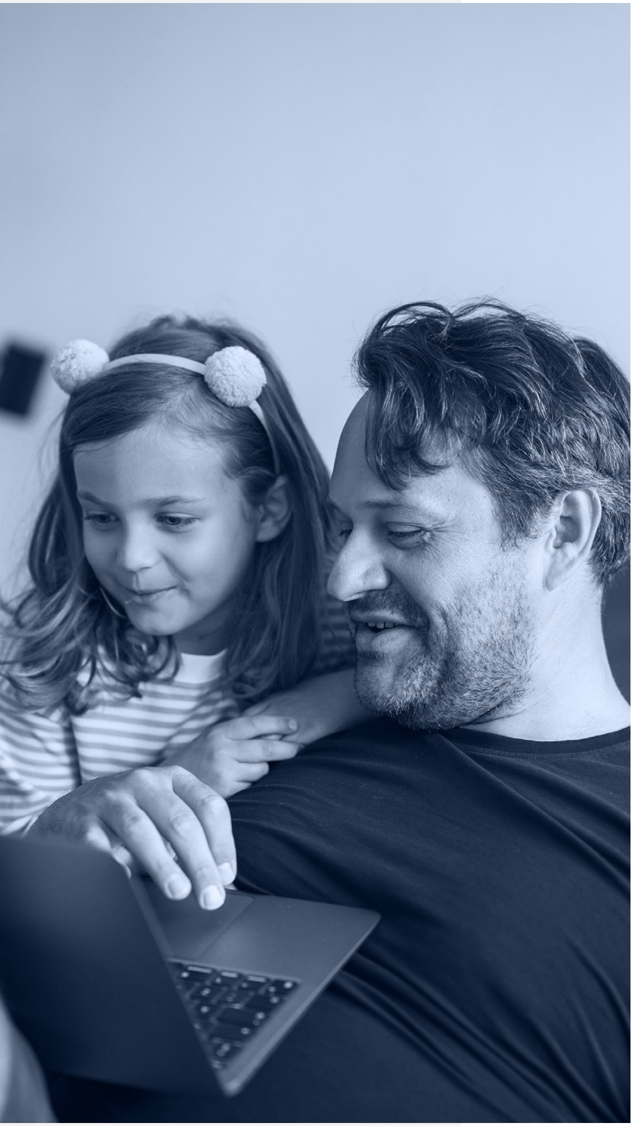
Real Life Advice 2025

A St. James's Place insight report

Chapter 2: Parental Advice



Understanding the research

What do we mean by financial advice and financial guidance?

We have looked at the impact of all forms of financial advice and guidance. From professional advice received through a financial advice firm or individual including a wealth manager, an independent financial adviser (IFA), a qualified financial planner, and advice received through a bank and building society. We have also looked more broadly at understanding the impact of the help people receive through organisations such as Citizens Advice, Pension Wise, and others.

Research methodology

Opinium surveyed 8,000 UK adults nationwide between 22nd July and 5th August 2025. Quantitative data[1] referenced in this report is taken from this survey. Quotas[2] and post-weighting[3] were applied to the sample to make the dataset representative of the UK adult population.

Within this poll, the relevant sub-samples were (post-weighting):

- Those in receipt of some form of advice or guidance, n=3,324
- Those currently in receipt of ongoing financial advice through a financial advice firm or individual, n=778
- Those not in receipt of some form of advice or guidance, n=4,029
- Those with a full financial plan in place, n=3,341
- Those without a financial plan, n=2,547
- Those aged 18-34, n=2,211
- Those aged 35-54, n=2,654
- Those aged 55 and over, n=3,135
- Men, n=3,856
- Women, n=4,116
- Those with over £250,000, n=459
- Those with £100,000-£249,999 n=691
- Those with £50,000-£99,999 n=879
- Those with £10,000-£49,999, n=1,981
- Those with £10,999 and under, n=2,042
- Parents n=4,348
- Parents of children under the age of 18 years n=4,348
- Parents of children over the age of 18 years n=2,492
- Those in Scotland n=424
- Those in Northern Ireland n= 147
- Those in North East n=172
- North West n=500
- Those in Yorkshire and Humberside n=339
- Those in East Midlands n=324
- Those in West Midlands n=387
- Those in Wales n=196
- Those in East of England n=356
- Those in London n=561
- Those in South East n=576
- Those in South West n=368

[1] Quantitative data are data represented by numbers, including anything that can be counted, measured, or given a numerical value.

