

New-parent planning: resilience before product choices

Prepared October 2026 | General information, not personal advice

New-parent planning should begin with reduced-income periods, essential spending and caring responsibilities. Review reserves and protection before committing money to long-term child savings. Wills, nominations and decision-making arrangements may need attention. A standard package of products cannot determine what is affordable or appropriate for a particular family.

Important risks

Where money is invested, its value and income can fall as well as rise and you may get back less than you invest. No return or retirement outcome is guaranteed.

Cover depends on policy terms, eligibility, exclusions and underwriting. Not every illness or inability to work results in a payment. Do not cancel existing cover before any appropriate replacement is confirmed and effective.

Tax treatment depends on individual circumstances and may change in the future. A general example does not establish your relief, allowance or tax liability.

General information only, not personalised financial, tax or legal advice. Suitability and available relief depend on your circumstances. Obtain appropriate advice before acting on a product, transfer or legal arrangement.

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Before you begin

Build a timeline covering leave, return to work and possible changes in hours. Distinguish known baby costs from emergencies and the financial consequences if a parent cannot work. Include unpaid care when reviewing protection needs. Child savings should not weaken the household's capacity to meet immediate obligations. Discuss legal ownership and future control before

contributing to a Junior ISA.

Terms in plain English

Lasting power of attorney

A legal arrangement in England and Wales for appointed people to act within its terms. Property/financial and health/welfare arrangements perform different roles.

What financial planning should we review before having a baby?

Estimate the income change during leave and the likely cost of childcare or reduced hours afterwards. Include the financial value of unpaid caring work when reviewing protection. Check existing wills and nominations and decide whether child savings can be committed without weakening family resilience. A Junior ISA transfers ownership to the child, so that decision should be explicit.

Decision boundary: Long-term child saving can leave the household short of money during a reduced-income period. Ask the adviser: How will we fund leave and care, and what happens if either parent cannot work?

Sources: M05, M09, G13, G18

Should I open a Junior ISA for my child?

Parents or guardians can manage the account, but ownership is not retained by the person contributing. The child can take control at 16 and ordinarily withdraw at 18. Discuss this future control explicitly when saving for education or another intended purpose. Check existing Child Trust Fund arrangements and current eligibility before opening an account.

Decision boundary: The contributor cannot assume continued control over how the money is spent at adulthood. Ask the adviser: Are we comfortable with the child owning this money and controlling withdrawals at 18?

Sources: G13, F02

Do I have enough life insurance?

Separate mortgage repayment from the continuing costs of raising children or supporting a partner. Include unpaid caring work that might need replacing. Check the cover term against the actual period of dependency and review beneficiaries. Existing savings should be included carefully rather than assumed available for every emergency and long-term goal simultaneously.

Decision boundary: Too little cover can leave a shortfall; unsuitable terms may not support the intended need. Ask the adviser: Which obligations would remain after a death, and what resources are genuinely available?

Sources: M05, M11

How much should I keep in accessible savings?

List the bills that continue if income stops and the time before any sick pay or insurance begins. Add near-term known spending separately, so it does not consume the emergency reserve unexpectedly. A household with variable self-employed earnings may need a different approach from one with dependable multiple incomes. Review the reserve after material changes.

Decision boundary: Insufficient access can force borrowing or the sale of investments during a downturn. Ask the adviser: How long could we pay essentials before needing borrowing or investment sales?

Sources: M09, D01

How can someone manage my finances if I lose mental capacity?

In England and Wales, review whom to appoint, how multiple attorneys would act and what safeguards are needed. Discuss records, investment accounts and practical access before an emergency. A financial adviser cannot substitute for the legal document or determine every capacity issue. Rules differ elsewhere in the UK, so use the correct jurisdiction.

Decision boundary: Without appropriate authority, needed financial decisions can be delayed or require a different legal process. Ask the adviser: Who should act, what safeguards do we need, and which legal document covers the relevant decisions?

Sources: G17, M11

Your preparation checklist

- Model the income change, not just new purchases.
- Include replacement care and household support needs.
- Keep accessible reserves distinct from child savings.
- Check legal documents and who could act in an emergency.

Next steps

Different family structures and employment arrangements need different plans. Confirm the benefits and financial resources that actually apply to your household. Review the plan when leave, work or caring responsibilities change. No recommended saving contribution or insurance amount is supplied here.

General information only, not personalised financial, tax or legal advice. Suitability and available

relief depend on your circumstances. Obtain appropriate advice before acting on a product, transfer or legal arrangement.

Sources and further reading

M05: MoneyHelper / Money and Pensions Service - What is life insurance?

<https://www.moneyhelper.org.uk/en/everyday-money/insurance/what-is-life-insurance>

Retrieved 2026-10-02. Source publication date not stated; retrieval is not a publication date.

M09: MoneyHelper / Money and Pensions Service - Emergency savings - how much is enough?

<https://www.moneyhelper.org.uk/en/savings/types-of-savings/emergency-savings-how-much-is-enough>

Retrieved 2026-10-02. Source publication date not stated; retrieval is not a publication date.

G13: GOV.UK - Junior Individual Savings Accounts (ISA)

<https://www.gov.uk/junior-individual-savings-accounts>

Retrieved 2026-10-02. Source publication date not stated; retrieval is not a publication date.

G18: GOV.UK - Making a will

<https://www.gov.uk/make-will>

Retrieved 2026-10-02. Source publication date not stated; retrieval is not a publication date.

F02: Financial Conduct Authority - Investment risk and return

<https://www.fca.org.uk/investsmart/risk-returns>

Retrieved 2026-10-02. Source publication date not stated; retrieval is not a publication date.

M11: MoneyHelper / Money and Pensions Service - How to get your finances in order before you die

<https://www.moneyhelper.org.uk/en/family-and-care/death-and-bereavement/putting-your-financial-affairs-in-order-if-you-get-ill-or-die-making-a-will-and-more>

Retrieved 2026-10-02. Source publication date not stated; retrieval is not a publication date.

D01: Financial Services Compensation Scheme - Banks, building societies and credit unions

<https://www.fscs.org.uk/what-we-cover/banks-building-societies/>

Retrieved 2026-10-02. Source publication date not stated; retrieval is not a publication date.

G17: GOV.UK - Make, register or end a lasting power of attorney

<https://www.gov.uk/power-of-attorney>

Retrieved 2026-10-02. Source publication date not stated; retrieval is not a publication date.

Related planning information

<https://castlestonebridge.co.uk/financial-planning-for-a-new-baby>

Discuss your questions

For a discussion of your circumstances, contact Castle Stonebridge on 01246 308249 or visit <https://castlestonebridge.co.uk>. Any personal recommendation requires an individual assessment.