

Opening up financial conversations at home



Let's talk money



10-minute read

- Are you considering IHT planning?
- What's the threshold and how can I reduce my liability?
- The main residence nil-rate band
- I've heard about the 7-year rule but how does it work?
- Making gifts which are exempt from IHT
- We're here to help

There are **conversations in life** that we tend to put off

Not because they're unimportant – quite the opposite – we delay them because they matter so much.

Talking to your adult children about your finances, future plans, and the legacy you hope to leave, is one of those conversations. You want to get it right. You want to avoid misunderstandings. And perhaps, if you're honest, you're not entirely sure how or where to begin.

But here's what's crucial to understand: families who talk about money are often better prepared – emotionally, practically, and financially – for whatever the future brings. Whether it's managing the estate, receiving an inheritance, or simply understanding your values, clear communication now can make a world of difference later.

This guide is here to help you take that first step. Not to overwhelm, but to open the door to a more connected approach to family finances. Passing on your wealth is one thing. But passing on peace of mind? That's the real legacy.

Being open matters

Let's face it, money can carry emotion. It's tied to values, goals, and decades of decisions. So it's no surprise that some families avoid talking about it all together. Silence can be costly though – quite literally.

It can also lead to worry:

- Your family might not know what you've planned, or what you'd like them to do.
- They might assume or misinterpret your intentions.
- And when the time comes, they may not feel prepared to take action.

Starting these conversations now, on your terms, helps bring clarity to everyone involved.

How to break the ice

Pick the right time and place

A relaxed, natural setting makes it easier for everyone to open up. A family lunch or walk can be a great way to kick-start an initial conversation.

Start small

You don't need to get into the figures and numbers straight off the bat (that can come later), but being forthright with your overall intentions is key. Set the big picture.

Involve your financial adviser

Having a neutral professional present can ease tension and provide clarity on any technical aspects. They can also help structure the conversation more effectively.

A tale of two timeframes: now vs later

When discussing money, there's no one-size-fits-all approach. Broadly speaking though, conversations may be shaped by your plans for the here and now, versus longer term.

What are you hoping to achieve in the next few years? What are you hoping to achieve further down the line? There's a good chance this will look quite different – so letting your family know what you'd like to happen, when it should happen, and where they fit in, is crucial.

Talking about the shorter term

A key part of this might involve gifting. You don't have to wait until your estate's passed on to support the people you care about. Many people find that helping now – when their children or grandchildren benefit the most – is deeply rewarding.

Benefits may include:

- Immediate impact – see the positive effect of your support in real time.
- Tax efficiency – make use of annual gift allowances and reduce your estate's taxable value for Inheritance Tax purposes.
- Guided generosity – pass on financial support with financial wisdom.



Top tips

- Use life events as prompts – a birthday, graduation, or new job can be great time to talk gifts.
- Always give the ‘why’ behind your plans – this can be especially important in explaining unequal or sensitive decisions. For example, if you plan on leaving more to a child who’s less financially secure.
- Consider writing a letter of wishes – a personal (non-legal) note explaining your decisions in detail.

We’re here to help

We’re only a phone call away, so if you have queries or would like to discuss any aspect of Inheritance Tax planning, please do get in touch.

You’ll also have the chance to vocalise in person why you’re gifting the money – is there something specific you’re hoping it will go towards? Maybe you’d like to help a child get onto the property ladder, set up a business, or buy a car. Whatever your intention, talk them through it. Remember, when gifting, it’s important to weigh up what you can afford to give now, against longer term planning and what you might need in the future. Always keep a note of your gifts, and use your financial adviser to talk things through – after all, tax allowances can be complicated.

And remember, tax rules can change and the impact of taxation and any tax relief depends on your circumstances, including where you live.

You may also want to use this opportunity to talk about money in general. Are there any mistakes you’ve learned from in the past? Any nuggets of information from financial advice you’ve received? What tips would you give your younger self? Giving questions like these some thought can be a great way to pass valuable knowledge and insight to those you care about.

Talking about the longer term

This is likely to be a much deeper and broader conversation – covering things like inheritance, your will, power of attorney, and protection plans you may have in place*. Walk your family through what money and assets you have, and what you intend to happen to them when you’re no longer around.

Of course, this is a sensitive conversation which can be unsettling for some. So it’s important to frame things positively, keeping the tone warm and supportive instead of transactional.

*Wills and power of attorney aren’t regulated by the Financial Conduct Authority.

Think about discussing:

- Who gets what – such as property, investments, heirlooms, or personal possessions.
- Who’s in charge – who you’ve appointed as executor(s) of your will, and power of attorney if you become incapable of making decisions.
- What if someone dies before you – it’s not nice to think about, but having contingency plans for what happens if the worst occurs covers all bases.
- What protection you have in place – explain what policies (life cover, for example) you may have, as well as their implications.

Be sure to invite questions too. Encouraging an open environment where family feel free to air their honest opinion, may help uncover things you hadn’t previously considered. Gauging how others feel might even result in you tweaking your plans.

This isn’t a one-and-done conversation – circumstances evolve, so it’s important to revisit things regularly. It’s a good idea to also discuss any possible Inheritance Tax or other tax implications so there’s no surprises later.

Remember, your adviser can help with the technicalities, as well as give recommendations.





Be clear about roles, responsibilities, and practicalities

To ensure everyone's on the same page, recap what you've discussed by writing everything down, and share a copy with your family. The same goes for details around accessing your accounts, will, and other important information – keep documentation safe, organised and accessible, only sharing its whereabouts with those you trust. Having this to hand can help those you love feel better prepared to take action, should the need arise. If you have a financial adviser, make sure their contact details are included alongside this.

You don't have to do it alone

We understand talking about money can feel difficult. But you don't need to navigate these discussions yourself.

Our advisers are well versed in facilitating open and honest conversations between family members. There's no perfect time to start, but the sooner you open up a dialogue, the more thoughtful and proactive the process becomes.

You can revisit things over time, taking things slow and steady, rather than cramming everything into a more time-sensitive discussion. Good inheritance planning is one of the kindest things you can do, so it's best to take the front foot.

Invite family to your next meeting

We love it when clients bring family members to meetings – in fact, we actively encourage it. Doing so can turn a routine review into something much more meaningful. It's a great opportunity for those you care about to meet the adviser you trust. They'll be able to ask questions and better understand how advice works, all in a relaxed setting. So next time you catch up with your adviser, invite them along. One conversation could make all the difference.

Unsure about anything in this guide?

Get in touch with your financial adviser who can walk things through in more detail. They can help you prepare for financial conversations at home. And if there's something you'd like to learn more about – gifting strategies, protection, inheritance plans – they can help you better understand what this means for you.

Warning statement

It is important to take professional advice before making any decision relating to your personal finances. Information within this document is based on our current understanding and can be subject to change without notice and the accuracy and completeness of the information cannot be guaranteed. It does not provide individual tailored investment advice and is for guidance only. Some rules may vary in different parts of the UK. We cannot assume legal liability for any errors or omissions it might contain. Levels and bases of, and reliefs from, taxation are those currently applying or proposed and are subject to change; their value depends on the individual circumstances of the investor. No part of this document may be reproduced in any manner without prior permission.



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