[2] Quota sampling is a method in which researchers create a sample based on individuals representing a population. Researchers choose these individuals according to specific traits or qualities.

[3] Weighting is the process of manipulating data through calculations in order to bring them in line with the population being studied.

Alex Loydon
Group Advice Director,
St. James's Place

Ask any parent what they want for their children, and the answer usually comes quickly: happiness, security, and a better life than the one they had. But when it comes to money, that picture is becoming harder to achieve.

Chapter 2 of our Real Life Advice Report reveals a generation of parents torn between optimism and anxiety about their children's financial futures. Four in ten (40%) feel hopeful that their sons and daughters will find their financial feet, yet almost a third (31%) are pessimistic - weighed down by fears over getting on the property ladder, stagnant wages, and the prospect of inadequate retirement savings. A staggering 15.6 million parents, more than a third, fear their children may never be able to stop working at all.

The financial world facing today's children is undeniably more complex than it was for their parents and grandparents. Rising costs, the demise of more generous pension schemes, living longer in retirement, and housing that feels out of reach all combine to paint a challenging picture. No wonder more than one in five (22%) parents expect their children to remain financially dependent well into adulthood, even if that means a significant ripple-effect on their own finances, including reshaping their own retirement plans. And the concerns and strains felt by younger parents continue to rise.

And yet, our findings also show reasons for hope.

Where families have access to ongoing financial advice, optimism increases, confidence grows, and conversations about money as a family become more open and constructive. As John and Wendy's story illustrates later, parents who receive advice are more likely to pass on healthy financial habits, to discuss planning and investing with their children, and to prepare them for the choices they will face. As advisers across the country will testify, financial advice is often a family affair bringing benefits across generations.

Understanding this dynamic is important as ultimately money lessons start at home. Our research shows that parents remain the biggest influence on how children learn about money and, positively, nearly six in ten (58%) already talk openly about it. Yet it's also true that far too many barriers and taboos around money still exist, leaving financial knowledge gaps that can linger into adulthood.

It's clear that encouraging more families to talk about their finances will, in turn, encourage better money habits – and access to advice will foster that further. It's also clear families can't carry responsibility alone.

At St. James's Place, we believe face-to-face financial education in schools remains a critical missing part of the jigsaw. Debate about financial literacy as part of the national curriculum continues to run, and we will continue to champion the need for action.

As future generations face growing challenges in reaching life's milestones, a blend of parental guidance, greater access to professional advice, and stronger education can make the path ahead far less daunting.

Chapter 2

Parental advice

Lessons to shape the financial relationships of the future

15

million parents fear their children may never retire – amid mounting financial concerns for future generations.

It's natural for parents to want the best for their children in every aspect of life, including their financial future. However, financial optimism among parents for their children remains a mixed picture as, although four in ten (40%) feel positive, almost a third (31%) say they are pessimistic as they look ahead.

For many who feel optimistic, this confidence is rooted in the belief that their children will access opportunities unavailable to previous generations (31%), are already on track to earn enough to secure their future (31%) or are benefiting from a stronger financial education (31%).

But for others, the concerns run deep.

The greatest fear is that their children will never own a home. Indeed 4 in 10 parents (40%) now believe their children will never achieve this traditional cornerstone of financial security. With house prices rising significantly in recent years, and tighter lending since the 2008 financial crisis, the property ladder feels increasingly out of reach.

Close behind home ownership is the worry that children won't be able to save enough for retirement (38%), as defined benefit pensions have all but disappeared and the state pension falls short of what's needed to fund a comfortable standard of living.

Nearly four in ten parents (37%) also fear that their children's salaries won't keep pace with inflation, raising concerns their children may struggle to get ahead.

Amid the multitude of financial hurdles their children could face, it is shocking to see that more than a third (36%) – 15.6 million parents - fear their children may never be able to stop working at all.

Alongside these economic pressures, parents also have wider concerns. One in five (21%) fear advances in AI could reduce access to well-paid jobs, while 17% doubt their children will value money enough to make good financial choices.

The picture around the UK

Looking at levels of optimism across the UK, parents in London feel the most optimistic (53%) and least pessimistic (24%) about their child or children's financial future. Parents also feel high levels of optimism in Northern Ireland (44%) and Scotland (42%).

