



with



Supporting families with essential money skills

FAMILY FORTUNES: Birthdays on the Breadline



LLOYDS
BANKING
GROUP



APRIL 2013

FAMILY-ACTION.ORG.UK
REGISTERED CHARITY N° 264713



CONTENTS

- 3 Summary of report findings
- 4 UK Polling key findings
- 5 Family Action focus group key findings
- 6 Introduction
- 8 Analysis of UK polling
- 9 Analysis of focus group questionnaires

FOCUS GROUP FINDINGS

- 10 Paying for the party
- 12 Managing expectations
- 14 Peer pressure
- 17 When I was a kid
- 18 Cutting the cost
- 20 Benefit cuts
- 21 Conclusion

APPENDICES

- 23 Appendix 1 (structure of focus groups and table of responses)
- 24 Appendix 2 (comparing the cost of a party)
- 25 Appendix 3 (UK polling table of results)
- 28 Appendix 4 (Money saving tips)

Summary of report findings

- The birthday party is an important marker of childhood for the majority of Britons (94%), according to polling commissioned by Family Action and Lloyds Banking Group's Money for Life programme.
- However, a substantial proportion of parents (44%) admit to struggling with finding the money to pay for children's birthdays. Significant numbers reveal that in order to meet the costs they would make considerable cuts to household spending or save for extended periods.
- Some parents even took to borrowing money from friends or family, using high interest doorstep loan companies or paying by credit card, which could lead to spiralling levels of debt.
- Not using external venues or hiring entertainers are among the most common ways that those polled would consider to bring down the costs of a birthday party, but a significant number (34%) would also consider making it a family occasion with no school friends invited.
- Some would not celebrate a child's birthday at all (19%) although it was unclear from the polling whether this is for reasons of income, or other reasons such as religious and cultural practices.
- In focus groups of low income and disadvantaged households drawn from Family Action service users, parents revealed that they are often motivated to spend large sums on their children's birthdays because of their own memories of poor childhoods.
- In some cases they are also spending as a result of failure to manage children's expectations of gifts. However social pressure from classmates is influential too.
- In focus groups of SEG C1C2 mums, they felt that their children were often 'in the driving seat' over planning their parties and there is real pressure to provide equivalent parties to their friends
- In particular parents feel that they have to spend money on parties so that their children are not bullied by classmates. A recent tradition of taking cakes and favours into school for children's class mates also seems to be adding to the spending pressure on some low income households.
- The recommendations highlight the need for family support services to boost vulnerable parents' ability to cope with pressures from their children and children's peer groups; and also for money management programmes that boost parents' skills and feelings of competence to plan and prioritise their spending.
- However the report also poses the question of what will be the fate of children's birthday parties as welfare cuts and low wage rises continue to hit the incomes of the poorest households.

UK POLLING KEY FINDINGS

- 94% of the UK population remember celebrating childhood birthdays.
- More than a third (34%) of parents are spending considerable sums of anywhere between £80 and £500 on an individual child's birthday party, excluding the cost of a gift. 45% will spend up to a £100.
- Almost half (44%) of British parents with children under 18 agree that they cannot afford to organise parties for them; for parents in the socio-economic groups C2DE this rises to more than half (51%) and 83% for parents aged 18-24.
- More than a quarter (27%) of parents believe that it is their duty to organise a birthday party for their child, even if they can not afford it.
- A fifth (21%) of parents would cut back on household expenses, such as the food shopping budget to enable them to afford the cost of their child's birthday party. This rises to 49% for young parents aged 18-24.
- Over a quarter (27%) of parents would go without new clothes for themselves or their children whilst 41% of parents would go without a night out with their friends to enable them to afford a birthday party for their children.
- 46% of parents say they would consider saving for at least a month to afford the party, rising to 75% amongst parents aged 18-24.
- Holding the party at home instead of an external venue (57%), inviting fewer friends (52%), and not paying for an entertainer (42 %) were the three most popular ways of economising on birthday party spending.
- However 34% of parents said they would consider economising by making the birthday a family-only event with no school friends allowed.
- 19% of parents said their children did not have birthday parties.

KEY FINDINGS FROM FOCUS GROUPS WITH FAMILY ACTION SERVICE USERS WHO ARE PARENTS

- Almost half (49%) of those interviewed were from single parent families. The ages of participants varied from 16-24 to 55+, although the largest percentage (43%) were aged 25-34.
- Almost three-quarters (74%) have less than £100 a week to live on after housing costs, council taxes and utilities are paid.
- 40% of parents in the focus groups spend at least £100 on their child's party. 41% of those living on less than £100 a week say they spend £100 or more on their child's birthday.
- These parents need to save at least £2 a week to pay for their child's birthday, but if they have more children this number will increase.
- Participants in London spend less on birthdays compared to those outside of the capital.
- Low income parents who spend more than they can afford on children's birthday are motivated to do so for a range of reasons:
 - The reasons include a desire to compensate for their own memories of poor childhoods and missing out on birthdays
 - However peer pressure, particularly a fear of their children being bullied by other children, causes them to spend large amounts on parties, including at external venues
 - The current trend for taking cakes and party favours into school for class is piling even more spending pressure on these low income parents

INTRODUCTION

A range of research has previously shown that the costs of children's birthdays can soon mount up for parents in every income bracket. A 2011 survey¹ found that parents will spend almost £5,000 on birthdays by the time their child has reached the age of 18; that a third of parents are worried about impressing other children's parents; and seven in ten will go out of their way to make the day memorable for their child. Other research² has also found that a third of mums will overstretch themselves financially to be able to afford a party.

