Quarter 2 – 2026

Quarterly Adviser

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Contents

Welcome to this edition of the Quarterly Adviser

Against the backdrop of the ever-changing landscape of the UK economy, we believe it is more important than ever to keep our clients informed of market updates and discussion topics that keep you informed and reassured that your plans are in safe hands.

For more information on any of the topics covered in this edition of the Quarterly Adviser, please don't hesitate to get in touch with your Financial Adviser.

Rockhold investment update

Rockhold Asset Management, with contributions from 7IM.

Index	Level 30 April	Level 30 May	Change*
S&P 500	7209	7580	+5.2%
FTSE 100	10363	10409	+0.44%
Euro Stoxx 600	611	626	+2.5%
Nikkei 225	59513	66329	+11.5%
Shanghai	4112	4068	-1.2%
US 10 Yr Treasury Yield	4.39%	4.45%	+0.06
UK 10 Yr Gilt Yield	5.03%	4.80%	-0.23
Bund 10 Yr	3.02 %	2.93 %	-0.09

*all returns in local currency terms

Overview

Equity markets continued their upward trajectory through May. Whilst the gains were assisted by ongoing negotiations between the US and Iran to end the war, it was the AI theme that drove the majority of returns globally.

In the US, the technology sector was up over 15%, whilst the vast majority of other sectors registered declines of varying degrees. However, it was in Asia where AI optimism gains were greatest, as we saw the Korean stock market rise over 30% during the month. Samsung and SK Hynix, both major plays on the theme, dominate the country's index, and these stocks alone rose 44% and 80% respectively, thus contributing significantly to the value of the index, which has now doubled since the start of the year.

The dominance of the technology theme was amply illustrated by returns from those markets with low exposure to the technology sector, such as the UK and Europe, which generated more subdued returns.

On the economic front, we saw oil prices continue to fall from their April highs, with Brent crude finishing the month at around the $90 mark. Whilst we have seen frequent skirmishes break out between the US and Iran, both sides maintain that peace talks are still underway and the ceasefire still holds.

Any settlement is by no means guaranteed, but it is likely to depend on the Strait of Hormuz being reopened and an agreement on future nuclear weapons development by Iran in return for sanctions relief.

Whilst we see regular swings in the oil price, markets seem less sensitive to these movements, perhaps in the belief that a resolution will be agreed. Meanwhile, the impact of higher energy prices has started to feed through into higher global inflation numbers.

Although energy price management has helped reduce this, particularly in the UK, globally inflation is now higher than it was at the start of the year. Central bankers continue to adopt a wait-and-see approach to inflation, careful not to raise interest rates in order to counter what might only be a short-term phenomenon.

Consequently, government bond yields stabilised, and we saw the interest rate premium for corporate borrowers decline, suggesting an easing of recessionary concerns. This environment was positive for bond funds of all descriptions and, coupled with global equity market performance, led to all portfolios generating positive returns.

US

As mentioned earlier in this update, there was a repeat of the AI/tech theme, leading most of the returns from the broader market index, as it did in April.

Economic news tended to take a back seat, and even a jump in the CPI to 3.8% only briefly dampened the enthusiasm for the sector. The PPI (Producer Price Index) also leapt to 9.8%, underpinning the inflationary pressures facing producers. However, given the market backdrop, it was probably the revised GDP number of 1.6% that participants paid attention to, as 0.9% of that was attributed to AI spending.

It does, however, highlight the weakness of the wider economy, further increasing the dilemma facing the Federal Reserve in how it addresses the risk of sustained inflation.

UK

The UK's chronic lack of exposure to technology stocks meant that the UK market was subdued compared to elsewhere. However, a UK AI play has emerged, as it was announced that Computacenter, a provider of IT infrastructure necessary for data centres, would shortly be entering the FTSE100 index.

By contrast, UK debt markets were in a rollercoaster. Gilts nosedived after the May local elections, as it looked like the Labour Party might replace Keir Starmer with a less market-friendly leader. The bond market tantrum sent long-term borrowing costs to their highest since 1998. The odds-on leadership contender Andy Burnham later backtracked on his more anti-bond market comments, allowing gilts to recover and there has been little reaction since the subsequent announcement that Starmer will resign as Prime Minister.