At the other end of the scale, parents in the South East and the South West are the least optimistic (both 34%), with similar levels of pessimism for their child or children's financial future (36% and 34% respectively).

Interestingly, parents' concerns also shift depending on whether their children are older or younger.

Those with younger children (under 18) are more concerned about immediate pressures and shorter-term hurdles such as day-to-day living costs and housing affordability. By contrast, parents of adult children look further ahead, worrying about whether their children will be able to retire comfortably and whether the state pension will still exist to support them.

Region	Percentage that feel optimistic for their child's financial future	Percentage that feel pessimistic for their child's financial future
Scotland	42%	29%
Northern Ireland	44%	33%
North East	37%	34%
North West	41%	27%
Yorkshire and Humberside	41%	27%
East Midlands	38%	32%
West Midlands	38%	34%
Wales	41%	32%
East of England	37%	33%
London	53%	24%
South East	34%	36%
South West	34%	34%

Why parents worry

- 40% fear their children will never get on the property ladder
- 37% are concerned salaries won't keep up with inflation
- 38% worry they won't build sufficient retirement savings
- 36% believe their children may never be able to stop working

Advice boosts optimism among parents

From getting on the property ladder to the impact of inflation, parents' concerns for their children remain consistent across the nation. However, parents who work with a financial adviser on an ongoing basis have higher levels of optimism, fuelled by their own long-term financial confidence and strong foundations in terms of financial education.

- More than half (54%) of parents taking ongoing professional advice feel optimistic about their children's future compared to a third (34%) that don't receive advice
- Of those who are optimistic, over a third (36%) of parents taking ongoing professional advice believe they have the financial strength to support their children financially for longer, compared to 14% of parents who don't seek advice
- Of those who are optimistic, four in ten (39%) of parents taking ongoing professional advice believe their children have the foundations of a good financial education, versus 28% that don't receive advice
- Nearly one in five (18%) parents taking ongoing advice state their children already have investments and 'passive wealth' compared to 8% of those without an adviser

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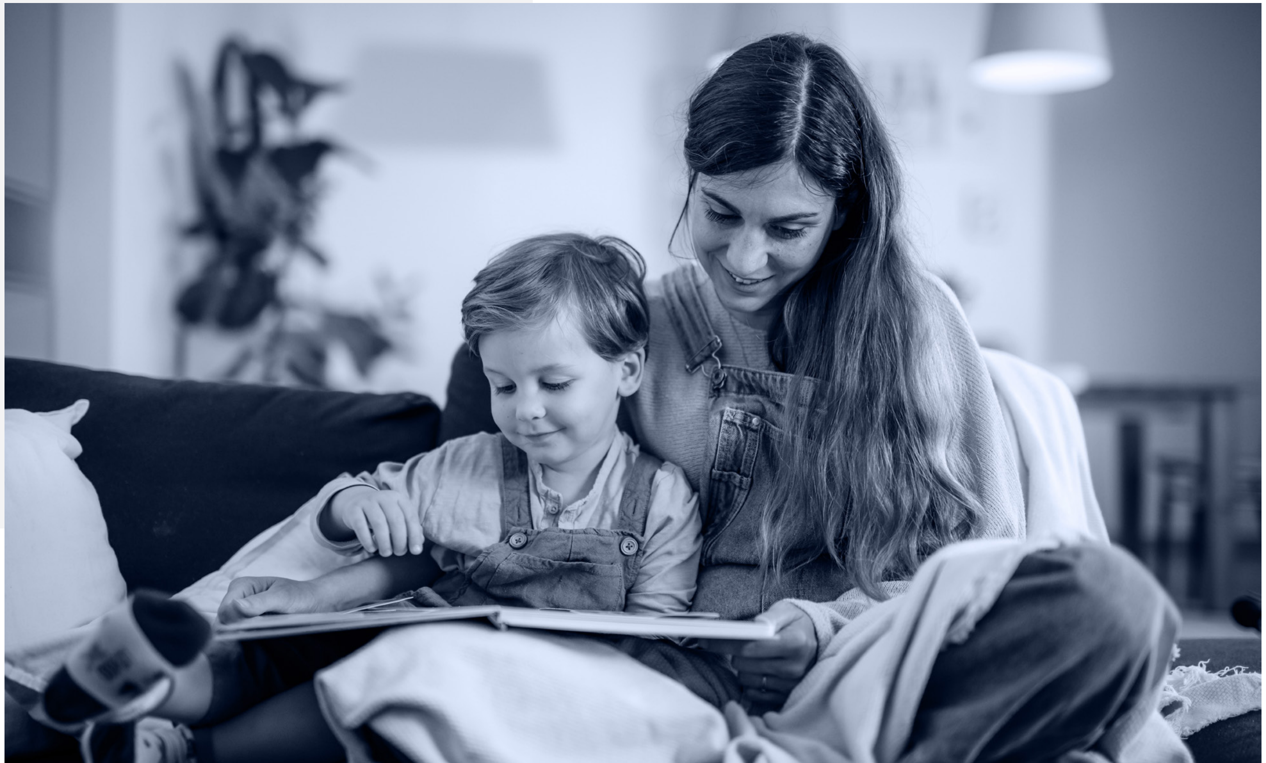

