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Introduction
Household Finances under Pressure: What is the Role of Social Policy?

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This themed issue examines household finances within the context of the 2007 banking crisis, which triggered the biggest downturn in many global economies since the Great Depression in the 1930s. The effects of this crisis and subsequent global recession were still unfolding at the time the articles of this issue were submitted to the journal. The election of the coalition government in May 2010, and its emergency budget aimed at reducing the nation's budget deficit, precipitated the biggest reduction in public sector funding in living memory. Rising unemployment and the increasing cost of living means that for many households even greater strain has been placed on their finances. Other developments, such as the winding-up of the Treasury Financial Inclusion Taskforce and the axing of asset building policies, for example the Child Trust Fund and Saving Gateway, had, to some, signalled an end to the consensus in government that had been built up around the financial inclusion agenda, and had left a big gap in social policy.

These events have created new risks in the way households manage and behave towards assets such as pensions, savings and housing, and also towards borrowing and debt. Economic uncertainty has had an impact across most forms of household assets. For example, the downturn in the housing market has resulted in significant falls in property prices in many parts of the country, pension funds are under increasing threat, whilst stock markets are still recovering from the crash. Moreover, traditional savings accounts now offer the lowest rates of return in recent memory. Access to mortgage finance and credit remain weak despite attempts by the coalition government to encourage banks to lend more. The scale of these problems raises important challenges to households in securing financial well-being, as well as government and the social policy community as we move arguably into unchartered territory.

The contributors in this themed issue touch on many of these complex issues, addressing a number of fundamental questions about the role of housing assets, savings and debt during a period of risk and uncertainty. Questioning the respective roles of the state, the market, the third sector and the individual/family also provide linking themes across the articles.

The themed section begins with two articles addressing the issue of household management of assets and debt. Ricky Joseph and Karen Rowlingson examine how couples share, manage and make decisions about assets and debts. They draw on in-depth interviews with 80 members of 40 working-age couples. The article challenges assumptions underpinning some areas of social policy, such as couple-based means test

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of assets that assets are shared equally. Chris Dearden and colleagues draw on the findings from a longitudinal qualitative study of low-income households' use of credit and debt. The article focuses on the impact of the recession on this group and also highlights the role of financial institutions in encouraging people to take on debt and then punishing them for failing to re-pay.

Next, Stuart Stamp considers the impact of the Money Advice and Budgeting Service Ireland tackling financial exclusion based on a study undertaken prior to the current recession. The paper draws on empirical research using a mix of methods, to argue that money advice can provide essential short-term help for people, but cannot solve many of the underlying financial problems caused by persistent low income.

The final two articles address the issue of housing assets and mortgage arrears. Stuart Lowe, Beverley Searle and Susan Smith examine the role of housing equity in relation to 'wealth-fare' in a society accustomed to both the fungibility of housing and the retrenchment of welfare. With or without the recent fall in house prices, can housing equity play a role in raising living standards? Alison Wallace looks at mortgage borrowers in arrears based on a recent evaluation of the mortgage rescue scheme.

Finally, Lindsey Appleyard provides an overview of the key issues and research evidence in relation to household finances.

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