Europe

Unlike the US, Europe's positive returns stretched beyond the technology theme, reflecting easing tensions in the Middle East, although at 14%, the sector delivered twice the returns of the sector nearest to it (Consumer Discretionary). Within the Eurozone, the Netherlands generated the highest returns, mainly due to the continued positive influence of chip-making equipment manufacturer ASML, whose shares rose 13%.

On the economic front, EU inflation continued to climb above 3% due to rising energy prices, which investors clearly feel is now likely to force the ECB's hand on raising interest rates, as the market is pricing in two quarter-point rises. Such action is unlikely to help stimulate economic growth, which came in at a paltry 0.2% (GDP) for the quarter and stagflation (higher inflation and low growth) is an ever-increasing likelihood.

Japan

Japan has two main market barometers, i.e. indices, in the form of the Nikkei 225 and the Topix. The key difference is that the Topix is broader in its coverage, and we often see a divergence between the two. May gave us another extreme example of this with the Nikkei up over 11% and the Topix up just over 6%.

As elsewhere, stocks relating to the AI spending theme had the strongest returns as the country's exporters are involved in the AI buildout. However, given the Japanese reliance on Middle East-sourced energy products, the prospect of a resolution there also led to broader positive market sector returns.

The market also benefitted from a weaker Yen. On the economy front, inflation remains relatively subdued at 1.4%, as the country has measures in place to protect consumers and industry from higher energy prices.

Asia and Emerging Markets

It was in Southeast Asia that the most spectacular returns were seen, as Korea and Taiwan continued their dramatic AI-fuelled rallies, with the latter market, albeit lagging Korea, up around 60% since the start of the year. Whilst there appears to be an element of speculation involved, the companies driving this rally are experiencing significant earnings growth as a result of AI spending, lending support to their share price; SK Hynix's earnings growth is nearly 400%.

Although China doesn't benefit as much from the AI theme, the economy continues to benefit from strong manufacturing-led exports and GDP growth was recorded at 5%. However, domestic demand continues to remain weak as the collapse in the property market still looms over the economy. Elsewhere in the region, markets such as India, Indonesia, the Philippines and Malaysia struggled, as their economies felt the impact of energy supply shortages, higher inflation and, in some cases, higher interest rates to combat this.

Summary and outlook

Whilst it can be tempting to look at some of the extraordinary returns in the technology sector of late with envy, we need to be mindful that these are one-dimensional and reliant on a single theme. As such, the risk associated with the trade can be higher.

By maintaining a diversified approach to portfolio construction, we are able to gain exposure to the theme without being reliant on it or exposing ourselves to the full force of these risks. The market also needs to absorb three enormous IPOs in the form of SpaceX, Anthropic and OpenAI.

Looking further afield from this trade, we are encouraged to see some desire, particularly from the US side, to draw a line under the war with Iran, but are mindful that this is unlikely to be a smooth process. Higher energy prices are clearly having an impact on the real economy in diverse ways, which does add some impetus to find a resolution, particularly with the US mid-term elections looming.

Rockhold Asset Management, with contributions from 7IM, June 2026

Mid-year financial check-up

Are you on track for 2026?

As we move further through the year, now is a good time to take stock of your financial position and consider whether you remain on course to achieve your long-term goals.

A financial check-up is not about making dramatic changes or reacting to every short-term market headline. Instead, it is an opportunity to pause, reassess your position and make measured adjustments that can strengthen your overall financial strategy for the years ahead.

This can be particularly important for investors, as a portfolio that was well diversified a year ago may now carry a different level of sector exposure or risk than originally intended. Reviewing your investments regularly helps to ensure that they still reflect your objectives, timescales and attitude to risk, whilst also encouraging a focus on long-term planning rather than short-term market movements. It is also an ideal time to review tax planning opportunities, allowing you to consider your options carefully and make the most of available allowances for the current tax year.

For many investors, ISAs continue to play an important role in building wealth in a tax-efficient way. However, once established, they can be overlooked. Taking the time to review your ISA can help to ensure that it remains aligned with your current goals and circumstances, whether that involves revisiting your investment approach, considering additional contributions or checking that your portfolio still reflects your long-term objectives.