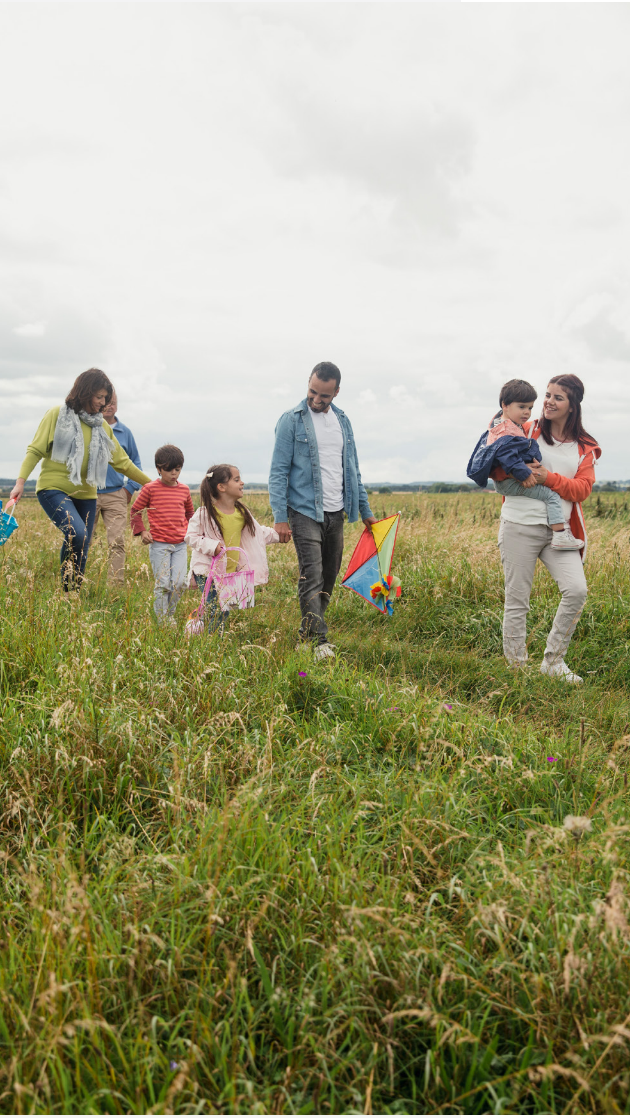

The intergenerational ripple effect

The research highlights just how much the financial struggles facing today's younger generation are reverberating back onto their parents, with the statistics indicating that the impact is likely to grow over the coming decades.

This intergenerational ripple-effect shows:

- As many as two in five parents (39%) expect to continue supporting their children financially during their own retirement years — a burden felt most acutely by younger parents. Half of those with children under 18 (49%) are worried about this, compared with 30% of those with adult children
- One in three (31%) believe they will need to delay retirement – reaching 36% for those with younger children under 18, compared to 22% of parents with adult children
- A quarter (25%) expect to dip into their retirement savings – rising to a third (33%) of parents with children under 18 and almost double compared to those with adult children (17%)
- And 15% anticipate releasing equity from their homes to help – increasing to one in four (24%) of those with younger children (under 18) and three times as many as those with older adult children (8%)

Beyond direct financial impact, parents also believe a more challenging economic environment for their children will have wider impacts on family life.