The latest Household Below Average Income (HBAI) statistics suggest that some of the poorest children may be going without celebrations such as birthday parties all together. Seven per cent of children in the lowest income quintile (before housing costs) say they want but cannot afford a special celebration, such as a birthday, continuing at three and two per cent for the second lowest and middle income quintiles.³

In addition, the last twelve months have seen particular pressures on the household budgets of the poorest families, including above-inflation increases in energy and food prices, and below-inflation increases in benefit upratings and wages.

Family Action wants to make the voices of low income and disadvantaged parents heard on the issue of the spending pressures they face when arranging their children's birthday party, and in partnership with Lloyds Banking Group's Money for Life programme, support families across the UK with the essential money skills they need to cope with these costs. *Birthdays on the Breadline* uses interviews with low income parents to understand more about the nature of the income and spending pressures on low income parents, the expectations that parents and children have about children's birthdays and also the motivation and the resourcefulness of low-income parents in making sure their children's hopes are realised.

Despite the financial pressures placed on households to make ends meet, it is evident from the poll and focus group findings that many low-income parents will contemplate significant economies and personal sacrifices to give their children an enjoyable and memorable birthday. These include year-round saving and cuts to spending on household fuel and food.

In addition, the focus groups revealed the range of pressures driving some of the lower income groups to spend disproportionately more of their income on children's birthdays. Low-income parents say that what they offer their children today is important in compensating for their memories of their own childhood poverty and its effects on their birthday celebrations when they were growing up. But it is apparent that parents are also acutely conscious of peer pressure from their children's friends.

Parents often expressed the concern that if they did not spend enough on sufficiently impressive birthday parties for school mates, including at external venues, that their children would be bullied in school. A further source of spending pressure that emerges is the trend for children taking in cakes and party favours for the whole class, which is usually in addition to any school friends' or family party that parents have paid for.

¹ Holiday Inn survey 2011

² Netmums/Lumos 2010

³ HBAI, 1995/95/2010-11; Table 4.7db (BHC): Quintile distribution of income for children by whether they have the material deprivation items and services, United Kingdom

ABOUT FAMILY ACTION

Family Action has been a leading provider of services for vulnerable and disadvantaged families since 1869. We work with more than 45,000 families and children a year providing practical, emotional and financial support through more than 100 community based services 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. 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. In response to each report, Family Action and Money for Life will release relevant tips and guidance on topics such as budgeting, banking, shopping around, borrowing and planning ahead.

HOW WE RESEARCHED THIS REPORT

The findings in this report are based on three methods: (1) national online polling, (2) semi-structured focus group discussions with Family Action service users, (3) individual questionnaires completed by focus group participants. A separate focus group was also carried out with SEG C1C2 British mums who organise birthday parties for their children, to gauge how they are affected by their children's demands. (results of this available separately)

The online polling was conducted to provide a general view of the UK's spending habits when it comes to children's birthdays as well as the lengths parents will go to be able to pay for a party. YouGov conducted UK-wide online polling between 15th and 18th February 2013. The total sample size was 2,052 adults of which 462 were parents. The figures have been weighted to be representative of all UK adults over the age of 18.

The focus groups were an opportunity to talk openly and in-depth with parents from low-income households about their children's birthdays, how they pay for them and their children's expectations.

The focus groups consisted of five or more parents, including both mothers and fathers at Family Action service locations across England (West Mansfield, Manchester, Southend-on-Sea, London (Islington and Holloway) and Oldbury). The discussions were semi-structured, general and not specific to any one family's situation.

The questionnaires, which followed the discussions, were an opportunity to collect information about the household type, income and spending of individual parents.

ANALYSIS OF UK POLLING

Britain is in the midst of austerity. Almost half (44%) of parents with children under the age of 18 agree that they cannot afford to organise birthday parties for them. This rises to more than half (51%) for parents in the lower socio-economic groups, and 83% among young parents aged 18-24.

However this has not reduced the pressure parents feel to give their children a party. More than a quarter (27%) believe that it is their duty to organise one even if they cannot afford it. Pressure and expectation from their child (21%), and guilt at the thought of their child's possible unhappiness at missing out (19%) also play their part. But the expectations of peer groups, including those of other parents (7%), as well as other children (8%), also motivate some parents to spend money they do not have.

More than a third of parents are spending considerable sums of anywhere between £80 and £500 on an individual child's birthday party: 12% of parents spend £80-£100; 16% between £100 and £200, while 6 per cent will spend between £200 and £500. However total spending may be even greater once the cost of the gift is taken into account, given that more than half of parents (54%) say that giving their child a present is the best part of their children's birthday celebration.

Parents will contemplate a mixture of cutbacks to their household spending and personal sacrifices to be able to pay for the occasion. More than one in five (21%) would cut back on food or fuel bills, rising to 49% for young parents aged 18-24. Overall more than one in four (27%) would go without new clothes for themselves or their children and 41% would go without a night out with friends.

While 14% of parents would expect to resort to a credit card, and eight per cent to borrowing from friends or family friends, 46% of parents would expect to save at least a month in advance to afford the party, rising to 75% for young parents aged 18-24.

34% of UK parents said they would consider economising by making the birthday a family-only event with no school friends allowed, a step that may impact on some children's standing with their school friends and their self-image.

Overall, 19% of parents said their children did not have birthday parties. Cultural and religious beliefs may play a part in the decision not to celebrate birthdays, but in keeping with the picture from the HBAI statistics it seems likely that low income may also be a contributing factor.

(See full table of research in appendix)

ANALYSIS OF FOCUS GROUP QUESTIONNAIRES

The research findings are based on the views and experiences of 53 service users (49 mothers, four fathers) who use one of Family Action’s nationwide services.