Regular reviews can help keep your ISA working as an active part of your financial strategy whilst also ensuring that you remain up to date with the latest ISA rules and allowances. Starting from 6th April 2027, the Cash ISA contribution limit for savers under 65 will be reduced to £12,000. Whilst the overall annual ISA allowance is to remain at £20,000, any contributions above £12,000 must be directed into investment products like Stocks and Shares ISAs.

Pensions should also remain firmly on the agenda of your mid-year financial check-up. Even modest increases in pension contributions can make a meaningful difference over time through compounded growth. This is a good opportunity to check whether contributions remain on track, whether employer contributions are being fully utilised and whether unused allowances from previous years could potentially be carried forward. For higher rate taxpayers in particular, pensions can continue to play an important role in wider tax planning. HMRC's guidance on pension annual allowance carry forward remains particularly useful for those looking to maximise contributions efficiently.

A pension is a long-term investment not normally accessible until 55 (57 from April 2028). The fund value may fluctuate and can go down, which would have an impact on the level of pension benefits available.

Investments carry risk. The value of your investments (and any income from them) can go down as well as up and you may not get back the full amount you invested. Past performance is not a reliable indicator of future performance.

A common misconception in financial planning is that successful outcomes come to those who have a lot of money.

In reality, long term financial success is more often built through consistency and small improvements made over time. Increasing monthly savings slightly, reviewing unnecessary fees, rebalancing investments periodically or making better use of tax-efficient allowances may seem minor but over the years they can have a significant impact.

A financial review does not need to be complicated to be effective. In many cases, the most valuable outcome is simply regaining clarity and confidence about where you are heading.

Whether you would like to review your existing financial plan or are taking the first steps towards building one, our team is here to help.

Get in touch today to arrange a conversation about your goals and how we can support you.

Enjoy today, without compromising tomorrow

A smarter approach to summer spending

Summer is often a time when spending naturally increases. The children are off school, which brings holiday clubs, family days out, holidays and social activities that can all place additional pressure on household finances.

Post pandemic, many people are rightly placing greater value on experiences and quality of life, but it remains important to ensure that short-term spending does not begin to affect longer term financial goals.

For many households, the challenge is not necessarily a lack of income but the timing and accumulation of expenditure. The summer period introduces a behavioural shift in spending patterns. Longer days, social invitations and school holidays naturally encourage more activity and therefore more expenditure.

There is also a psychological element at play; spending on experiences such as holidays and days out often feels more justifiable than routine spending, even when the financial impact is significantly higher. Even households that are comfortable day-to-day can find themselves stretching budgets more than expected once holidays, childcare and social commitments all coincide.

This is where careful planning becomes important. Without structure, spending tends to become reactive rather than intentional, driven by opportunity rather than strategy.

In reality, financial pressure is rarely caused by one large purchase alone. More often, it is the steady build-up of smaller, less noticeable expenses over several months that creates strain.