A third (34%) think their children may need to live with them as adults or move back home, squeezed by rising rents and the challenge of buying a property. Once more, this concern is much higher amongst younger parents with children under 18 - rising to nearly half (46%). And the pressure doesn't stop there, with almost four in ten parents (39%) also expecting that they will have to provide childcare for future grandchildren. Again, increasing to 50% of parents with younger children.

As we look ahead, these trends reveal a rising strain on both parental finances and broader aspect of family life as parents attempt to juggle the need to support their children more while also navigating their own financial futures.

Parents` role in shaping children`s relationship with money

Our research also investigates the responsibility parents take as financial educators and role models.

The majority consider themselves the biggest influence on their children's financial education, with many regularly talking to their children about money and trying to help them develop good money habits.

As highlighted in the table below, six in ten parents (58%) believe they have the single biggest influence on how children learn about money. This is well ahead of schools (32%) in second place or social media (28%) in third. Beyond this, parents point to other family members (20%), friends (19%), television (14%), information from financial companies (12%), and AI tools and chatbots (8%) as being important in shaping how children learn about money today.

The responses also vary by age group, illustrating the increasing role social media is playing.

Amongst those with younger children (under 18), more than one in three parents (35%) say social media has the biggest impact on their children's financial education, compared to 23% of parents with adult children. In addition, one in ten with younger children say AI tools are now having a significant influence on how their children learn about money.

Sources of information that have the biggest impact on how children learn about money today	All parents	Parents with adult children	Parents with children under 18
Parents	58%	54%	62%
School-based financial education	32%	26%	38%
Social media	28%	23%	35%
Other family members	20%	21%	19%
Friends	19%	16%	22%
Watching TV	14%	12%	16%
Information from financial companies	12%	11%	12%
AI tools	8%	6%	10%
Print & online media	7%	8%	6%

In contrast to the rising importance of channels like TikTok and Instagram, parents believe that the role of more traditional media sources - from watching television to print and online media - is diminishing. In fact, parents across the nation believe social media is four times as influential to how children learn about money as print and online media, and twice as important as television.

As we look to the future, social media stands out as a particular double-edged sword.

While nearly one in three (37%) parents note its considerable influence, a third (33%) with a child under 18 see it as unhelpful in guiding young people's financial education. On the one hand, social media has made money and finance more digestible and accessible, while on the other, unregulated financial advice is a growing risk to consumer trust.

As millions turn to TikTok and Instagram for money tips, the research highlights the need for regulators, social media platforms and the industry to share responsibility for enforcing stricter rules, verifying financial content, and improving public understanding of what trusted advice looks like. Only this will allay parents' growing concerns and ensure that the financial voices shaping the next generation are trusted, transparent and responsible.

Money talks at home

As we noted in our first chapter, financial behaviours start early and can be set as early as the age of seven.

While conversations around money remain a taboo for many, it's still positive to see that six in ten parents say they regularly talk to their children about finances (58%) and have actively tried to educate them (57%).

Looking across the nation, as the table opposite shows, parents in the North East are most open about having money conversations with their children, while those in Wales are less likely to talk about finances as a family.

Looking at how parents seek to encourage good money habits, more than half (56%) say they actively try to do so and over a third (35%) have given their children responsibility for managing some money — from pocket money to budgeting tasks.

Others look for more creative approaches including one in three (29%) incentivising good money habits, 15% providing financial education materials, and nearly one in ten (9%) involving their children directly in managing money.

Parents who receive ongoing financial advice are more active in educating their children about money matters than those that don't have a relationship with a professional adviser. The research shows they are more likely to:

- educate their children about finances (64% vs 52%)
- encourage good money habits (60% vs 51%)
- talk openly to their children about money (59% vs 56%)
- give children responsibility for money (42% vs 30%)
- incentivise good habits (37% vs 24%)
- provide education materials (29% vs 8%)
- involve children in money management (13% vs 7%).

We also know from our own advisers throughout the UK that professional advisers form close relationships across families and are often involved in helping future generations get to grips with how they plan for the future.

