

Lloyds TSB Student Banking Reports Cash-Strapped Students-to-be Staying At Home



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Press Release Summary: Lloyds TSB Student banking reports that more than one in four young people starting university in 2008 will have to live with their parents to save money.

Press Release Body: According to a new report from **Lloyds TSB Student banking*** more than one in four young people starting university this year will have to live with their parents to save money. This represents a 4% dip from 2007's high of 31%, and a 5% increase when compared to numbers for 2006.



A third of the 130,000** young people who will find themselves staying with their parents while they study say that they will not be able to afford to go to university unless they live at home, while 82% agree that living at home is a great way to save money. One in four said that living at home is an effective tool for managing their debt. However, 62% of those who are planning to stay at home admitted that if money wasn't an issue, they would prefer to fly the nest sooner.

Young people put their [student finances](#) high on the list of university concerns. 26% were worried about managing money while they are at university, while 13% admitted that this is the first time that they will be setting a budget and holding the purse strings.

Economic uncertainty and the prospect of increasing university fees are taking their toll, with 65% of students saying it will be difficult to afford university if the cost of living continues to rise and 38% saying that soon the cost of going to university will outweigh the benefits of going at all.

For the 66% of students-to-be who are planning to live away from home, 62% think that the financial implications are worth it for gaining their independence, while a

quarter have no choice as they want to study at a far-away institution. Just 5% will be expecting their parents to foot the bill for their studies and 11% believe that they will be able to set a budget and make their finances work.

The main reasons for choosing to live away from home are to be closer to their university (74%), to gain independence (66%) and for the social life (56%), with 22% admitting that they are itching to fly the nest.

Catherine McGrath, director of [current accounts](#), Lloyds TSB, commented: *"Going to university isn't just about getting good grades, it also has to make financial sense.*

"However, university is also a great time to spread your wings and get a little life experience. By making the time now for some financial planning and careful budgeting, cash-strapped students should be able to enjoy further education without worrying unduly about making ends meet."

The survey also revealed that many young people are making difficult choices in order to balance the books at university. 34% admitted that they will be taking more than one job over the summer break to build up their capital, while a quarter will have to hold down a job during term time to make ends meet. 15% will rely on work during the holidays to help boost their bank balance, while 8% said that they would prefer to rely on loans and an overdraft in order to focus on their studies.

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Notes to editors
* Online research conducted July 2008 amongst 1,000 UK 17-25 year olds who plan to start university in autumn 2008
** UCAS states receipt of 481,784 applications for university autumn 2008. 27% of those surveyed planned to live at home while they study. $481,784 \times 27\% = 130,082$

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