The participants had 96 children between them, they came from a variety of family backgrounds and there were a mix of different ages and family situations. Almost half (49%) were from single parent families, with the remainder being either married or living with a partner. The distribution of age and ethnicity was as follows:

Age of participants

16-24	25-34	35-44	45-54	55+	Not stated
12	23	14	2	1	1

Ethnicity of participants

Asian – Bangladeshi	Black African	Black Caribbean	Mixed	White	Other
2	11	4	2	33	1

Participants were in receipt of a range of benefits - most commonly Income Support, Child Benefit, Child Tax Credit and Housing or Council Tax Benefit. Almost three quarters (74%) said they had less than £100 a week to live on after paying housing costs, council tax and utility bills, but not food.

40% of participants admitted to spending at least £100 on their child’s birthday, meaning that some parents are spending in excess of a full week’s income after essential bills on their child’s birthday. Of those parents living on less than £100 a week 41% would spend more than a £100 a week on their child’s birthday. This means they would need to save £2 a week or more for a year to be able to afford a party for one child; and it is important to note this figure may not take into account the money that would need to be saved to purchase presents in addition to the party.

FOCUS GROUP FINDINGS

PAYING FOR THE PARTY

It was clear from our focus groups that as budgets continue to be stretched, paying for children's birthdays is going to be a worry for low-income parents.

Many of the low-income parents we spoke to attempt to budget for their child's birthday in advance, but often their ability to save can depend on outside influences. Price increases for energy bills and food can have a massive impact on lower income households' ability to save, as price inflation for these goods impacts lower incomes disproportionately. Continued changes to the welfare system have also had an impact on parents who are not in work. But low income parents, like all other parents, are still faced with the task of responding to their children's expectations of birthday parties and gifts.

Mother, Oldbury:

"If they're stopping all that (welfare support) you've got to put food on the table so parties are at the back...but kids love their little parties and friends coming round for tea, so you're neglecting them in a way...it makes you feel wounded to be fair because your kids are everything..."

Children's expectations increase as the child gets older, when they are more likely to express hopes of receiving expensive gifts such as computers or mobile phones. However, echoing the polling, the focus groups show that paying for a party is a major concern for parents and is likely to cause great expense.

Many parents in the focus groups told us they would be prepared to spend up to a week's income after essential bills on a child's party. With many of the parents we spoke to having less than £100 a week to spend after all essential bills have been paid, paying for a birthday sometimes entailed considerable sacrifices and economies.

Mother of three children, West Mansfield:

"What can I miss out on buying this week so I can put that spare tenner there? What don't I need next week so I can put that bit there? You know, I need to know, I need to be so far in advance so that I can, right I know this is coming, so I can put half there and half there and that will have to wait a minute, because I know it's coming. I mean somewhere...I mean I've booked that bouncy castle, and it's £80, I've got to find £80 and I've put it in an envelope and I'll put it away and not touch it. But that means something's got to give, that like to me I work out my week's money can I spend £10 a week and put it away or do I have to make it £20 a week. Just to know that I've told (my child) that's happening so now I've got to do it. But she didn't ask me for a bouncy castle, I got the bouncy castle because I want her to have one."

Mother of seven-year-old girl, Islington (London):

"I pay all my bills and then and what I do is I put a fiver away for (daughter's) birthday and that's how I've been doing it. Or like if I ain't got a fiver that week then I'll put £2 in. Like I've got a jar at home and I know that's (daughter's) birthday stuff there. As long as my bills are paid, but the quicker I get my money the quicker it goes anyway. So as long as I've paid all of my bills and done my shopping, whatever I've got left I put in (daughter's) jar."

One mother of seven children in Islington admitted to saving year-round:

"Well for me, my mums always taught me you have 364 days in a year to save for your child's birthday and it's their day and whatever they want they should be able to have it because you've got 364 days to save for it in terms of cash."

However saving is not an option for those already on stretched budgets:

Mother of three children, Islington:

"I can't afford to save. Our money is on bills. By the time we've paid rent and stuff, we had about £100 a week, and by the time we pay for after school clubs, money for the kids, there's no way we could save anything."

While some parents economised by cutting back on socialising, some took to extreme measures to be able to afford presents and a party, such as going without food for themselves, or eating only what their children did not eat.

Mother of one child, Manchester:

"I cut down on what I eat, and what I spend on gas and electric and everything I just don't put the heating on as much and... by the time Christmas comes I've paid off the Social Fund so I always end up getting a budgeting loan."

Some parents felt it was their duty to get their children everything they wanted. Often this meant getting themselves into crippling debt.

Mother of seven children, Islington:

"When they were younger I used to sacrifice my bills, I used to get out loans and everything just for their birthdays...I got myself into huge amounts of debt."

Taking out payday loans is another form of funding birthdays, but with interest rates for these in the thousands, paying these loans can lead to people being sucked into a mire of debt, borrowing more money to pay off previous loans.

Mother of three children, West Mansfield:

"You like take a loan out, or get into debt for one birthday in the hopes you've paid it off by the time the next one comes."

Mother of three children, Islington:

"I've done like loans, doorstep loans and stuff. You're just forever paying it back. Just for one day. We've gone more behind on certain bills because we've had the loan."

MANAGING EXPECTATIONS

As children get older their expectations rise, especially when it comes to gifts and celebrations. Many of our parents commented that buying presents for younger children is easier as they have lower expectations, but as they grow older the presents they ask for increase dramatically in price, with children hoping for laptops, tablet computers and mobile phones.

