

PRESS RELEASE
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ONE THIRD (34%) OF PARENTS IN SCOTLAND KEEP MUM ON MONEY MATTERS

- **One third (34%) of parents and carers in Scotland don't talk to their kids openly about money – missing out on an opportunity to help with children's vital early understanding of money**
- **Parents who are very confident managing everyday finances twice as likely to talk money with kids**
- **This Talk Money Week, MoneyHelper launches new stage of 'Couch to Financial Fitness' to help parents start money conversations**

One third (34%) of parents^{1, 2} in Scotland are keeping mum on money matters with their children, according to a major new piece of research from MoneyHelper released for Talk Money Week. The survey which included 3,000 parents found that across the UK, less than half (46%) talk openly with their kids about money, meaning millions of children could be missing out on the vital early stages of building a good relationship with their future finances.

The new research marks the start of Talk Money Week (8– 12 November) – an annual awareness campaign coordinated by the Money and Pensions Service (MaPS), which runs MoneyHelper, to encourage everyone to open up about their money and pensions. Talking about finances has been shown to help people make better informed and less risky financial decisions, feel less stressed or anxious and more in control, have stronger personal relationships, and help their children form good lifetime money habits.

The research shows that ultimately, a parent's own confidence in managing everyday money is key for them to open up about finances with their children. Parents who are very confident managing money themselves are twice as likely to have money conversations with their children than those who aren't confident (58% vs. 33%).

The amount of money parents have does not appear to determine how likely they are to open up about finances, with statistics remaining similar regardless of household income.³

Talking openly about money not only will help children build healthy financial habits for later in life - it can also help parents improve their own financial wellbeing. Studies evaluating [Talk, Learn, Do](#), a financial education programme for parents and children, have shown that parents who completed the activity were prompted to take steps to improve their own financial situation. Parents who were over-indebted – meaning they struggled to keep up with payments or felt their debts were a heavy burden before taking part in the programme - saw a 15% decrease in levels of over indebtedness afterwards, compared with parents who had not taken the course.⁴

This year, MoneyHelper is empowering parents and carers to talk money with their children, as well as partners, family, friends and others in their lives, by creating a new section of its popular 'Couch to Financial Fitness' online programme, with simple steps to kick-start these conversations. They can also take this opportunity to build their own financial confidence, by using the step-by-step programme to work through getting on top of bills, budgeting, saving and even planning for retirement.

The research, part of the Money and Pensions Service's flagship Financial Wellbeing Survey, a major study of over 10,000 adults across the UK, also reveals that across the UK, parents in both London and the North West are most likely to speak to their children

about money – 59% and 54% respectively. By contrast, just 35% of those in the East of England, and 34% in Northern Ireland talk openly about money matters.

Those parents who do talk to children about money are more likely to do so with older children. Over half (54%) of parents with an oldest child aged 11 to 17 talk openly about money with their children, compared to just four in ten (40%) of parents with children aged 3-10. However, research by MaPS shows that money habits and attitudes start to form before the age of seven⁵, so MoneyHelper is calling on parents to start talking to kids about money as early on as possible.

Caroline Siarkiewicz, Chief Executive Officer at the Money and Pensions Service says: “We understand that for many parents, talking about money can sometimes feel like a daunting task amongst all the other things they have to think about every day. Some may not know how to start a conversation or feel they are helping their child by shielding them from the sometimes-tricky reality of household finances. But taking some time now to talk money with children can have benefits that last a lifetime. While our research shows that a third of parents are not very confident managing money themselves, the good news is that if you start talking to you children about money, your own financial wellbeing will benefit too.

“We’re encouraging parents to use Talk Money Week as an opportunity to start these conversations today. MoneyHelper’s Couch to Financial Fitness programme is a great way to take the first steps in opening up to your kids about money, with simple activities and tips to give them the best start in building their confidence and knowledge. Our wider MoneyHelper website has lots of resources about talking to children of different ages through our Talk, Learn, Do programme, as well as some fun ways to engage them in the topic. There is also a wealth of information and support for parents to build their own financial wellbeing.”

Sarah Porretta, Children and Money Expert at the Money and Pensions Service says: “As parents and carers, we want our children to be ready for anything when they grow up, and them having the skills and confidence to manage their money is a big part of that. But amongst all the other things we’re trying to teach our children, it can be difficult to know how to start a money conversation, especially if you’re not feeling particularly confident or in control of your finances yourself. That’s where MoneyHelper and our Couch to Financial Fitness plan comes in. We can provide you with loads of great hints and tips to get the conversation started. And we can help you feel more in control of your money as well.

“From making decisions about grocery shopping, to working out how long it will take to save up for a new toy, football kit or day out, there are so many different ways to start building great money habits early on. Speaking from experience, it can be a challenge in an increasingly cashless society to make money seem real. What works for me and my kids is to have a money jar at home so they can hold and count their coins and notes. Then we keep a note of how much is in the jar and if they want something I’ll pay with my phone or card when we’re out and about, and they pay me back from the jar when we are home again. I have found that my children really enjoy learning about and making decisions about money, so it is rarely a chore and it’s never too early to start! Before you know it, they’ll be using those skills to work out how to spend their first pay cheque, make sensible decisions about credit, or even save up for a car or for their first holiday with friends.”

