



Media Release

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Mums struggling with cost of first baby

New report shows a range of costs are taking parents by surprise but emotional support from partners matters most

THE costs of having a first baby are taking British mums by surprise – and many regret spending too much on a range of baby items ranging from prams, nappy bins, baby clothes, branded nappies to breast pumps, according to a new report.

In *First Baby in Breadline Britain*, a report by family services charity Family Action and Lloyds Banking Group's Money for Life Programme, mums revealed how financially and emotionally life-changing having a first baby can be.

A survey conducted online by parenting club Bounty to more than 2,000 mums showed the biggest shock is the cost of childcare – with nearly a quarter (23%) of mums nationwide saying it's the expenditure they were least prepared for. This was followed by the cost of formula milk (16%) and paying to keep the house warm (14%).

Even though many reported struggling with a range of unexpected costs, mums said getting emotional support from their partners was more important than material help.

More than two thirds (67%) of mums said providing emotional support was the most important thing a partner could help with. However, and unsurprisingly, 51% said their partner bringing home a wage or salary was crucial too, during the period when most mums stay at home to focus on childcare.

Almost a third of British mums said it would be most helpful if their partner took on more of the household chores. But only one in ten said it was paramount that partners get up in the middle of the night to feed the baby.

The report shows that families on different incomes feel the financial squeeze differently. Mums on low incomes are least prepared for the cost of keeping their house warm - 19% of these households chose heating as the biggest price shock (compared with 14% of higher income families), while only 13% said childcare (compared with 26% of wealthier households).

Poorer families are also less likely to be prepared for the cost of disposable nappies than those who are better off. These mums – as well as younger mums and those living in

London – are also most likely to say they will spend less on baby items including prams, nappy bins, baby clothes, branded nappies and breast pumps if they have another child.

One in 10 families said cutting ‘essential’ household spending, for example on heating their home and putting food on the table, is the most helpful way to make ends meet in the first year. Poorer families are almost twice as likely to admit to cutting essential spending as the better off (13% on the lowest incomes said this had helped them manage their money most, compared with 7% on higher incomes).

Younger mums, aged between 16 and 24, are least prepared for the cost of baby goods such as prams, car seats and baby baths.

Younger mums are also more likely to admit to cutting essential spending than older mums to stay afloat. Where the women live also makes a difference. In London, only 3% of mums say cutting spending on heating and eating helped the most, compared with 14% in the South East and even more in Northern Ireland.

Overall, some 14% of mums said resorting to overdrafts, credit cards or loans most helped them manage the family finances, suggesting many families are struggling to cope with the additional costs of having a baby.

First Baby in Breadline Britain reveals that mums who have already been through the experience have plenty of advice for other expectant mums.

A full 70% of women polled said new mums should take more advantage of hand-me-downs, cutting the cost of buying unnecessary new clothes that babies will soon outgrow.

And 63% stressed the importance of saving and budgeting in the months before the birth.

More than half (55%) of mothers advised couples starting a family to ‘be prepared to work at your relationship’ with their partner.

Some of the mums helped by Family Action feel exhausted or depressed during pregnancy and in the first year after birth – mums we spoke to also notice the impact on their partners too.

And a majority (54%) of those polled recommended investigating what local support services, such as children’s centres, are available.

Family Action, which provides services to disadvantaged families and runs a network of children’s centres across the country, has linked up with Lloyds’ Money for Life Programme and listened to mums across the country to give parents these top tips for the first year

- Plan a budget of all your income and bills and expenses – work out how much you’ll need to get by, and where you might be able to cut back

- Don't buy new if you can buy hand-me-downs. Babies are too young to remember or care
 - Form a buying group with other parents to make savings bulk buying things like nappies, shampoo, toothpaste and even perishable goods
- Sell your clutter on eBay. Whether it's unwanted presents or your children's outgrown toys, this is a great way of earning a bit of extra money

Family Action also runs Perinatal Support Projects across the country, giving mums the emotional support they need, when they need it most. Tips include:

- If you're feeling the baby blues don't bottle it in – talk to your doctor, or someone at your local children's centre
- Having a baby can be a lonely experience – look out for mother and baby groups in your area and meet some new friends

David Holmes, Family Action Chief Executive, said:

“This report shows just how vital it is for first-time parents to plan ahead before the baby is born and think about how they will handle both money and relationship issues. It also shows many women are struggling with the unexpected costs of a first baby. The report demonstrates why investment in better services and support, such as those provided by children's centres, particularly for lower income and disadvantaged families is so important.”

Sarah Porretta, Head of Lloyds Banking Group's Money for Life programme, said:

“As this report shows, while having your first baby is an incredibly exciting time for families, it can put a big strain on budgets and brings with it a number of emotional pressures. Money for Life's partnership with Family Action is designed to support more families to develop the knowledge and confidence to manage their money well and so be better able to cope with major life events and milestones like a first baby. We are continuing to work with Family Action to deliver free, face-to-face workshops to low income and disadvantaged households around the country, and our employees are committed to helping families with issues that affect their daily lives.”

-ENDS-

Notes to Editors

- **For more information please contact Andy Tate at Family Action on 020 7241 7632, 07867 504051, or at andy.tate@family-action.org.uk.**
- This report was produced by Family Action and supported by Lloyds Banking Group's personal money management programme, Money for Life. The findings of the report are based on national online polling provided by parenting club Bounty, semi-structured focus group discussions with Family Action service users, and individual questionnaires completed by focus group participants.
- Data for the national poll was collected via online questions run on Bounty's Word of Mum omnibus research panel between 18 and 27 May 2013. A total of 2,301 women participated, ranging from women in the early stages of pregnancy through to mums with a youngest child aged 5 years.

- Spokespeople to interview and topline regional statistics are available.

About Family Action

Family Action has been a leading provider and services to disadvantaged and socially isolated families since 1869. We work with over 45,000 children and families a year by providing practical, emotional and financial support through over 100 services based in communities across England. A further 150,000 people benefit from our educational grants and information service. We tackle some of the most complex and difficult issues facing families today – including domestic abuse, mental health problems, learning disabilities and severe financial hardship.

Find out more at: www.family-action.org.uk.

About Lloyds Banking Group's Money for Life Programme

Money for Life, Lloyds Banking Group's award-winning personal money management programme, is working with Family Action to deliver a series of money management workshops to low-income and disadvantaged households around the country throughout 2013. Some 120 Lloyds Banking Group employees have committed to making a difference in their communities by participating in Money for Life's accredited financial education training and then volunteering to deliver the free workshops, which will cover topics such as budgeting, banking, shopping around, borrowing and planning ahead. This financial inclusion activity is being complemented by Family Fortunes, a series of reports which puts the voices of families, including Family Action service users, at the heart of awareness-raising around the impact of money management skills on parenting. Family Action and Money for Life are also releasing relevant tips and guidance on topics such as budgeting, banking, shopping around, borrowing and planning ahead.

Find out more at: www.moneyforlifeprogramme.org.uk.