Mother, West Mansfield:

"As they get older, like mine are wanting dearer things and if you haven't got the money you've got to find a way of finding it to get them something. Because otherwise you feel horrible if you haven't got them something."

In our Manchester focus group it emerged that in some cases children as young as four are asking for gifts that would far exceed the expectations of other children in their age group.

Mother of three children, Oldbury

"My son's birthday is coming up at the end of this month...he asked for this £400 notebook thing."

Mother of one, Manchester:

"My daughter last year wanted a phone, and she's only four, and I got it for her because it were all she wanted, she didn't want anything else. She wanted this phone. 'Cos everyone else has got it. She wants the phone, she wants the laptop, and she wants the music centre."

Mother of one, Manchester

"My son, he's going to be four and so his friends have just got like iPads and stuff for Christmas. So that's what he really wants for his birthday now, and they're like £500 aren't they, and I'm thinking...He's only going to be four and then if he drops it...I'm in two minds at the moment. He plays on my phone, 'cos I've got an iPhone, so he plays on that and he does, he does love it. And he learns Spanish at school so he's got a few Spanish apps and I'm thinking that's quite good."

Many of the parents blame TV and commercialism for the increase in the expectations of their children. Advertisements during children's TV programmes often fuel their desire for more expensive gifts.

Mother of three children, Manchester:

"I find adverts are terrible; that really winds me up and I think they should be banned in between children's programmes because when they're younger the amount of times an advert comes on for something that's really expensive but it's rubbish, but they simulate things so it looks like things are moving and doing things. The classic was when my daughter was about five or six and she asked and asked for this tooth fairy thing; she thought when you pulled the teeth out of this thing you got real money. How's she thinking that, how's she got the idea, but if you looked at the advert, how cleverly it'd been done, it made that age of child would have believed that when she pulled the teeth out she'd be rich and she'd have all this money and she could go out and get all these sweets."

Mother of one, Islington:

"There's not enough balance. They're very much targeted with all the marketing and stuff. If they don't watch as much TV, they still walk down the road...if you try to shield them from that, it's still going to be in their face on billboards and there's not enough balance to say, there's not adverts on TV to say take your kids to the park for an hour."

Mother of one, Islington:

"That Sweet Sixteen on that Disney channel does it all. Every time she sees that, look at their party, look at this and I think yeah but they're richer than us, they're not like us. Who would bother buying their daughter a car on their 16th birthday, she can't even drive. What do you want a car for?"

Some of the parents thought it should be down to them to make sure they are managing their children's expectations.

Mother of two children, Islington

"I think also, parents have to take responsibility for how their children conduct themselves on their birthdays...If you teach your child that presents aren't the be all and end all of life, then they won't grow up to have these expectations."

Mother of three children, West Mansfield:

"It's down to us kind of thing not to set our kids up to over expect and then when we don't deliver, it's our fault do you know what I mean?"

Mother of two children, Manchester:

"Once you increase the limit, you're setting yourself a precedent and then if you've got another one on the way."

Mother of seven children, Holloway:

"At one point £25,000 worth of debt I had. Just because I was giving my kids everything they wanted. But now everything has to get paid first. If there's nothing left for you, too bad."

PEER PRESSURE

Peer pressure is part and parcel of school life. Particularly as children get older their sense of how they are perceived by other children becomes increasingly important.

But it is not just the children who feel peer pressure in the playground. Parents also feel it. Those in our focus groups felt “playground peer pressure” keenly when deciding how to spend on birthday parties.

Mother of three children, West Mansfield:

“What bothers me is when those three friends go home, what are they going to say to their parents? And when the parents are coming round to pick their kids up and they just step inside my house, I’m like trying to, you know, don’t look sort of thing because I worry what people will think. Like, are their kids going home saying yeah I had a right good time at (child’s) party or we didn’t do this, we didn’t do that. You know, so it’s an added pressure to perform. Your kids don’t mind, you know they don’t mind. But you do. It’s not your kid’s party. It’s your party. Because you’ve got to feel alright, you know what I mean? So I do worry what’s said about parties. Because when you go to a kid’s party and your kid’s invited to one and you look at it, you can see the extent the parent has gone to, and they’ve not gone to it for the kid, they’ve gone to it for the playground banter the next day.”

Mother of three, Islington:

“...you end up giving in ‘cos you don’t want them to feel left out at school everyone’s gonna talk about the party. They’re all gonna ask what did you do for your birthday? And they might, like, laugh, start bullying them.”

It was felt that some parents used birthday parties as a status symbol. This sometimes promoted feelings of inadequacy in our service user parents.

Mother of three children, Islington:

“I’ve got friends who spend thousand for a birthday party and when my kids go and they see that and they’re expecting the same things for their birthdays...with four kids, I’m constantly having to save up for birthdays...and then there’s Christmas.”

The example of more financially secure parents is sometimes felt as a driver to low income parents to go beyond their means in providing for birthdays.

Mother of two children, Southend:

“It’s parents’ expectations of what everyone else is giving their child for their birthday and it’s like...you just want the best for your child. You WILL do the best for your child.”

Who to invite and where to hold the party

Parties can also throw up the issue of who to invite and who not to. This can create further issues for parents, especially those on a low budget.

Mother of one child, Manchester:

"For my daughter's first [birthday] we was going to do like a big, big party, but once again it was the money situation so I just done close friends and family, done food, party bags, pass the parcel and things like that. Because obviously it was tight. And that was for her first birthday."

Playground politics can mean that problems can soon arise if some children are invited and others are not.

Mother of three children, West Mansfield:

"You can literally lose friends and create bullies through a birthday party."

