

THREE-QUARTERS OF ADULT BRITS UNINVOLVED WITH THEIR PARENTS' FINANCES

Parents should involve families in planning finances for retirement

Over three-quarters of adult Brits (77%)* are uninvolved with their parents' financial position according to recent research from Newcastle Building Society's Equity Release Service. One third (33%) do not see it as any of their business to become involved - raising fears that lack of communication within families on financial matters could prove problematic for both parents and their adult children later on in life.

However, with the current UK state pension standing at just over £4,700** a year and the British population living longer, Newcastle Building Society believes it is becoming increasingly important that parents involve their children in planning for their retirement - especially when looking to gain access to capital or income, such as taking out an equity release plan.

Bob Mottershead, Retail Sales Executive at Newcastle Building Society says: "For those who have no other savings or income to fund their retirement other than the state pension, equity release may be an option. However this, and any other significant financial decision, requires careful consideration and should be discussed with family members.

"For example, a lifetime mortgage could affect inheritance, but parents often find that their offspring would much rather see them live the fullest life as possible now, rather than inherit a greater sum after they are gone."

Eighty-two per cent of those aged 25 to 44 are uninvolved with their parents' finances, with almost four in ten (39%) in this age bracket seeing it as none of their business, compared to just 3% who would like to be more involved.

Mottershead continues: "Financial planning is sensible and shouldn't be a taboo subject among families. It could make things easier for both children and parents in

the long run, as there may come a time when parents are no longer able to manage their finances independently. For adults aged 25 to 44 it is even more crucial, as this is around the time when their parents could be making decisions that will affect their quality of life in old age.”

-ENDS-

Notes to Editors:

* YouGov survey among 1241 GB adults who are in contact with their parents (July 2008)

** Department of Work and Pensions

Which ONE of the following statements BEST describes your involvement in your parent(s) finances?

	All GB Adults	Age 25-44
	1241	678
I am aware of my parent(s) financial position and get involved in their financial decisions	19%	12%
I am aware of my parent(s) financial position but do not get involved in their financial decisions	41%	40%
I am unaware of my parent(s) financial position but would like to be more involved in their financial decisions	3%	3%
I am unaware of my parent(s) financial position and do not see it as my business to be involved in their financial decisions	33%	39%
Don't know	4%	6%

For further information please contact:

Nicola Green, Corporate
Communications Manager
Newcastle Building Society
0191 244 2024

Faye Williamson/Suman Katyal
The Wriglesworth Consultancy
020 7427 1400