

## NEARLY HALF OF TEENS TRUST BANKS MORE THAN PARENTS ON FINANCE

**'Carrington Dean Teen Money Survey' highlights need for education on value of independent advice**

### Key findings from 'Carrington Dean Teen Money Survey'

- 48% of teens trust banks more than their parents for financial advice
- One-third of 16 and 17 year olds name banks as '*most trusted*' source of financial advice
- 64% of teens trust banks more than independent financial advisers
- 44% of teenagers struggle to understand bank statements
- 33% of teenagers believe that UK high street banks set UK base interest rates

**GLASGOW, UK – June 02, 2014** - Almost half of teenagers trust banks more than their own parents for financial advice, according to the '**Carrington Dean Teen Money Survey**' which found that the scandal-hit bank sector has retained teenagers' trust despite being repeatedly named by British adults as the UK's least-trusted industry.

The online survey, which canvassed the views of 1,042 teenagers aged 15 to 17, was carried out independently by Carrington Dean, a Glasgow-based financial group that includes Scotland's largest independent debt solutions business, providing specialist advice on a range of financial issues to personal and corporate clients.

The majority (90%) of survey respondents were school pupils or college students, most (79%) have their own bank account and 17% have more than one account.

The survey found that independent financial advisers ranked third overall as most trusted source of financial advice after parents and banks. Social media trailed in fourth place, followed by teachers who ranked only marginally higher than teenagers' own friends, who emerged as the least trusted source.

Strikingly, the survey showed that many teenagers appear to trust banks without either fully understanding their own bank statements or being clear about the role of high street banks - 44% of respondents stated that they struggle to fully understand bank statements. Also, one-third of teenagers believe that high street banks are responsible for setting UK base interest rates. Only 16% of teenagers correctly named the Bank of England as responsible for setting UK base rates.

**Peter Dean, Managing Director of Carrington Dean** said: "There is a sharp contrast between the findings of our survey of teenagers and surveys of the adult population which have repeatedly found widespread distrust of banks. The biggest difference is that teenagers not only show a high degree of trust in banks but they place little value on independent financial advice. This highlights an urgent need for better financial education so that young people understand the benefit of independent advice. If we don't bridge this educational gap, we are letting teenagers down by failing to educate them on how to make informed choices about their finances."

He added: "Today's 16 year olds were only ten when the UK recession began, too young to be fully aware of the banking scandals that their parents have lived through - from bankers' bonuses to mis-selling of interest rate swaps and payment protection insurance. Their relative inexperience means they are more vulnerable to marketing campaigns - they need to learn how to compare products properly, and how to identify the ones which best match their own financial goals for life."

Carrington Dean is developing a financial education programme for secondary school pupils, designed to help young people become confident in responsible budgeting, understanding credit and debt issues, choosing appropriate financial products, and saving and planning for the future.

Peter Dean, a former Partner in one of the world's leading accountancy firms, is a recognised expert on a wide range of financial issues, particularly in helping people and businesses to resolve debt problems. He is a passionate advocate of the need to provide better financial education for people at all stages of life, but particularly young people.

He said: "We believe that young people should be given training on personal finance issues to help them and their families avoid financial hardship. Carrington Dean is offering to work with schools to provide practical financial lessons with an emphasis on independent advice and developing vital skills for life."

***The Carrington Dean Teen Money Survey*** findings contrast with several major surveys of the UK adult population which collectively paint a picture of deep public distrust of the financial services sector. The Edelman Trust Barometer 2014 <sup>1</sup> (the firm's 14th annual global study of public trust in institutions and industry sectors), found that financial services continues to be the least trusted industry sector globally, with dramatically low trust levels across Western Europe, including the UK. It cited continued public and regulatory reprimand over ethics, business practices and malfeasance as factors.

In addition, a YouGov symposium on Public Trust in Banking in 2013, <sup>2</sup> heard that 73% of people described the reputation of banking as "bad", the highest figure of 26 industries. Just 4% of respondents reckoned banks observe high ethical and moral standards - a joint 'worst' rating with casinos, betting shops and online gambling.

Also, the NatCen Social Research British Social Attitudes Report 2013<sup>3</sup> found that public trust that British banks were "well-run" had plummeted to 19% last year from 90% in 1983 - a development it described as "probably the most dramatic change of attitude registered in 30 years of British Social Attitudes."

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<sup>1</sup> <http://www.edelman.com/news/trust-in-government-plunges-to-historic-low/>

<sup>2</sup> [http://cdn.yougov.com/cumulus\\_uploads/document/y1f7gpof19/Public\\_Trust\\_in\\_Banking\\_Final.pdf](http://cdn.yougov.com/cumulus_uploads/document/y1f7gpof19/Public_Trust_in_Banking_Final.pdf)

<sup>3</sup> <http://bsa-30.natcen.ac.uk/read-the-report/key-findings/trust,-politics-and-institutions.aspx>

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### **Interviews available on request**

Peter Dean, Managing Director of Carrington Dean is available for interview on the survey findings. We can supply a photograph of Peter Dean.

More details of the survey results can be downloaded via the Carrington Dean website  
[www.carringtondean.com](http://www.carringtondean.com)

### **About Carrington Dean**

Carrington Dean Group is a privately-owned Glasgow-headquartered business that offers specialist advice and solutions covering a range of financial problems to personal and corporate clients. Founded and headed by Managing Director Peter Dean, the group includes Your Debt Expert, Scotland's largest independent debt solutions business. Your Debt Expert has helped more than 20,000 people to resolve debt problems since the group was established in 2001. Your Mortgage Expert provides independent mortgage advice to people throughout Scotland, offering 'whole of market' advice. A Chartered Accountant and former Partner at one of the world's largest accountancy firms, Peter is an expert in both personal and corporate debt solutions and has advised many companies in turnaround situations. He has built Carrington Dean into a trusted business with a reputation for providing quality advice from highly-trained financial experts. He is a passionate advocate of the need to provide quality financial education from an early age to help young people gain a better understanding of personal finance issues.

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[www.yourdebtexpert.com](http://www.yourdebtexpert.com)

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### **About the Carrington Dean Teen Money Survey**

The *Carrington Dean Teen Money Survey* is an independent survey conducted by the Carrington Dean Group, a Glasgow-based financial services business between the 28th of April and 6th of May 2014. The survey was fully completed by 1,042 young people who filled in an online questionnaire. It summarises the views of teenagers aged between 15 and 17 years old. A total of 90% of respondents are currently at school or attending a further education establishment, 5% are in full-time employment and the remainder unemployed. Carrington Dean will be publishing more data from the survey shortly, detailing teenagers' spending and saving habits, attitudes to debt and financial aspirations.

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