Mother of three, West Mansfield, (replying):

"Oh she can't afford nothing, don't want to talk to her you'll get nothing if you go to her house. That's how they do it and that's how your kids get picked on."

Playground pressure and pressure directly from their own children was also sometimes behind parents' spending on external party venues they could not afford.

Mother of four, West Mansfield:

"They're expecting you to take them to the bowling alley, the pictures, swimming baths, things like that what their friends are expecting. Then when they say you're coming to my house: oh we're not coming we can't come because so and so's party is better."

Mother of three, Islington:

"My lovely daughter, ninth birthday, wanted to go to Build A Bear, and I was like, perfect, there's an offer, it's buy one, get one free, you can invite five friends. Six children, a hundred and seventy odd pounds on six bears. I said to her, you aren't having a party next year. It's not happening...I was like. gone. Money was gone straight away. And it's ONE day. One measly day...Incredible. I wanted to cry."

Taking birthday cakes and party favours into the class

The trend for taking cakes and party favours into schools for classmates is piling additional pressure on parents.

Mother of three, Islington:

"So you've got to have one birthday at school, with the goodie bags, and you've got to do a separate one at home with their friends, and you've got to do another one for your family."

Mother of one, Manchester:

"...But my son's birthday always ends up in the Easter, I took the cake and party bags in just before they finished and then he had his party the week it was. So it was double the cost really. If you do it at school you have to do the party bags. And then if you have a party at home you have to do another cake and party bags, so it's double the cost really."

Mother of one, Islington:

"I think the trouble is I send when it's like (child's) birthday a cake to school but then you still need to get party bags and you end up like, there's 37 kids in her class so like you end up putting in like £37...like of presents and little things and then a cake and then it all starts over again because she wants one with like the whole family and her other friends and so it works out really expensive."

"Because everybody gives, like she always comes home with party bags so like the kids expect now that they want a party bag, you've gotta have, the trend is you have to have a party bag. Like I've never seen at my daughter's school any kid come out without a party bag. You see all the parents come in with like drinks, crisps, cake."

Mother of three, West Mansfield:

"He asks me says are you getting some sweets (to take into school) and I'm like yeah, yeah, yeah. And I did forget and then he said Friday morning, his birthday were Thursday, and on Friday have you got those sweets mum? Right, oh no I've forgot. Well are you going to get us some today? No! Why not? Because your birthday were yesterday. You know because I forgot and though you know just because every...well he says everybody else does it. I don't care what everybody else does. You're having a party. Just because they've got to I don't have to."

The trend for taking the cake and favours to school has even made it to some nurseries:

Mother of one, Islington:

"Cos my daughter's birthday is in April and well fortunately that falls during the Easter break, but it's gonna be close. But because she's been at nursery where she's seen all her other friends bring, you know, celebrate their birthday, at nursery, she doesn't want to be left out so she wants to take a cake and goodie bags and all that, the day before they close, you know."

WHEN I WAS A KID

A theme that spanned all of the focus groups was parents' desire to give their children better experiences of childhood birthdays than they themselves had enjoyed. It seems that in addition to children's expectations and peer pressures, low income parents' own memories of going without birthday celebrations and gifts drives many low income parents to over-compensate in what they provide their own children.

Mother of three children, Islington:

*"Birthdays were ***** because my mum was a single parent. My dad died when I was five. She had no money, she worked all the hours...she didn't have the money to fund three children's birthdays every year. It was impossible then and it's even worse now."*

Mother of two children, Islington:

"... 'cos I've got four other siblings, yeah, things were tight, you know, and so birthdays weren't really celebrated. Actually I can't even remember celebrating a birthday full stop quite frankly. But I think that was due to having so many siblings and the money just did not stretch to enable my mother to you know, celebrate birthdays really. But that was just standard really. I think when that happens you don't really actually have any expectations for birthdays. But having your own children you wanna make sure it's not like that for them."

Many parents had not experienced extensive birthday celebrations or receiving presents of choice when they were children.

Mother of one, Islington:

"When it comes to her birthday I think no 'cos I didn't have that so I want her to have that."

Mother of one, Manchester:

"For me it was kind of a low-key affair, but I've seen over the last 20 years that it's changed and...there's more of a demand on parents."

Mother of four children, West Mansfield:

"I try and get everything for mine because I didn't get anything myself when I was growing up. And I think well if I didn't get it I'm making sure they're getting a better thing than me."

Mother of one, Islington:

"I can't really remember me saying to my mum can I have a laptop or, I'd be lucky if I got a doll or something...I'd be happy if I had a cake when I was a kid."

CUTTING THE COST

Keeping the cost of birthdays down is one of the hardest hurdles to clear but many of the parents had some positive ideas on how to keep the cost down.

Saving well ahead of the occasion, having parties at home and limiting the number of guests invited, in some cases to family only, are among the ways that parents limit the spend.

Mother of two children, Manchester:

"We were saying earlier though, it's nice instead of having a party just to go out for a family day out. That's the other way..."

A few parents put free venues such as museums and parks to good use.

Mother of one, Manchester:

"I think it's about being creative with your planning, cos there are things you can do for free. I know it sounds stupid, but going down to the Science Museum, when they're really young, they'll like that to the place with all the toys, where they're playing, and then just use one of their tables, and set it up really pretty, like a party table"

Parents often talked about economising on the cake.

Mother of one, West Mansfield:

"What I did, I went to Tesco's and got a cheap cake and got the roll-able fondant icing and made it. 'Cos I'd asked two or three people to make him a Thomas cake. One wanted £60, one wanted £30 and I actually managed to make it for less than a tenner. And mine came out just as good as what they could do. And he was quite happy 'cos, (cake maker) said "Oh no you can't have these small things on it." I actually got sort of like three little tiny Thomas things and all I did was make this track out of the fondant icing, covered it in green put the track on and put the thing, 'cos I made the track in a six shape and just put trains on it and he loved it.

