

PEOPLE IN THE EAST OF ENGLAND ADMIT TO SPENDING £20 PER WEEK ON UNNECESSARY BITS AND PIECES

- But over three quarters (76%) of people in the East of England state that they wished they used their cash more efficiently and nearly half would rather spend some of the money learning a new skill

Date of issue 28th August 2008
Press release number 557
Embargo until 00:01 hrs 28th August 2008

The East of England spend an average of £20 per week on unnecessary items, including takeaway snacks, unused groceries and taxis - the equivalent of a whopping £1040 per year - according to new research released by the Learning and Skills Council; proving that people aren't being as thrifty as expected in the current economic climate.

Today's survey of over 2,000 respondents showed that the majority of the East of England think they are poor at managing money, with 76% of respondents stating they felt they could spend their money more efficiently.

When the survey asked what people would rather do with their money, 48% said they would prefer to put it towards learning a new skill or doing some extra training – an indication of a growing awareness that even a small investment in personal development can lead to financial benefits.

Interestingly, in a separate study, experts found that investing in a new skill could result in a £167 to £250 increase in an individual's monthly salary¹; which should be of some comfort to 41% of respondents from today's survey, who stated that the cost of learning deters them from learning a new skill.

¹ Based on the Labour Force Survey, 2007. The Labour Force Survey shows that learning a new skill could result in a £2,000-£3,000 increase in annual salary. £2,000-£3,000 divided by 12 months equals a £167-£250 increase in monthly salary.

Ironically, while today's survey shows money, or a lack of it, to be the number one reason that people are not learning new skills and gaining new qualifications, the survey highlighted 'financial benefit' as one of the main reasons for people being interested in learning, with over half of respondents in the region acknowledging the fact that learning a new skill could help increase their income and help their career

Independent financial expert, Alvin Hall, comments: "In our already hectic lives, we frequently overlook the fact that developing new skills and acquiring fresh knowledge helps us to remain valuable. We are our biggest asset, and it's natural to want to spend money on frivolous things, but if we invest more on training and learning too, there'll be more to spend on such things!

"Today's Learning and Skills Council study revealed that 55% of people in the East of England believe that learning a new skill will benefit their income and career. Learning a new, useful skill or enhancing those you already have is therefore one of the smartest investments to increase your worth and to earn more money.

"Just think: you could increase your earnings by ten to fifteen thousand pounds over five years - and perhaps even more in the longer term. Simply put, the more you invest in and improve your knowledge, the more you can earn. It's a win-win for your self-esteem and ultimately your bank account."

Chris Banks, Chairman, Learning and Skills Council, agrees and says: "Spending a little more money on learning is a sound investment, not just in the long term but in the short term too. In fact, research shows that gaining a new qualification can increase your annual income by £2000-£3000².

"It's all about taking the future into our hands and, with so many ways to learn, there's something to suit everyone. Everybody has the right to learn, and we encourage everyone to look at their options, especially when the payback is so attractive."

² Based on the Labour Force Survey, 2007

The Learning and Skills Council has a wide variety of training and funding advice available for people who are interested in updating their skills or obtaining a new qualification. With so much support available, what's stopping you from updating your skills? To find out more about training and whether there are any funding options available for the course you've chosen, talk to your employer or visit lsc.gov.uk/inourhands

ENDS

For all media enquiries and interview requests for Alvin Hall or Chris Banks please contact:

Nick Jones, Hill and Knowlton, T: 020 7973 5961
E: nick.jones@hillandknowlton.com

Jennifer Pyne, Hill and Knowlton, T: 020 7413 3186
E: jennifer.pyne@hillandknowlton.com

For the LSC Press Office, please contact:

Ann Gill, LSC, T: 02476 823 515
E: Ann.s.Gill@lsc.gov.uk

Notes to Editors:

Alvin Hall's Money Management Tips - Money matters can often be daunting, but the worst thing you can do is ignore them and put them off. Saving up to learn a new skill will enable you to take the course that could catapult you up the career ladder and eventually help you earn more money. Here are some top tips for getting the most from your money.

1. Think about what you want to achieve; find out more about the skill you want to learn and start saving for it. Remember - saving in bite-size amounts may not seem like much at the time but it all adds up.
2. Try to set yourself a weekly budget. Think about how much you can afford to spend each day, whether on food, shopping or going out and stick to it. If you can come in under budget each week, you are saving money. The money you save can be put to good use, for example, by learning a new skill or paying off a Career Development Loan.
3. Don't mistake your credit card for the answer to your problems. People often feel that spending money will cheer them up, but if you don't actually have the money to spend it will only make things worse. Think about whether you really need what you want.
4. Invest in yourself. Gaining a new qualification can result in a £2,000-£3,000 increase in annual salary.³ It might cost some money to begin with but think what you could do with the extra money you could earn and how much more you could save.
5. If you think learning a new skill might be too expensive, you could be surprised to find that there is a range of courses to suit your budget. You could also be eligible for financial support – an Adult Learning Grant, Education Maintenance Allowance, a Career Development Loan, a grant or a bursary – could help while you learn.

So, what's stopping you? Visit lsc.gov.uk/inourhands to find out more.

³ Based on the Labour Force Survey, 2007

Research

The research was conducted on behalf of the Learning and Skills Council by 72 Point, based on a survey of 2,000 people in Britain.

Learning and Skills Council:

The LSC exists to make England better skilled and more competitive. We are responsible for ensuring the availability of high-quality education and training for everyone. We have a single goal: to improve the skills of England's young people and adults to world class standards. Our vision is that young people and adults in England have knowledge and skills matching the best in the world and are part of a truly competitive workforce. We work nationally, regionally and locally to deliver this ambition on behalf of learners and employers.

The LSC offers a host of support services to help those who are already in the workforce, or are about to enter the workforce, to gain the skills they need to succeed, secure their future or grow their income. For example, you could receive the Adult Learning Grant (ALG) for your decided course, a grant designed as a helping hand for adults thinking about learning but worried about the financial barriers standing in their way. ALG provides low income adult learners with up to £30 a week to help with the extra costs of learning. Since the grant became available, over 43,000 people have received ALG. You could also access training at work through the LSC's flagship programme for employers, Train to Gain.