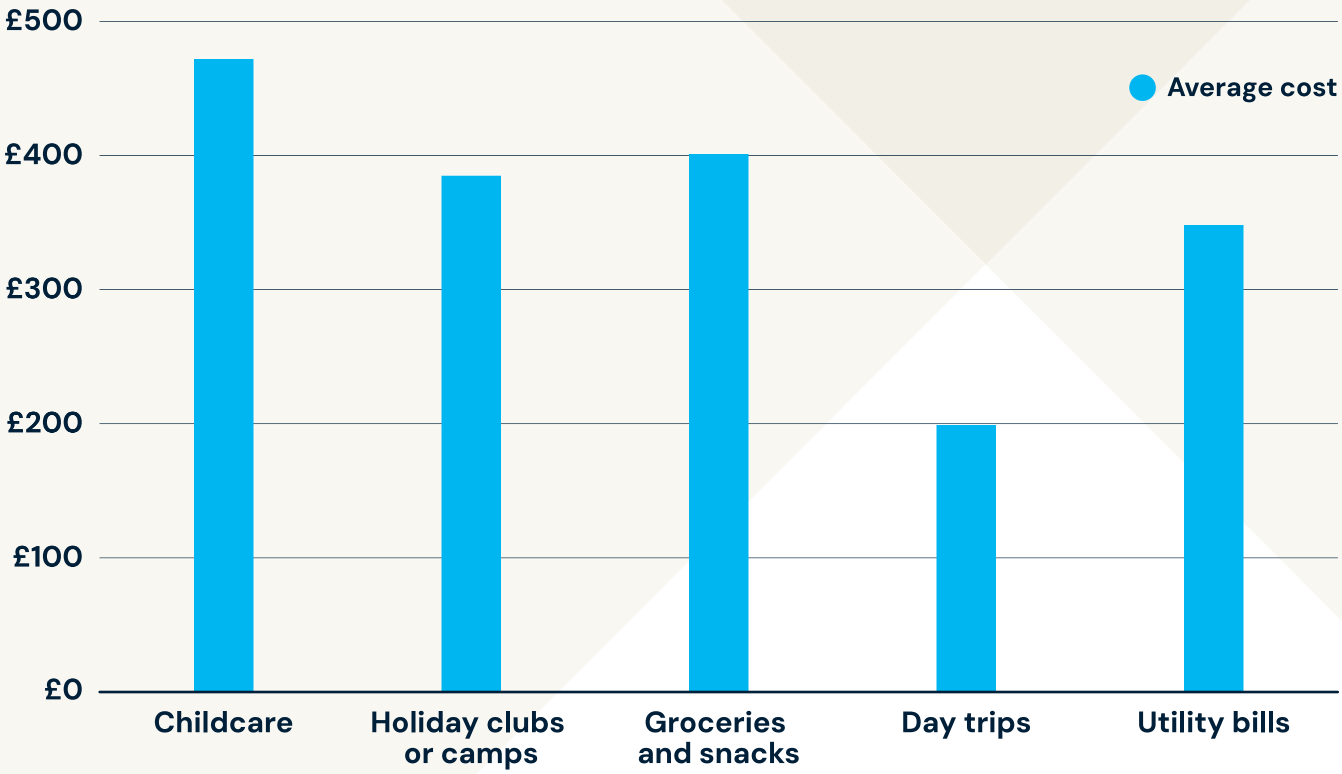
Additional meals out, spontaneous weekend activities, streaming subscriptions that are no longer used and impulse purchases can quietly accumulate over time. Individually, these costs can feel insignificant.

However, collectively they can reduce the amount available for savings or investments without it being immediately obvious.

Planning ahead can make a significant difference to how manageable summer spending feels. Budgeting should go beyond simply setting a total figure. It is also useful to break down expected costs into categories such as travel, accommodation, food, activities and discretionary spending.

This provides a clearer picture of where money is likely to be used and where adjustments can be made if required.

Average cost of summer holidays in the UK



Source: Utility Warehouse

It is also essential to consider the wider, less obvious costs associated with holidays and activities. These can include airport parking, excursions, travel insurance, overseas card fees, tipping expectations and currency exchange charges. Whilst each may seem small in isolation, together they can significantly increase the overall cost of a trip if not properly factored into planning.

Summer spending can also highlight a wider financial challenge known as "lifestyle creep". As income increases, spending often rises alongside it. What once felt like a luxury, such as premium holidays, upgraded vehicles or regular dining out, can gradually become the new normal.

The risk is that as lifestyle expectations increase, the proportion of income allocated to long-term savings and investments can quietly reduce. This does not usually happen suddenly but rather through incremental decisions that feel reasonable in isolation but collectively reshape financial priorities. Being aware of this pattern is key. Enjoying the rewards of hard work is important but maintaining balance ensures that future financial security is not unintentionally compromised in the process.

The most financially resilient individuals are rarely those who avoid spending altogether. Instead, they tend to be those who maintain consistent financial discipline while still allowing room for enjoyment and flexibility.

Ultimately, financial planning should support the life you want to live, not restrict it. Summer serves as a useful reminder that money should be both enjoyed and managed carefully.

With thoughtful planning and sensible decisions, it is entirely possible to enjoy today while still protecting your long term financial future.

Designing the life that you actually want

Rethinking financial freedom in 2026

For many people, the idea of financial success is changing. In the past, financial planning was often focused almost entirely on accumulating wealth, building larger investment portfolios and reaching traditional retirement milestones.

Whilst financial security remains important, more individuals in 2026 are beginning to ask a different question: not simply "How much money do I need?", but "What kind of life do I actually want to live?"