"Yeah but that's better cos you've done it and you've gone to that much effort and he'll appreciate it more. That's what I'm saying you could do something just as good or better, you know."

The number one cost saving idea that came out of all of the group discussions was buying as much as possible from 99p shops which are popular places to buy party essentials such as plates, party bags and goodie bag contents. (99p shops are significantly cheaper for most party purchases when compared to high-end shops although not necessarily supermarkets as the table in our appendices shows).

Mother of one, Manchester:

"I go to the cheaper shops to get all the decorations and like the 99p shop - you can't go wrong. In the party bags you can get everything from there."

Recycling:

Mother of three, Oldbury:

"I tend to now do the buy and sell, their older stuff I'll sell and then, so you're recycling."

One Manchester mother of two was creative about using recycling to make money and save towards birthdays.

"What I do is do a lot of ebaying, you know what, the things that they've grown out of I Ebay, and I save up the money in the account."

BENEFIT CUTS

Many of those who took part in our focus groups rely on benefits for their entire income or to top-up their income in low-paid work. From this April as part of one of the most sweeping suite of reforms to welfare in recent times, their family budgets will be hit with a range of cuts including the welfare caps⁴, the bedroom tax⁵, and the one per cent uprating⁶. The Child Poverty Action Group has estimated that six welfare and tax credit changes alone will take at least £2.3bn from the pockets of the poorest households in 2013-14.

Many families are going to have to come to terms with living on a tighter budget. For many such families these cuts are going to have a significant impact on their lives, especially parents' financial capacity to be able to provide for their children and celebrate special occasions such as birthdays. Children in the largest families are likely to be hardest hit.

Mother of seven children, Islington:

"They said I'm going to be £50 a week worse off, and you do get accustomed to having that amount...it may not be a lot of money but you get accustomed to that amount a week and when it's not there you feel it."

Mother of one, Manchester:

"I'm going to have my second kid, and cos it's a boy, they're saying that my sons can share a room till they're sixteen now, so I have to pay for that room...people are like it's only £12 a week but that's £50 odd a month and if you're on benefits that is a lot of money to be going out."

Mother of child with special educational needs, West Mansfield:

"It's because of the rising costs of everything else. Food's gone up because we've had bad crops and everything so that's gone up. Gas and electric and all the rest of its all gone up and now the people on benefits in this area, from April they're going to charge you council tax even though you get council tax benefit your still going to have to pay some and it's just, it's petrol costs going up, everything just keeps going up."

Mother of three children, West Mansfield:

"Yeah but if my money goes down, then I will re-juggle to still carry on in the way I'm living now. I mean if I have to...I mean I do go without food I do because my kids get fed before me I'll eat what they leave so if I'm worried of living like that they can take whatever money they want off me because I'm already down there so what can they do? I feel like I can't be touched because I can't be worse right now. Because I'm already living like that to keep my kids up here and I'll sit down there. So do your worst."

⁴ The benefit cap means that a household's total income through benefits is being limited to either £500 a week, or £350 a week, depending on the number in the household

⁵ The bedroom tax is seeing a reduction in housing benefit if you have any spare rooms in your home – only one room per individual or couple is allowed, not taking into account disabled individuals needing rooms for carers, or divorced families needing rooms for when their children come to stay.

⁶ For the first time ever, benefits are not going up in line with inflation – they will only be increased by one per cent.

CONCLUSION

Most of the UK population remembers celebrating childhood birthdays in some way and a substantial proportion of UK parents consider it important to meet the cost of celebrations even when they cannot afford them. The focus group findings emphasise that in line with other socio-economic groups polled in our UK survey, low-income households are extremely determined to make their children's birthdays memorable in the face of current spending pressures.

Despite their low incomes, parents face up to the challenge of budgeting towards celebrations, sometimes by saving for up to a year in advance and making considerable sacrifices in personal and household spending, sometimes by borrowing money to ensure their child has the celebration they feel they should have.

Many of the low income parents in our focus groups are motivated to spend disproportionately because of the memory of their own childhood poverty, its impact on their birthdays and the desire to ensure that their children's memories are happier. This may sometimes lead them to over-compensate in the provision they make for their own children.

Most worryingly social pressure is a significant factor in low income parents spending what they cannot afford. Fear of their children being bullied for being poor leads them to spend disproportionate amounts of their income on expensive celebrations for school friends, and cakes and favours for children to take into class.

What needs to happen?

If families budget, they are likely to be better able to cope as they are prioritising spending, and planning for the future. However, when parents take out loans they cannot afford, run up debts and make cuts to essential spending on food and fuel, then this places strain on the family budget.

There is therefore a need for services like Family Action's that support the more vulnerable or low income parents to balance a range of family needs, manage the expectations of family members and equip them with the self-esteem to resist corrosive social pressures. Programmes like Money for Life give further support to families with exercises and skills that help them with thinking about their needs, wants and aspirations, prioritising their spending, and understanding and accessing affordable credit.

However as tougher spending times arrive, schools need to consider the impact of traditions like taking birthday cakes and favours into class on pupils from lower income families. In some cases it could be appropriate to ban the taking of cakes and favours into class.

Given the importance of children's birthday celebrations to so many people in the UK and the birthday party as a marker of social inclusion in childhood, do we think it is right that some children should witness their school friends' birthday celebrations but have no hope of a celebration themselves? Or be victimised by bullying because they have been born into the poorest households?

