

PRESS RELEASE

16 October 2019



LLOYDS BANK

NOT FOR BROADCAST OR PUBLICATION BEFORE 00.01HRS WEDNESDAY 16 OCTOBER 2019

MILLIONS OF BRITONS HAVE NO SAVINGS TO FALL BACK ON

- A third (33%) of British adults don't save money regularly
- Yet one in five wouldn't survive a month on current savings if they lost their job
- Under 25s are the best at putting money away regularly, while over 55s are worst at planning their personal finances in advance

A third (33%) of Brits say they do not regularly save any money, according to new research by Lloyds Bank.

Part of Lloyds Bank's 'How Britain Lives' study, the UK-wide analysis conducted in partnership with YouGov, also found that 7% of UK adults have no savings whatsoever to fall back on if they lost their job.

A further one in five (18%) wouldn't survive more than a month if they were to suddenly lose their job, and 30% would only be able to live off their current savings for up to six months.

Yet, despite knowing they could be caught short on cash, almost one in five (17%) admit to not planning their personal finances at all.

The 18-24 age group were revealed to be the most dedicated savers. Over three in four (78%) are actively saving money compared to just 67% of all UK adults - with a deposit for a new home or out of fear of losing their job - being the main reasons for doing so.

However, three in ten (29%) 18-24-year olds confess to struggling when it comes to managing their money and the number not planning their finances is in line with the UK average (17%).

Those nearing or in retirement are least likely to plan their personal finances in advance, with one in five (21%) over 55s admitting to not planning at all.

Despite this over half (53%) of over 55s are confident in their ability to manage their money.

Jo Harris, Managing Director at Lloyds Bank said: "Millions are at risk of not having savings to fall back on should they lose their job or have to stop working. Being prepared for these unexpected circumstances

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as well as starting to save for the future can sometimes feel daunting, particularly for those on lower incomes unable to put away large sums.

“While it might seem like a slow uphill battle, small savings can really add up and when done regularly over a long period of time it can result in a significant sum. There are tools and accounts available to make saving easier and simple saving tricks will help set yourself up for the future.

“If you are struggling to save it’s important to keep talking and open up about any money worries with family and friends as this can help with easing financial strains or fears. We’ve recently created the Lloyds Bank M-word online hub to provide a series of tips to help people feel more confident in opening up about these money worries.”

The Regions

- More are actively saving in the South East (72%), South West (72%) and East of England (72%) than any other UK region.
- Almost two in five are failing to save any money in the East Midlands (38%), Scotland (37%) and London (37%).
- Despite the median salary being 25% higher in the capital than the UK average¹, those in London admit to struggling the most with their finances (20%).
- They are also most at risk if unemployed, with a third (33%) being unable to survive for more than a month on their savings compared to the 18% UK average.
- Saving for a rainy day topped the list for why Brits save (66%). Other reasons include in case they lose their job (48%), saving for a house deposit (40%) and to help family (39%).

Five tips to help you start conversations

Conversations about money can be difficult, especially when you are facing financial problems.

The Lloyds Bank M-word online hub has a whole range of information to support opening up about money. Take a look at the steps below on how to start a conversation.

Be prepared - Sometimes it’s hard to know where to start. Ahead of any conversation about money it can help to gather all the information you need to understand exactly what you need support with.

It’s useful to have things like bills and bank statements to hand so you can be clear and not feel like you have to remember every little detail.

A time and a place - Choosing the right time and place to talk about money can make all the difference. Pick a time when there will be no distractions so you can have a calm and considered conversation.

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It may be that home isn't the right place to have the discussion. Finding a neutral spot, particularly if it's likely to be a difficult conversation, can be a good idea.

Listen as well as talk - A calm exchange of views is a lot better than one person giving their point of view and not giving the other a chance to be heard.

Understand and acknowledge the other person's point of view. It's only by listening that you'll be clear on what's important to the other person and be able to make a plan together.

Strengthening relationships - 1 in 3 couples did not talk about money at all before moving in together, but it's never too late to start.

Talking openly about money can help you to take shared responsibility in deciding how to handle your money and make plans for the future. This can be a positive experience for everyone involved.

Keep the conversation going - Sometimes the relief of having talked about money is so overwhelming that people don't mention it again and forget to put words into action.

Having regular conversations about money is really helpful both for your finances and your relationships. Make this a habit – not just a conversation you have when things are difficult.

ENDS

¹<https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/bulletins/annualsurveyofhoursandearnings/2018>

Regional breakdown:

Region	% not saving money	% feel they are managing finances well	% don't plan their finances
North East	33%	38%	12%
North West	36%	38%	14%
Yorkshire and Humber	32%	45%	17%
East Midlands	38%	45%	14%

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West Midlands	34%	40%	21%
East of England	28%	44%	18%
London	37%	34%	21%
South East	28%	45%	16%
South West	28%	55%	26%
Wales	33%	41%	10%
Scotland	37%	35%	12%
Northern Ireland	36%	38%	16%

Notes to Editors:

Methodology

YouGov fielded a quantitative survey to a nationally representative sample of the UK population, interviewing 2018 UK panelists who agreed to take part in research in March 2019.

This research is part of a wider series from Lloyds Bank called 'How Britain Lives', a major study looking into the issues that British people face in today's modern world including insight on their lives, attitudes and daily pressures.

About Lloyds Bank

Lloyds Bank is proud to have served the people, businesses and communities of Britain for over 250 years.

Whether you're starting a family, buying a new home, opening for business, changing direction, or dealing with the unexpected, Lloyds Bank are here to provide the support, and guidance, to face your next steps with confidence.

We offer a comprehensive range of financial products and services –shaped to suit individual needs, from current accounts, savings, mortgages, loans, credit cards, private banking and wealth management services and we are the UK's biggest provider of start-up finance for small businesses.

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