

Childrens savings calculator

There are lots of important numbers to think about when it comes to children, from how many you'd like to have to how old they were when they took their first steps or spoke their first words.

Having children is one of the biggest decisions you'll make, and it can have a dramatic impact on your life - both emotionally and financially. Whether you're thinking about starting a family, your children have already left home or you're a grandparent looking to contribute to your grandchildren's savings, we can help you put a plan in place to secure their financial future with a range of services to suit your needs.

How can you save for your children's future?

There are a range of saving and investment options available to help you contribute towards the future of your children or grandchildren. One of the most tax-efficient ways of investing for children is through a Junior Individual Savings Account (JISA). As with an adult ISA, the JISA allows you to build up savings without paying income or capital gains tax (CGT) on the interest or returns you receive. Children won't be able to access the money in a JISA until they are 18.

You can also place money in a trust for a younger relative. You'll occupy the role of trustee and decide how the money is invested until they can take ownership of the trust when they turn 18 (England and Wales) or 16 (Scotland).

If you'd prefer to provide a longer-term arrangement, you can place money in a child Self-Invested Personal Pension (SIPP). SIPPs benefit from the same advantages as adult pensions, and there is no tax to pay on income from investments or capital growth providing they remain within the annual and lifetime allowances.

Many people choose to use their £3,000 annual gift allowance as a straightforward way to start passing on their wealth to their children or grandchildren while they're still alive without any inheritance tax (IHT) liability. You can carry over any leftover allowance from one tax year to the next. You can't accumulate several years' worth of allowance and use it up in a single large gift.

If you'd like to help your children or grandchild get onto the property ladder, our mortgage planning team can help. We offer a 'whole of market' approach, giving you access to a comprehensive range of UK lenders. By tailoring our service to your circumstances, we can find the best deal to suit you.