As household budgets continue to be stretched, celebrations like children's birthdays may have to move further and further down low income parents' list of priorities. The statistics already highlight that some children are excluded from enjoying special celebrations they would like such as birthday parties because of poverty. As welfare reforms come into effect and families live with below-inflation wage rises, the experience of childhood birthday party with one's friends, as well

as family, could be denied to more and more UK children in the poorest groups. If some families are already struggling to pay for birthdays on the breadline, continuing austerity may just blow out the candles all together.

APPENDICES

Appendix 1

Structure of focus group questionnaire and table of responses

The questionnaires, which consisted of questions such as “what drives you to spend on a birthday party for your child if you can’t afford it?” and “what will you do to meet the costs of your child’s birthday?” had a range of answers: yes/no, tick boxes and word responses. However, the standardised answers limit us to collecting very simple data about families’ preferences and behaviour. Extra free text answers were added in to the questionnaires to enable us to gather more personalised information about their habits.

How much money per week do you have left after paying for your accommodation, council tax and essential household bills?

£<100	£100-£199	£200-£299	£300-£399	£400-£599	Not stated
39 (74%)	9 (16%)	2 (4%)	0 (0%)	1 (2%)	2 (4%)

On average, how much in total do you spend on each child’s birthday party?

£0-£20	£21-£60	£61-£80	£81-£100	£100+	Not stated
5 (9%)	7 (13%)	9 (17%)	9 (17%)	21 (40%)	2 (4%)

Expenditure on parties broken down for parents with an income of less than £100 a week after paying for housing, council tax and essential household bills

£0-£20	£21-£60	£61-£80	£81-£100	£100+	Not stated
5 (13%)	7 (18%)	6 (15%)	4 (10%)	16 (41%)	1 (3%)

How do you celebrate children’s birthdays?

Celebrate at home / invite friends over	Celebrate at a special venue	We cannot afford birthdays	Family occasion only	Other (e.g. zoo or restaurant)
24 (45%)	10 (19%)	4 (7%)	10 (19%)	5 (9%)

What do you enjoy most about children’s birthdays? (Respondents were able to select multiple answers)

When they open their presents	26
Making the goody bags	9
Reminding my child they are special	25
Seeing my child and their friends happy	32
Baking the cake	8
Having family and friends at my house	23
Making the food	3
Too worried about costs to enjoy	9

Appendix 2

Comparing costs of birthday parties between budget, average and luxury

	Poundland	Tesco	John Lewis
Birthday cake	*	£5.00	£9.99
Crisps 6 x 25g	£1	£1.68	£1.68
Biscuits 2 x packets	£1	£0.80	£1.89
Sweets 5 x bags	£5.00	£5.00	£6.00
Drinks 4 x big bottles	£4.00	£5.00	£6.00
20 party bags	£1.30	£2.90	£8.75
20 plates	£1.30	£0.50	£6.25
20 cups	£1.30	£0.40	£6.25
20 napkins	£1.00	£0.60	£2.00
20 balloons	£0.40	£0.80	£4.16
birthday banner	£1	£0.99	£2.00
20 party poppers	£0.60	£2.50	£9.00
12 birthday candles	£1.00	£0.40	£1.30
Total	£19	£26.57	£65.27

* Poundland does not sell birthday cakes

Appendix 3

UK Polling table of results

Do you have any children in any of the following age bands? (Please tick all that apply)

All UK adults	0 to 4	5 to 7	8 to 10	11 to 14	15-17	18 or older (grown-up children)	No - I do not have any children
2052	8%	5%	6%	8%	5%	38%	42%

Thinking back to your own childhood...

Which ONE, if any, of the following did you enjoy MOST about your own birthday celebrations?

All UK adults	Having a birthday party	Having a birthday cake	Receiving presents/ money	Spending time with my friends	Spending time with my family	Other	Can't recall	n/a - I didn't celebrate my birthday/ I didn't enjoy anything about my own birthday celebrations
2052	19%	8%	31%	7%	21%	2%	7%	6%

Thinking about when your child(ren) under 18 have birthday parties...

Which ONE, if any of the following BEST applies to you?

All UK adults	I am the main organiser of my child(ren)'s birthday parties	I am partly involved in organising my child(ren)'s birthday parties	My child(ren) have birthday parties but I am not involved at all in organising them	My child(ren) don't have birthday parties
461	44%	31%	5%	19%

Thinking about all of your children aged under 18...

To what extent do you agree or disagree with the following statement? "Financially, I can't afford to organise birthday parties for my children."

All UK parents who have children under 18 years old	Strongly agree	Tend to agree	Tend to disagree	Strongly disagree	Don't know
461	13%	31%	32%	18%	6%

For the following question, please think about all of your child(ren) who are under 18...

Which, if any, of the following would you ever consider doing to enable you to afford to hold a birthday party for your child(ren) (e.g. pay for food/ venue/ gifts/ entertainment etc.)? (Please tick all that apply)

All UK parents who have children under 18 years old	Cut back on basic household expenses (e.g. food or fuel)	Go without new clothes for myself or my children	Go without taking my children out for an activity (e.g. cinema etc)	Go without a night out with my friends	Not buy another member of the family/close friend a birthday present	Do without a holiday	Take out a loan	Use a credit card in a situation where I wouldn't usually use one	Borrow money from a friend or family member	Save money at least a month in advance of the birthday party	Other	Don't know	n/a - I would never consider cutting back on anything in order to afford a birthday party for any of my child(ren)	n/a - I would never consider holding a birthday party for my child(ren)
461	21%	27%	22%	41%	7%	16%	1%	14%	8%	46%	3%	6%	17%	3%