Today, financial freedom is less about a single end goal and more about flexibility, choice and control over time. For some, that may involve reducing working hours earlier in life, travelling more frequently, supporting family members, pursuing personal passions or creating the option to step away from high-pressure roles. For others, it is simply about achieving enough financial stability to live with greater confidence and less day-to-day financial stress.

This shift reflects broader changes in how people view work, lifestyle and wellbeing. Flexible and hybrid working patterns, which have become firmly embedded across the UK since the pandemic, continue to influence how people structure their careers, where they live and how they plan for the future.

According to recent research published by the Office for National Statistics, hybrid working remains a significant part of the UK workforce in 2026, continuing to influence housing decisions, commuting patterns and long-term lifestyle planning.

Alongside this, wellbeing and life experience are playing a more central role in financial decision-making. Research from the World Happiness Report shows that people increasingly value experiences, personal fulfilment and time flexibility alongside financial success.

Travel, hobbies, family time and personal wellbeing are no longer viewed as luxuries to postpone indefinitely but as meaningful parts of a balanced life that people want to enjoy throughout their working years, not simply during retirement.

As a result, financial planning itself is evolving. Advisers are increasingly helping clients to move beyond product-focused conversations to build broader, more meaningful strategies. Investments, pensions, savings and tax planning still remain central but they are now being used to support much broader personal goals. Whether someone hopes to purchase a second home, fund a career change, take a sabbatical, retire early, support children or grandchildren financially or create more freedom later in life, the financial plan becomes a tool to support the lifestyle that they actually want to build.

This often starts with more reflective conversations. What does an ideal lifestyle truly look like? Is current spending aligned with personal priorities? Are finances organised well enough to support future ambitions confidently? What changes would meaningfully improve overall quality of life over the next five, ten or twenty years?

These questions often highlight the growing importance of intentional spending. Rather than focusing solely on restriction, modern financial planning often encourages clients to direct money towards the things that genuinely add value, whilst reducing expenditure that no longer serves a purpose. This approach, often referred to as "values-based spending", is becoming increasingly central to modern-day financial advice.

Technology is also playing a key role in enabling this shift. Remote working, digital platforms and greater global connectivity have made flexible lifestyles more achievable than ever. More professionals are exploring semi-retirement, flexible consulting work, portfolio careers, or relocating for lifestyle reasons while continuing to work remotely. According to the World Economic Forum Future of Jobs Report, flexibility, digital connectivity and evolving career structures are expected to continue reshaping how people approach both work and long-term financial planning throughout the remainder of the decade.

Ultimately, effective financial planning is deeply personal. The strongest plans are not built around arbitrary targets, but around individual lives, ambitions, and priorities. In 2026, financial freedom is increasingly defined not by what someone owns but by the choices their finances make possible.

Another factor influencing the modern definition of financial freedom is increasing economic uncertainty. Over recent years, individuals and families have experienced periods of higher inflation, rising living costs, changing interest rates and ongoing geopolitical uncertainty. These conditions have reinforced the importance of resilience within financial planning.

Rather than focusing solely on maximising returns, many people are placing greater emphasis on building financial flexibility. Emergency savings, diversified investments and adaptable retirement strategies are becoming increasingly important components of long-term financial plans. The objective is not simply to grow wealth, but to create a financial foundation capable of withstanding unexpected events and changing circumstances.

This mindset is particularly relevant as life expectancy continues to increase.

According to the Office for National Statistics, average life expectancy in the UK remains significantly higher than it was several decades ago, meaning retirement may last 20, 30 years or more for many individuals. As a result, retirement planning is becoming less about reaching a specific age and more about ensuring that financial resources can support a desired lifestyle over a potentially extended period.

Intergenerational planning is also becoming a more prominent consideration. Many individuals are balancing their own financial goals whilst supporting children with housing costs, education expenses or early career development. At the same time, some are providing assistance to ageing parents or considering how best to pass wealth efficiently to future generations. Effective financial planning increasingly requires a broader perspective that considers the needs and aspirations of multiple generations within a family.

Sustainability and personal values are influencing financial decisions as well. A growing number of investors are interested in understanding how their money is invested and whether it aligns with their wider beliefs and priorities. Whilst investment performance remains a key consideration, environmental, social and governance factors continue to attract attention from investors seeking to combine financial objectives with a sense of purpose.

