

Wednesday 21 March 2018

The Bank of Brother and Sister is almost as generous as Mum and Dad

- Scottish siblings have loaned a total of £616m* to their brothers and sisters
- Nearly a quarter (22 per cent) of Scots still borrow large amounts of money from their parents
- Almost a fifth (16 per cent) of parents who have loaned money have given over £10,000 to their children
- Despite this, half of Scots (47 per cent) who have borrowed money from their family members feel guilty about it

The Family Bank

Scottish siblings are happy to share, and the Bank of Brother and Sister may be just as generous as the Bank of Mum and Dad.

How Scotland Lives research reveals that Scots have loaned over £616m to their siblings. Almost half (48 per cent) have loaned up to £500 but almost one in ten (7 per cent) have loaned over £10,000 to a brother or sister.

Interestingly, only 3 per cent of Scots have borrowed a substantial amount of money from their grandparents. This could be because they feel embarrassed about making the request, as the Bank has found that almost half of borrowers (47 per cent) feel guilty about borrowing money from their family members. In addition, 48 per cent feel unhappy about it, as they hoped they'd be able to provide for themselves.

However, it's encouraging that despite this, just under 600,000 (57 per cent) are pleased to lend money to family members to help them out.

And although Scots continue to borrow from their family, 37 per cent expect that they will have to pay them back.

"With Scottish siblings loaning substantial amounts of money to their family, it's encouraging that such a high percentage of borrowers expect to pay their family back" said **Ricky Diggins, Network Director for Bank of Scotland**. "To avoid any potential tension, it can be helpful to agree at the time of receiving the money if it's a gift or if and when the money should be paid back."

The Bank of Mum and Dad is still open for business

With the Easter break imminent, research from Bank of Scotland reveals that the Bank of Mum and Dad will be open for business over the holidays.

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Press Release



**BANK OF
SCOTLAND**

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Over a fifth of Scottish borrowers (21 per cent) feel comfortable borrowing money from their family, and with almost a quarter of Scots (22 per cent) revealing they have borrowed a substantial amount of money from their parents.

Millennials are most likely to borrow from their parents as over four in ten millennials aged 25-34 (40 per cent) and 18-24 year olds (41 per cent) admit to borrowing a substantial amount from the Bank of Mum and Dad. Research reveals that Scottish parents have loaned over £1.9bn* to their children, with almost a fifth (16 per cent) of parent lenders loaning over £10,000 to their children.

Borrowing small amounts is common too, as nearly a quarter (23 per cent) of Scottish parents who have loaned money to their children giving them up to £500.

Borrowing to buy a house or the university books

With people borrowing from Mum and Dad becoming the norm, the Bank has found that one in ten parents (10 per cent) have always expected they'd need to lend money to family members, and have prepared accordingly.

Nearly one sixth of Scottish parents (15 per cent) believe their children will need substantial financial support from their family to buy their own home and with this in mind, it's encouraging that the research also reveals that a quarter of parents (25 per cent) are happy to help their children with the cost of buying a house.

A quarter of Scottish parents (22 per cent) are also happy to help their children with the cost of university. Of those planning to attend university, 15 per cent plan to fund their studies using money from their family.

~ ENDS ~

Notes to editors –

All figures, unless otherwise stated, are from YouGov Plc. Total sample size was 3039 adults. Fieldwork was undertaken between 19th December 2017 and 4th January 2018. The survey was carried out online. The figures have been weighted and are representative of all Scottish adults (aged 18+).

Total Scots age 18+ = 4,372,939 according to National Records of Scotland:

<https://www.nrscotland.gov.uk/statistics-and-data/statistics/statistics-by-theme/population/population-estimates/mid-year-population-estimates/mid-2016/list-of-figures>

*£616m was calculated using the formula below:

$((\text{Respondents who have loaned money to siblings} / \text{Total respondents}) * \text{Scottish adult population}) * \text{Average amount loaned}$

[https://www.google.co.uk/search?q=\(\(258%2F3039\)*4372939\)*1658&oq=\(\(258%2F3039\)*4372939\)*1658&aqs=chrome..69i57j6.33726j0j8&sourceid=chrome&ie=UTF-8](https://www.google.co.uk/search?q=((258%2F3039)*4372939)*1658&oq=((258%2F3039)*4372939)*1658&aqs=chrome..69i57j6.33726j0j8&sourceid=chrome&ie=UTF-8)

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