



UNDER EMBARGO UNTIL 00:01 24 SEPTEMBER 2018

Two thirds of parents expect to spend over £17,000 to support their future student through university

- Parents who believe they will have to support their child through university, expect to spend over of £5,700 annually
- And two thirds will use this money support accommodation costs and items essential to study

Parents expecting to send their children to university believe it will cost *them* on average, £17,165 over the length of the average degree course¹, the latest Lloyds Bank Spending Power Report has revealed.

Ten years ago, this would have been enough to cover the total cost of tuition fees at every university in the UK, with some change left to spare. Now, two thirds (66%) of parents who anticipate sending their child to university expect to support them financially while at university. On average, these parents think they will have to spend £5,721 annually on their student offspring, which is actually less than one year's tuition at many institutions today.

Just over one in ten (14%) parents are not anticipating helping their child financially while at university.

What parents are paying for

The amount is potentially as large as it is because parents feel they will have to support on all aspects of university life. Just under two thirds (65%) believe they will have to support with accommodation costs, and a similar number (64%) on items essential for study. Over half (58%) said they anticipate supporting tuition fees and even support their travel to and from their child's travel to and from their classes (52%). However, just under one in four (23%) are prepared to fork out for luxuries.

For parents earning over £35,000, just over one in four (26%) will be prepared to help with luxuries compared to just 17% of those earning under £35,000. For these lower earners, over two thirds (68%) would spend the extra money on items essential to their child's study.

MEDIA CONTACTS

James Birch
0207 356 2239
James.birch@lloydsbanking.com

PRESS RELEASE

24/09/2018



LLOYDS BANK

Robin Bulloch, Lloyds Bank, said:

“The costs associated with going to university can mount up quickly, and often it’s unexpected costs that rack up the bill making it essential to take some time to consider the many expenses that may arise and budget for how these will be covered.”

“Whilst it’s great that some parents are able to support their children through this, students in the coming years should also look at the wide array of bursaries and grants on offer to help support their studies.”

Spending sentiment more broadly

Families more generally are reporting muted confidence in their own finances, preferring to squirrel money away rather than spend. Almost a quarter (23%) think they will have much more or somewhat money in six months’ time, with 78% planning to save this extra income against 37% planning to spend.

The need for families to save the change could be a direct result of continually high living costs. An analysis of Lloyds bank own data has shown that year-on-year change in consumer essential spending rose 3.1% in August. Fuel spend rose sharply year-on-year by 10.4%, and Gas and Electricity spend rose by 6.3%.

-END-

Notes to editors

¹ Assumed to be duration of three years

The Lloyds Bank Spending Power Report is derived from independent consumer research and current account data of Lloyds Bank, Halifax and Bank of Scotland customers. This provides a robust and representative sample of the entire UK market and its essential spending behaviours.

Contains public sector information licensed under the Open Government Licence v3.0.

Each month, over 2,000 adult bank account holders are asked about their current and future spending habits and how their commitments affect their spending power. Consumer research is compiled in conjunction with Ipsos MORI: Ipsos MORI interviewed a representative sample of 2070 who hold a bank account aged 18-75 across the United Kingdom. Interviews were conducted online between 8th August – 20th August 2018. Survey data were weighted to the known population proportions of this audience. People or people’s refers to people surveyed as per Editor’s notes.

*Please note the following base sizes which apply to the data reported here : All aged 18-75 in Great Britain with a bank account (n=2070), All expecting a child to go to university (n=401), All expecting to support a child financially at university (n=278), Those expecting to support a child financially at university and earning up to

MEDIA CONTACTS

James Birch

0207 356 2239

James.birch@lloydsbanking.com

PRESS RELEASE

24/09/2018



LLOYDS BANK

£34,999 (n= 96*, NB, low base size) Those expecting to support a child financially at university and earning up to £35,000+ (n= 159).

Research previously conducted by TNS during January 2011 - December 2014 (Feb 2011 Base: 2001). Jan 2015 –April 2018 research conducted by Ipsos MORI.

This information is intended for the sole use of journalists and media professionals.

This document has been prepared by Lloyds Bank plc (“Lloyds Bank/Us/Our/We”) for information purposes only. This document is not intended to be investment research and has not been prepared in accordance with legal requirements to promote the independence of investment research and should not necessarily be considered objective or unbiased. Any views, opinions or forecast expressed in this document represent the views or opinions of the author and are not intended to be, and should not be viewed as advice or a recommendation. You should make your own independent evaluation, based on your own knowledge and experience and any professional advice which you may have sought, on the applicability and relevance of the information contained in this document.

The material contained in this document has been prepared on the basis of information believed to be reliable and whilst We have exercised reasonable care in its preparation, no representation or warranty, as to the accuracy, reliability or completeness of the information, express or implied, is given. This document is current at the date of publication and the content is subject to change without notice. We do not accept any obligation to any recipient to update or correct this information. Lloyds Bank, its Directors, officers and employees are not responsible and accept no liability for the impact of any decisions made based upon the information, views, forecasts or opinion expressed. © Lloyds Bank plc all rights reserved 2017.

This document has been prepared by Lloyds Bank, which is a trading name of Lloyds Bank plc. Lloyds Bank plc. Registered Office: 25 Gresham Street, London EC2V 7HN. Registered in England and Wales no. 2065. Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority under registration number 119278.

MEDIA CONTACTS

James Birch
0207 356 2239

James.birch@lloydsbanking.com