Region	Percentage of parents that currently or have previously openly talked to their child about money
Scotland	58%
Northern Ireland	57%
North East	67%
North West	**57%**
Yorkshire and Humberside	56%
East Midlands	57%
West Midlands	56%
Wales	**52%**
East of England	57%
London	56%
South East	59%
South West	63%

Financial lessons to pass on

When asked what single financial lesson they would most want to pass on, responses show a strong desire to not only pass on how to budget and live within your means, but also to plan ahead and future-proof finances. Top parental lessons include:

- live within your means and understand your finances (44%)
- save for unexpected expenses and rainy days (36%)
- start saving for retirement early (30%)
- track spending (26%)
- set savings goals and a regular budget (21% respectively).

Parents who receive ongoing financial advice are twice as likely to tell their children to put a financial plan in place and more likely overall to emphasise structured, long-term strategies, whether that's setting clear savings goals or beating inflation by investing.

Compared with non-advised parents, they are more likely to tell their children to:

- start saving for retirement early (34% vs 30%)
- set clear savings goals (22% vs 18%)
- put a financial plan in place (19% vs 10%)
- maximising tax-efficient saving and investing (11% vs 7%)
- beat inflation by investing (9% vs 4%).

19%

of parents who receive ongoing financial advice are more likely to tell their children to put a financial plan in place, compared with 10% non-advised parent.

What parents would tell their younger selves

For many parents, the lessons they hope to pass on to their children reflect the advice they wish they'd been given earlier in life. Nearly one in five (18%) say they would tell their younger self to save more methodically. Others highlight planning for retirement earlier (11%), avoiding unnecessary spending (9%), and starting to invest sooner (6%).

The top five lessons parents want to teach

1. Live within your means
2. Save for the unexpected
3. Start retirement saving early
4. Track spending carefully
5. Set savings goals

Advice as a family tool

As highlighted earlier in the chapter, our research shows how advice can play a critical role in family life.

Families who access advice not only feel more confident but also talk about money more openly and plan together more effectively. This creates stronger financial resilience that extends across generations. Professional advice helps support parents in navigating major milestones - from helping children buy their first home, to paying for university costs - while ensuring they can still protect their own retirement.

In today's challenging economic climate, that balance has never been more important.

John and Wendy's story on the following page brings these aspects to life. Through a long-term relationship with their adviser, they've built savings, managed their wealth responsibly, and felt confident about supporting their children when it matters most.

Their adviser has not only shaped their own financial security, but has also helped instil financial awareness and literacy within the wider family.

Unlike their own parents, who rarely spoke about money, John and Wendy have made open financial conversations a family norm. And by involving their adviser directly, they have normalised planning and empowered their children to make sound decisions about their own futures.

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As our research reinforces, while parents remain the most influential teachers of money habits, professional advice strengthens that foundation. It gives families the confidence, tools, and perspective to turn financial uncertainty into opportunity — not just for today, but for generations to come.

John and Wendy`s story

We have four children, all now in their 40s, and six grandchildren. Our children have chosen very different paths in life – two are married with children, one is engaged to be married next year, and one has no partner, spending half the year working away.

Before retiring, we both led busy lives: John worked in the defence industry, while Wendy worked with pre-school children, balancing this alongside raising our family. Over the years, we've worked hard to maintain a comfortable lifestyle and build up savings to support our family – something we've been able to do with the guidance of our financial adviser.

We feel fortunate to have been in a position to gift money to our children, though we've always been careful about how and when we provide financial support. There has always needed to be a legitimate reason – not simply a holiday in Thailand or a skiing trip – but rather to help them improve their lives, such as buying a property or renovating their home. We've always had open discussions with them and been very mindful about ensuring that gifts are divided fairly. As our children are at different stages of life, they've each used the money in different ways, but they've all received the same overall amount.

When we were growing up, our parents weren't particularly financially savvy, and they certainly didn't use a financial adviser. Our experience of money as children was limited to National Savings certificates or the odd Premium Bond gifted at Christmas by an uncle. We wanted things to be different for our own children, so we've always talked about money more openly. At one point, we even invited our adviser to a family BBQ so we could introduce him to our children and begin their financial education. This way, they know that he is available if they ever need personal advice about their own finances.

While we'll continue to support our children financially as best we can, our hope is that they feel knowledgeable and empowered in their own situations. That way, they can set themselves – and their children – up for a secure financial future.

"We feel fortunate to have been in a position to gift money to our children, though we've always been careful about how and when we provide financial support" www.sjp.co.uk

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