Parents turn to borrowing money to provide for children

The annual UK Parent & Cost of Living Report from VoucherCodes.co.uk has revealed that the increased costs of living means 39 per cent of UK parents are having to spend more on day to day items for their children than ever before and are therefore struggling to keep up with the financial strain of raising their children.

- The UK Parents & Cost of Living Report has revealed two fifths (39%) of parents are having to spend more than ever on their kids
- Two in five (41 per cent*) of UK parents are turning to secured credit or borrowing from friends to buy things for their children - up six per cent from last year

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Borrowing to cover the cost of kids
As purse strings have tightened over the last 12 months, parents have had to increasingly monitor and adjust their spending habits. Two in five (41 per cent) of UK parents turned to secured credit or borrowing from friends to make ends meet; 16 per cent borrowed from friends and family, 15 per cent took out credit cards and 10 per cent took out a loan to provide for their children. This is up six per cent from last year**. Nearly a fifth (18 per cent) dipped into their savings, and around one 12 (8 per cent) has gone into debt to buy things for their children. Although a budget can help keep the family finances on track, a third (33 per cent) often find they end up with unexpected costs they simply can't predict.

Clever budgeting
The UK Parent & Cost of Living Report has also revealed half of UK parents (48 per cent) have cut down on spending on themselves, including clothes and furnishing for the home to make sure they can provide for their children. A separate report from VoucherCodes.co.uk*** revealed the rising cost of utility bills (60 per cent) and food (43 per cent) have become the UK's biggest financial concerns, therefore it is no surprise parents are having to be more savvy at meal times. In the last 12 months, over half of parents (52 per cent) bought less food or cheaper branded foods, 43 per cent consciously wasted less food, for example by using leftovers, and 47 per cent turned to buying in bulk or using BOGOF offers. Over a third (34 per cent) started to make packed lunches to save some money, and nearly half (44 per cent) of UK parents revealed their savvy side and turned to online voucher codes and discounts to soften the blow.

Anita Naik, lifestyle editor of VoucherCodes.co.uk comments: "The rising cost of living over the past few years along with a freeze in pay rises and escalating childcare costs have collectively meant parents have suffered. The effects have caused many to look for smarter or alternative ways to provide for their family; whilst some have turned to credit to finance their children's needs, others have actually changed their spending habits, cutting back on essentials such as food and clothing. The announcement of the childcare tax break in last week's Budget will hopefully provide some respite for many cash strapped families."

Children grow up fast and adult fashion trends are constantly changing, so it can be a struggle keeping on top of the families' wardrobe. Over half of UK parents have cut down on buying new clothes over the last 12 months (52 per cent), while 22 per cent have turned to charity shops and second hand goods in order to save money.

In the last 12 months, families have done the following to save money:

Bought less food / cheaper brand food	52%
Waste less food, i.e use all leftovers	43%
Buying in bulk, e.g. BOGOF offers	47%
Cut down on new clothes	52%
Cut down on going out to restaurants	44%

Cut down on socialising with friends, e.g. going to the pub	30%
Cut down on entertainment and leisure eg. The cinema, mini breaks, having hair/nails done	33%
Walking/biking rather than taking public transport/ driving	18%
Using charity shops / second hand goods	22%
Making packed lunches	34%
Doing DIY rather than getting a handyman	22%
Only using the heating when really cold	33%

Anita Naik, lifestyle editor of VoucherCodes.co.uk concludes:"We know that parents are still trying to cut costs wherever they can, but without compromising on quality for their family. By always checking online on websites such as VoucherCodes.co.uk, before making any day to day purchases as well as treats for the children or family holidays, parents can still have access to the brands they love at a great price meaning they don't need to compromise on quality for their children."

Notes to editors:
* Research conducted amongst 1,000 UK parents by One Poll, between 13th March 2014 and 18th March 2014
** Research of 1,000 UK parents by One Poll, between 26th to 28th March 2013
*** Research conducted amongst 2,000 adults by One Poll, 23rd December 2013

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