For the following question, please think about your child(ren) aged under 18. If you have more than one child aged under 18, please think about the child whose birthday is NEXT

On average, how much in total do you spend each year on your child's birthday party? (Please tick one answer)

All UK parents who have children under 18 years old	£0 - my child has birthday parties but I don't personally spend any money on them	Up to £20	More than £20, up to £40	More than £40, up to £60	More than £60, up to £80	More than £80, up to £100	More than £100, up to £200	More than £200, up to £500	More than £500	Don't know	n/a - my child doesn't usually have a birthday party
461	2%	3%	11%	7%	12%	12%	16%	6%	0%	13%	18%

For the following question, please think about all of your child(ren) who are under 18...
In your opinion, which, if any, of the following do you particularly enjoy about your child(ren)'s birthday celebrations? (Please tick all that apply)

All UK parents with children under 18 who have birthday parties	Coming up with a theme and planning the party	Baking and decorating or giving my child(ren) their birthday cake	Giving my child(ren) their present(s)	Getting the house in order to impress my friends/ family	Picking a venue that I know will impress other parents/ friends/ family	A sense of achievement to see my child(ren) and his/ her friends happy	Making the food	Making the goodie bags	Reminding my child(ren) that they are special to me	Other	Don't know	n/a – I do not enjoy my child(ren)'s birthday celebrations at all
372	20%	28%	54%	9%	5%	49%	21%	20%	49%	3%	4%	4%

For the following question, please think about when you have ever organised birthday parties for any of your child(ren). If you no longer organise birthday parties for them, please think back to when you did...

Which, if any, of the following factors have ever driven you to spend money on your child(ren)'s birthday celebrations at times when you were unable to afford it? (Please tick all that apply. If you have never felt under pressure to spend money on your child(ren)'s birthday celebrations when you couldn't afford it, or you have never organised birthday celebrations for any of your children, please tick the relevant "Not applicable" option.)

All UK parents who have children under 18 years old	Pressure/ expectation from other parents	Pressure/ expectation from friends/ family	Pressure/ expectation from my own child	Peer pressure from my child's friends at school	Media pressure (e.g. other children's parties on TV, films etc.)	Pressure from an ex-partner	Pressure from my current partner	Guilt at the thought that my child might not be happy on their birthday	A sense of duty that I should provide my child with a party	Other	Don't know	n/a – I have never felt under pressure to spend money on my child(ren)'s birthday celebrations when I couldn't afford it	n/a – I have never organised a birthday party for any of my child(ren)
461	7%	9%	21%	8%	4%	1%	4%	19%	27%	1%	4%	40%	8%

Appendix 4

In response to the report, Family Action and Money for Life have compiled some top tips on how to organise a birthday party on a budget:

- Why not consider having a party at home this year instead of at an external venue? Setting up a birthday party at home for your children and their friends is cost effective and with a little time and planning you can give your child some very happy memories at home.
- Set a budget for your party and try and stick to it. It may be cheaper to pick an external party venue with an all-inclusive cost per child, or it may work out cheaper to do it yourself at home. Do the sums and make sure. Use this opportunity to teach your children about budgeting – help them decide between a more expensive party with fewer friends, or a cheaper party with more friends.
- If your child's birthday is in the summer, why not plan a picnic or a treasure hunt in the park? All you'll need is some blankets, picnic food and games for the kids – which you can even ask friends to bring along with them. You can also design your own games, bring along a pen and paper and a few small prizes such as sweets to keep the kids happy. This not only will save on pennies but it'll also save you from a messy home at the end of it!
- Start saving up in advance. Put loose change in a bottle each week to collect for your child's birthday - you'll be surprised at how much you can save!
- Providing party bags is often expected for kids' birthdays but they can be expensive to put together and tend to include useless items that get thrown away within a few days. Try to minimise the amount you spend on these items by buying in bulk at the supermarket or pound shop or see if your venue will include a party bag in the cost. You could also try a 'lucky dip' as an alternative for the children to pick one small gift each as they leave the party.
- If relatives offer to buy a gift for your child's birthday ask them to pay for fees like swimming lessons, karate or any other groups the child attends. This will save you money when the bill comes through.
- A trip to the cinema with some friends makes a great birthday treat but the cost can quickly spiral out of control. However, many cinemas now show kids' films at the weekend at a fraction of the cost. Check out your local cinema to see what's on offer. And, if your local cinema allows it, remember to take your own snacks with you to further reduce the cost.
- If sending out invitations why not send out an e-invite to parents and their kids instead. It's cheaper than buying cards and you'll also save time, and money on postage.
- Make the birthday cake instead of buying one. Whilst shop bought cakes look great they are also expensive- some shop bought cakes can cost more than £20. There are tons of simple, delicious recipes online that you can make for under a fiver. Pinterest is a good source of inspiration for cake designs and creative party foods. Or try googling "fruit animals" for a healthy alternative to cake.

- Think about timings of the party. If you get this right you can save a lot of money. Organise a party in between lunch and dinner as this will save you on food costs. Or when inviting people clearly state that it's snacks that will be provided and not lunch or dinner.
- Make up the games instead of having a child's entertainer. Good old-fashioned party games are just as fun for little ones. Musical chairs and musical statues are fun for kids and many children's games don't need prizes, you could just buy a cheap packet of gold stars to stick on the winners to make them feel special! Have a look at www.partydelights.co.uk for fun sticker collections and other ideas.
- If your child receives gifts that they already have or that you know they won't use, why not sell them on eBay? This can be a great way of earning some extra money and putting it in savings, or towards something that they do want or need. Another option is to recycle them by giving them to a different friend in a different social group.