

News release

MULTI GENERATION HOMES BEAR BRUNT OF RECESSION

Among the biggest victims of the recession are not those who suffer redundancy – but their parents, according to new research from online broker, Selftrade.

At a time of economic slowdown, there has been a resurgence of the multi generation home – couples taking in their elderly parents and also putting a roof over the head of their adult children who are returning home to live. Whilst most couples are worrying about adapting their own finances to today's grim economic conditions, the breadwinners of multi-generation homes have two or three generations of family members to provide for.

When Selftrade polled more than 2,000 adults about how the recession had affected their lifestyles, it was those running multi-generation homes who were most acutely impacted. Specifically:

- 77 per cent of multi generation households said they had been forced to make sacrifices as a result of the economic slowdown.
- More than one in three (36%) couples running a multi generation home had postponed plans for a family holiday as a result of the economic slowdown.
- In addition, this group was most likely to have traded down their car in recent months (10%) – swapping their family motor for an older, cheaper – if bigger – model.
- Nearly two in five (39%) said they had ignored the January sales to keep spending down and seven per cent had cancelled social plans so that they could work a longer week to boost income through overtime.
- Whilst these people have taken on bigger financial commitments by looking after adult children or elderly relatives, they have very limited financial reserves to get themselves through a tough time. Just three per cent said they had been able to save money since the economic downturn.

Dr Stephen Barber, Head of Research at Selftrade comments:

“This latest survey forms part of our ongoing probe into Plan B Britons – people who find their adult lives taking a new and unforeseen direction and have had to re-plan accordingly. Most of these parents have reached their 50s or 60s and are looking forward to their independence and financial freedom. When, suddenly, their adult kids come back home, the financial world of their parents is turned upside down and their financial mastery is tested to the full.

It’s important for people to make sure they have financial control and financial reserves should their lives undergo an unexpected change. Selftrade offers a range of products to suit every life stage – from saving for children to saving for retirement and everything in between. We understand that not everyone has been able to build up a reserve however Britons can make regular investment payments, through vehicles such as our Regular Investment Service, which will help a nest egg to gradually grow.”

Media enquiries:

More data from the Plan B research is available on request. To arrange interviews or for more information, please contact FD Consumer Dynamics:

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Notes to editors

Research was undertaken by YouGov amongst a weighted, GB representative sample of 2,095 adults in February 2009.

About Selftrade

The Selftrade website (www.selftrade.co.uk) offers Britons choice so they can take control of their finances, leaving them with the peace of mind that they know where their money is and safe in the knowledge that they are investing in their future.

Selftrade offers customers a range of accounts, designed to suit different investment needs. By applying online and funding an account with a debit card, Britons can be trading and in control of their financial future in just 10 minutes. Whether individuals choose to deal online, by phone or via the internet on their mobile, they will pay the same flat fee of £12.50 for each trade.

- Selftrade is one of the UK’s largest execution-only stockbrokers.

- Customers can manage their investments in Dealing, Shares ISA, and SIPP Dealing accounts. Child Trust Funds, Child SIPP, Company Dealing and Investment Club accounts are also available. A CFD and spread betting service is provided in conjunction with City Index.

Selftrade is a trading name of Talos Securities Limited, which is authorised and regulated by the Financial Services Authority and is a member of the London Stock Exchange and PLUS Markets.

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