



UNDER EMBARGO TILL 00:01 3RD OCTOBER 2007

Parents Paying for University Education

New research from Halifax Unsecured Personal Loans reveals that nearly three fifths of parents (57%) said their children either have, or will need to take out a Student Loan to fund their university education.

As freshers and students across the UK head off to University for the start of term, almost three quarters of parents who work full-time (71%) said their children had either had to take out or would need to apply for a Student Loan.

Parents in Northern Ireland (93%), Yorkshire & Humberside (78%) and Anglia (73%) said their children were most likely to need to take out a Student Loan. Conversely, only a quarter of parents in the North of England (26%) thought their children would need to rely on this method of funding.

Parents raiding their piggy banks

When asked what options parents had used or would consider to help fund their child's university education, almost two thirds (63%) would use their salary or wages. Almost three fifths (59%) would use their savings, whilst just over a third would consider either them or their partner getting a job or working longer hours. More than one in ten (11%) would look at taking out an unsecured personal loan with a tenth considering re-mortgaging the house or selling the car (10%). (See Table 1)

Almost a third of parents (31%) said that any funding they provided would be instead of their child having to take out a student loan.

Regional Statistics

- More than nine in ten parents in Anglia (93%) would fund university costs from their wages compared to just over half of those living in the North West (53%).
- Three fifths of parents living in the North (61%) would use some of their retirement savings whilst a fifth (19%) in the East Midlands would dip into these funds.
- Around a quarter of parents in Northern Ireland (24%) would consider taking out a personal loan compared to one in twenty Scots (5%).

Parents put purchases on hold

Many parents are also willing to put their own purchase dreams on hold in order to help out with university costs. Around two thirds were willing to go without a new kitchen or bathroom (67%), a new conservatory (66%), or a holiday (65%). More than half (53%) state they would give up anything and everything to help support their child's education financially with just over a sixth (16%) refusing to put any purchases on hold. (See Table 2)

Regional Statistics

- Almost all parents in East Anglia (96%) were prepared to relinquish a new kitchen, bathroom or conservatory.
- Four fifths of those in Wales (79%) would put off their holiday plans.
- Three quarters of Northern parents (75%) would consider not buying a new car.
- Two thirds of parents in the West Midlands (67%) would sacrifice anything and everything to help finance their child's study.
- More than a quarter (27%) of parents in the East Midlands would not put anything on hold.

Financing Further Education

Choosing the right university takes time and patience and the same should be true when considering how to finance further education. Parents must decide how best to help their child through university whilst ensuring they are able to comfortably manage their own finances. With a Halifax Unsecured Personal loan you don't have to make any repayments for the first three months which leaves you time to enjoy the empty nest.

Halifax unsecured personal loans feature:

- No repayments for the first three months of the loan
- Option to spread payments over one to seven years
- Fixed monthly payments, making budgeting easier
- A fixed rate that is tailored to your individual circumstances and needs
- Typical APR of 6.9% on loans over £7000.00 via:
<http://www.halifax.co.uk/loans/personalloans.shtml>

Neil Chandler, head of Halifax Unsecured Personal Loans, comments:

"For most parents, taking your child to university for the first time is a proud but emotional moment. It is important to consider how best to support your child with the minimal amount of strain on your pocket as this commitment is likely to last for several years.

"Often there are many up front costs such as paying for accommodation and buying books. Taking out a Halifax Unsecured Personal Loan can help you spread these costs with regular monthly payments making financial planning easier. "

Table 1: Would you consider, or did you consider any of the following options to fund their education?

Option	Percentage of respondents who had considered this as an option
Paid or funding cost out of salary or wages	63%
Use savings	59%
You or your partner getting a job/working longer hours	34%
Using some of your retirement savings	31%
You or your partner getting a second job	25%
You or your partner taking out an unsecured personal loan	11%
Re-mortgaging the house	10%
Selling the car	10%
Other/None of these/Don't know	22%

Table 2: Which of the following major purchases, if any, did you or would you be prepared to put on hold to help fund your child through university?

Major purchase	Percentage willing to put this purchase on hold to help fund their child through university.
New Kitchen/Bathroom	67%
Conservatory	66%
Holiday	65%
Car	62%
Moving House	56%
Anything/everything	53%
Would not put any purchases on hold	16%
Other/Don't know	9%

Ends.

Editors' Notes

Research undertaken by GfK NOP. A representative sample of 944 people were surveyed between 31st August and 2nd September 2007.

To apply for a Halifax unsecured personal loan you can:

- **Apply in branch** - We'll take your details and can usually give you an answer straight away
- **Call 08457 24 34 44** - Lines are open Monday - Friday 8am - 8pm, Saturday 8am - 6pm and Sunday 10am - 4pm
- **Visit our website at www.halifax.co.uk/personalloans**