Perhaps the most significant development is that financial success is becoming more individual. Traditional milestones such as home ownership, retirement age and career progression remain important for many, but they are no longer viewed as the only measures of achievement. Financial planning today recognises that success looks different for everyone. For one person, it may mean achieving early retirement. For another, it may mean having the flexibility to spend more time with family, pursue meaningful work or simply enjoy greater peace of mind.

In this environment, the role of financial advice extends beyond managing money alone. It involves helping individuals make informed decisions, navigate uncertainty and align their finances with the life they want to lead. When financial planning is built around personal objectives rather than predetermined benchmarks, it becomes a powerful framework for creating long-term confidence, security and freedom of choice.

The rise of “Mini Retirements”

Retirement has always traditionally been viewed as a single milestone that would happen at the very end of a career.

People worked continuously for decades, built their pensions and savings and then finally stepped away from employment later in life. However, attitudes towards work and lifestyle are beginning to change significantly, as a growing number of people explore a different approach to retirement, aligned to the concept of work-life balance.

A ‘mini retirement’ typically refers to taking an extended break from work earlier in life rather than waiting until traditional retirement age. These breaks may last several months or even a few years and are often used to focus on travel, family commitments, personal wellbeing, retraining or simply creating time away from the pressures of a demanding career. Rather than viewing retirement as one distant event, with the help of a financial adviser, more people are beginning to see lifestyle flexibility as something that can be built gradually throughout their life through financial planning.

In some sectors, the concept of a sabbatical or career break is nothing new, but this broadening shift of opinion is happening in more and more industries, partly due to changing attitudes towards work and wellbeing. Following years of economic uncertainty, remote working changes, and increasing awareness around mental health and burnout, many professionals are reassessing what long-term success actually means.

According to research published by the World Health Organization, workplace burnout continues to be recognised as a growing occupational issue globally, while wellbeing and work-life balance remain central themes across modern employment trends.

The rise of hybrid working and digital connectivity has also created more flexibility than previous generations experienced. Many employees and business owners now have greater freedom to work remotely, pause careers temporarily, or return to employment in more flexible ways later on. Research from the Office for National Statistics continues to show that hybrid and flexible working arrangements remain a significant part of the UK workforce in 2026, helping many people rethink traditional career structures and long term lifestyle planning.

For some individuals, a mini-retirement may involve travelling extensively whilst still relatively young and healthy.

Others may prioritise time with children or ageing parents, pursue further education, focus on health and recovery or explore completely different career opportunities. Retraining and career changes have become increasingly common as industries evolve more rapidly through technology and automation. The World Economic Forum Future of Jobs Report suggests that ongoing technological change is expected to continue reshaping employment patterns, increasing the likelihood that workers may transition between multiple careers during their lifetime.

Whilst the lifestyle appeal of mini retirements is clear, it also requires careful financial planning. Taking extended time away from work can affect income, pension contributions, long-term investment growth and overall retirement planning if not properly prepared for in advance.

One of the most important considerations is ensuring that short-term lifestyle flexibility does not unintentionally undermine long-term financial security.

Building sufficient emergency cash reserves before taking time away from employment is often a key starting point. Many advisers recommend maintaining accessible savings that can comfortably cover living costs, unexpected expenses and potential delays in returning to work. Careful income planning can also help individuals structure withdrawals from savings or investments efficiently while minimising unnecessary tax consequences.

Pension planning remains another important area of consideration. Even temporary pauses in pension contributions can have a noticeable effect over the long term due to the impact of compounded investment growth. Individuals considering career breaks may benefit from understanding how pension contributions, carry forward allowances and tax relief continue to work during periods of reduced income.

Importantly, financial advisers are increasingly helping clients prepare for flexibility rather than simply planning for one fixed retirement date. Lifestyle planning conversations now often include discussions around phased retirement, career pauses, sabbaticals, reduced working hours or future lifestyle ambitions alongside traditional investment and pension advice. The goal is not simply to maximise wealth accumulation but to ensure finances support the kind of life clients genuinely want to live.

Ultimately, the rise of mini retirements reflects a broader shift in how people think about money, success and time. Financial planning is no longer solely about postponing enjoyment until later life. Increasingly, it is about creating enough stability and flexibility to enjoy meaningful experiences throughout life while still protecting long-term financial security.