MoneyHelper’s top tips on how to talk to children about money:

- **Lead by example.** There are activities you can do when you’re out and about to help boost your child’s money skills. For example, when you’re food shopping, take your children and make money-related decisions out loud like why you chose the shop brand cereal over the better-known brand. And compare prices of items out loud or ask them to tell you the different prices of products.

- **Show them the whole picture.** If you pay by card, rather than cash, don't forget to show your child that this is part of your money management as well. Show your child your current account balance before you use it in a shop. Then show them your balance afterwards so they can see it's less than before, MoneyHelper recommends. Do the activity again before and after withdrawing cash or shopping online.
- **Encourage them to save.** It's good for children to understand from a young age that sometimes you have to save money for things you want. You could start by asking them if there's something they would like to save for. Help them visualise this by drawing a picture of it or creating a progress chart and help them come with up ideas to save money such as turning off lights or buying fewer things. Then, let them look after the savings in a piggy bank and when they have enough you can enjoy the family treat!
- **Use game power.** Many digital games are based on the player collecting tokens that allow them to progress through levels or to get extra features. Turn household jobs into a similar game, giving them 'tokens' they can exchange for rewards, such as their favourite treat or snack.
- **Look for opportunities to have money conversations.** If you have older children, you might have previously set up saving accounts for them, or perhaps they have a Child Trust Fund. With the first Child Trust Funds having reached maturity in 2020, depending on their age, your child might be able to access their account and make decisions about their fund. This is a good opportunity to open up a conversation about money.
- **Get help for money worries.** If you have money worries or don't know where to start when it comes to your own finances or are worried about keeping on top of bills and payments, MoneyHelper has a host of tools, calculators and guides to help. If your finances have been impacted by Coronavirus, the [Money Navigator tool](#) can help you find a way forward, or if you're worried about debt the [Debt Advice Locator Tool](#) can help you find a free adviser near you.

Government-backed MoneyHelper is a single destination providing free money and pensions guidance over the phone, online and face-to-face. It also signposts people to expert and free-of-charge debt advice, if they need it. It brings together the services previously provided by the Money Advice Service, The Pensions Advisory Service and Pension Wise.

For more information, and to try 'Couch to Financial Fitness' milestone on talking about money with children, go to www.moneyhelper.org.uk/

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Notes to editors

1. Definition of parent in the context of the survey: anyone that has financially dependent children aged 17 or under in the household, this could include carers/foster parents etc.

2. The Financial Wellbeing Survey is a nationally representative survey of 10,306 adults living in the UK. It consists of online and postal interviews during July to September 2021. The research was conducted for the Money & Pensions Service by Critical Research. For Talk Money Week MaPS are sharing early insights from the Survey which recently concluded.

Data are weighted to be representative of the UK 18+ population by region/devolved nation, age, gender, Indices of Multiple Deprivation, housing tenure, urbanity, ethnicity, working status and internet usage.

This release is based on early data from 3,251 adults with financially dependent children aged under 17 in their household

Population figures are calculated using a UK adult population of approximately 53 million, based on ONS mid-year population estimates.

3. The percentage of parents who talk openly with children about money by household income:

Up to £13,499	£13,500 to £34,999	£35,000 or more
49%	44%	50%

4. [Talk, Learn, Do evaluation: a financial capability intervention for parents](#), Money and Pensions Service, 2018

5. [Habit Formation and Learning in Young Children](#), Money and Pensions Service (published originally under legacy brand Money Advice Service), 2013

About Talk Money Week

[Talk Money Week](#) is an annual public awareness campaign, run by the Money and Pensions Service, to get the nation having conversations about money. Talking about finances has been shown to help people make better informed and less risky financial decisions, feel less stressed or anxious and more in control, have stronger personal relationships, and help their children form good lifetime money habits. Talk Money Week will take place from 8-12 November 2021.

About the Money and Pensions Service

The Money and Pensions Service (MaPS) is here to ensure every person feels more in control of their finances throughout their lives: from pocket money to pensions. When they are, communities are healthier, businesses are more prosperous, the economy benefits and individuals feel better off. MaPS delivers free and impartial money and pensions guidance to the public through MoneyHelper, which recently brought together legacy services the Money Advice Service, The Pensions Advisory Service and Pension Wise.

MaPS is working to make sure the whole of the UK understands that financial, physical and mental health are all deeply connected. MaPS' role is to connect organisations with the shared purpose of achieving the five goals set out in the UK Strategy for Financial Wellbeing.

MaPS supports innovation so that everyone can use the most effective methods to help people feel more in control of their money, targeted to those most in need and inclusive of

people from all backgrounds. MaPS is an arm's-length body sponsored by the Department for Work and Pensions (DWP).

For further information visit www.maps.org.uk. Members of the public can get free guidance about their money and pensions via: www.moneyhelper.org.uk / 0800 138 7777