retirement savings remain aligned with their goals, time horizon and comfort with risk.

76%

of Financial MOT users review their pension contributions annually.

51%

regularly review their pension investments.

30%

have never reviewed their investments.

Financial protection

This area considers how well individuals are protected against major life events such as illness, death or loss of income. It includes practical steps such as making a will, as well as putting financial plans and protections in place to support dependants or maintain living standards if circumstances change.

Key findings

- 63% do not have a will in place.
- Around 36% are unsure or believe their family would struggle financially if they died.
- 75% would definitely or possibly struggle if unable to work for a year.

Financial protection is about planning for the events that people hope will never happen but that may need to be prepared for. Having a will, understanding what would happen if income stopped, and considering how dependants would be supported can help reduce uncertainty during difficult times.

The results show that this is an area where many people may have gaps, particularly around wills and protection against long-term illness and loss of income.

63%

of Financial MOT users do not have a will in place.

36%

are unsure or believe their family would struggle financially if they died.

75%

would definitely or possibly struggle if unable to work for a year.



These results highlight a key opportunity for employers to strengthen their employees' understanding of financial protection and investments. First Actuarial's financial wellbeing specialists can help employers achieve this through later-life planning webinars and targeted one-to-one sessions that help individuals make informed investment choices.

Even in areas where the results look relatively positive, some responses reveal that people are struggling. At a time when household budgets are under more pressure than ever, it's vital for employers to try to segment their workforce, work out who needs what, and then target messages and support accordingly.

Catherine Lockyer
Partner and Head of Financial Wellbeing



Get in touch

Offering access to the Financial MOT can form part of a wider financial wellbeing approach.

Many employers draw on the expertise of First Actuarial and its financial wellbeing services, which offer:

- Strategic guidance on financial wellbeing programmes
- Online tools, including our Financial MOT and Retirement Planner
- A wide range of employee support including webinars, one-to-one sessions, videos, and other learning opportunities.

Get in touch today to explore how we can help improve confidence with money and help reduce anxieties across your workplace.



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114FA (07/2026)