Thinking about early retirement? Let's start the conversation.

Whether early retirement is a long-term ambition or something you're hoping to achieve sooner than you thought possible, having a clear financial plan can make all the difference. Our advisers can help you understand what early retirement could look like, assess whether you're on track, and identify the steps that could bring your goals closer.

The "Bank of Mum and Dad"

Supporting family whilst protecting your own financial future

Financial support between generations has become increasingly common in recent years. For many families, parents and grandparents are playing a larger role than ever in helping younger relatives navigate rising living costs, housing affordability challenges and major life expenses. What was once occasional financial assistance has, for many households, become a central part of long-term family financial planning.

The term "Bank of Mum and Dad" has been widely used for several years to describe the growing number of parents and grandparents providing financial support to children and grandchildren throughout adulthood.

From helping with first home deposits and university costs to supporting childcare expenses, weddings, or rising day-to-day living costs, intergenerational financial assistance has become a defining feature of modern family finances.

One of the main drivers behind this trend continues to be housing affordability. Despite periods of market adjustment, property prices across many parts of the UK remain high relative to average earnings, making it increasingly difficult for younger buyers to save for deposits while managing rent and other living expenses. According to the latest housing affordability data from the Office for National Statistics, affordability pressures continue to affect many first-time buyers throughout 2026, particularly in areas with stronger employment demand and limited housing supply.

As a result, financial gifts from family members are now helping many younger people purchase their first property sooner than would otherwise be possible. Research from Savills showed that the bank of mum and dad paid out £9.6bn in gifts and loans in 2024, this equated to around 52% of first-time buyers. This continues to show that family financial assistance remains a major factor in first time buyer activity across the UK housing market.

However, housing is only one area where family support is increasing. Many parents are also contributing towards university and education costs as tuition fees and student living expenses remain significant financial commitments for younger generations. 2026 research from NUS found that a staggering 86% of parents are supporting their child financially whilst at university with 1 in 10 contributing over £1000 a month and 56% contributing over £200 a month.

Others are helping their children with childcare support as working families balance career pressures with rising nursery and childcare costs. Wedding contributions, support during career changes and assistance with general living expenses have also become more common as economic pressures continue to affect younger households.

Whilst many parents and grandparents want to help younger family members succeed, these decisions often involve an important emotional and financial balancing act. Supporting children or grandchildren can bring enormous satisfaction and peace of mind but it can also place pressure on retirement planning, long-term savings and financial independence if not approached carefully.

One of the most important considerations is understanding the difference between gifting and lending money. Informal family arrangements can sometimes create confusion or tension later if expectations are not discussed clearly from the outset.

Financial advisers increasingly encourage families to have open conversations about whether support is intended as a gift, a loan or part of a future inheritance plan. Creating clear agreements can help avoid misunderstandings, particularly where multiple siblings or family members are involved.

Inheritance Tax planning also remains an important consideration when transferring wealth between generations. Current UK gifting rules allow individuals to give away a total of £3,000 per year without them being added to the value of your estate. You are also able to make certain financial gifts without immediately triggering Inheritance Tax implications, although larger gifts may still fall within the estate for a period of time under the seven-year rule. Families considering significant financial gifts

Importantly, helping family financially should never come at the expense of personal financial security. Many advisers encourage clients to ensure their own retirement planning, emergency reserves and long-term care considerations remain protected before committing to substantial financial support.

This is particularly relevant as life expectancy continues to increase and retirement periods potentially become longer than previous generations anticipated. Financial education also plays a growing role in intergenerational planning conversations.

In many cases, advisers now work with multiple generations within the same family to help structure financial support more efficiently.

This may include tax efficient gifting strategies, trust planning and pension considerations. Intergenerational planning is increasingly becoming less about one-off gifts and more about creating long-term financial stability for the wider family.

At the same time, advisers often help families navigate the emotional side of financial support. Unclear expectations or financial dependency can sometimes create unintended strain within families if not managed openly and fairly. Careful communication and structured planning can help families provide meaningful support while maintaining healthy financial boundaries.

Ultimately, the rise of the "Bank of Mum and Dad" reflects wider economic and social changes taking place across the UK.

Younger generations are facing different financial realities from those experienced by their parents and grandparents, whilst older generations are increasingly looking for ways to support family without compromising their own future security. Financial planning is no longer only about individual wealth.

Increasingly, it is about helping entire families navigate life's challenges, opportunities, and ambitions together, responsibly, and sustainably over the long term.

Estate planning without family conflict

Protecting relationships as well as wealth

Estate planning is often viewed primarily as a financial or legal exercise, but in reality it is just as much about communication, family relationships and managing expectations.

As significant levels of wealth are expected to pass between generations over the coming decades, more families are recognising that successful estate planning is not simply about deciding who inherits what. It is about ensuring those decisions are understood clearly, handled fairly and structured in a way that helps preserve family harmony over the long term.

For many families, the greatest risks to long-term relationships are not necessarily financial losses themselves, but misunderstandings, assumptions and unresolved expectations surrounding inheritance decisions. Disputes often arise when intentions have not been communicated clearly, when financial arrangements appear unequal without explanation, or when family members feel excluded from important conversations. In cases involving property, family businesses or blended family structures, these tensions can become even more complex.

Poor communication and a lack of estate planning remain among the most common causes of family conflict following bereavement, with blended families often facing the greatest challenges. Many disputes could potentially be reduced, or avoided altogether, through earlier conversations and more transparent planning.

One of the most valuable steps families can take is simply starting conversations sooner. Discussions around inheritance, future care arrangements and the transfer of wealth can sometimes feel uncomfortable, but delaying them often creates greater uncertainty later.

Families who communicate openly about their long-term intentions are often better placed to maintain strong relationships and avoid misunderstandings in the future.

Importantly, fairness does not always mean equal distribution. Family members may have different financial needs, personal circumstances or levels of support they have already received during their lifetime.

Explaining the reasoning behind decisions can often be just as important as the decisions themselves. Financial advisers can play an important role in helping families navigate these sensitive conversations in a calm and structured way, ensuring that decisions are understood rather than simply announced.

Alongside open communication, legal arrangements remain central to effective estate planning. A professionally drafted will helps ensure assets are distributed according to personal wishes while reducing uncertainty for beneficiaries.

Lasting Powers of Attorney can provide reassurance that trusted individuals are able to make decisions if someone loses mental capacity, while trusts may offer additional flexibility in certain circumstances, particularly where families wish to protect younger beneficiaries, support vulnerable individuals or manage assets over the longer term.

Modern family structures have increased the importance of careful planning. Blended families, second marriages, stepchildren, unmarried partners and more complex family dynamics can all create situations where assumptions about inheritance differ significantly between family members.

Without clear arrangements, unintended outcomes can sometimes arise under intestacy rules, potentially creating both financial and emotional difficulties for those left behind.

Protecting vulnerable beneficiaries is another area many families now consider carefully. In some situations, a direct inheritance may not always be the most appropriate solution, particularly where beneficiaries are financially inexperienced, vulnerable to financial pressure, facing health challenges or experiencing difficult personal circumstances. Thoughtful estate planning and trust arrangements can sometimes provide both financial support and longer term protection where needed.

Importantly, estate planning should never be viewed as a one-off exercise. Family circumstances, financial situations and legislation can all change significantly over time. Regular reviews of wills, trusts, Powers of Attorney and wider planning arrangements help ensure they continue to reflect current wishes and remain appropriate as life evolves.

The emotional side of estate planning is often underestimated. Passing wealth to the next generation is rarely only about money. It can represent years of hard work, family history, personal values and deeply held views about fairness and responsibility. Increasingly, financial advisers are helping families navigate not only the technical aspects of planning, but also the sensitive conversations that sit alongside them.

This may include facilitating family discussions, explaining complex decisions clearly and helping to manage expectations before tensions arise.

Ultimately, successful estate planning is not simply about transferring assets. It is about creating clarity, protecting loved ones and helping future generations in a way that reflects both personal wishes and family values. Preserving family harmony may ultimately prove just as important as preserving family wealth itself.

The Financial Conduct Authority does not regulate Lasting Powers of Attorney, trusts, will writing, estate planning or tax planning.

Learn how thoughtful estate planning, open communication and carefully structured legal arrangements can help reduce the risk of family disputes, protect vulnerable loved ones and ensure that both your wealth and your family relationships are preserved for future generations.

07/26