



MoneyDoctor

WEALTH MANAGEMENT

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AUTUMN BUDGET STATEMENT 2024

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THE COST OF EARLY WITHDRAWAL FROM YOUR PENSION

How retirees are impacting their financial future by accessing pension pots too soon

MASTERING FINANCIAL PLANNING

Essential tips for mothers balancing family and finances

MoneyDoctor Wealth Management

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INSIDE THIS ISSUE

Welcome to our latest issue. On 30 October, Chancellor of the Exchequer Rachel Reeves will deliver the Autumn Budget Statement 2024. It will be a critical indicator of the government's approach to managing the economy, aiming to foster an environment conducive to sustainable growth. The outcomes of this Autumn Budget will have far-reaching implications, potentially influencing everything from tax rates and public services to business investment and consumer confidence. As such, it is a pivotal moment that will shape the economic landscape in the months and years ahead. On page 10, we look at what it could mean for your finances

As we age or accumulate more wealth, protecting and preserving our assets for future generations becomes increasingly essential. This process, known as Inheritance Tax planning, estate planning or intergenerational wealth planning, involves strategically managing your estate to minimise tax liabilities and ensure that your wealth is passed down to your loved ones in the most tax-efficient manner possible. On page 08, we explain how understanding these nuances is essential in making informed decisions that will benefit you and your loved ones.

More than three-quarters (78%) of retirees have already dipped into their pension pots by the time they retire, according to recent data^[1]. This trend highlights a significant shift in retirement planning behaviours, where immediate financial needs or desires often outweigh the long-term benefits of leaving pension funds untouched. The implications of early withdrawals are multi-faceted and can significantly impact retirees' financial security. Turn to page 05.

Balancing the many responsibilities of motherhood can be overwhelming, often pushing long-term financial planning onto the back burner. However, effective financial planning is essential for everyone, and as a mother, you face unique challenges that require extra attention. On page 13, we consider some key financial planning steps to help you take control and secure your family's future.

A complete list of the articles featured in this issue appears on pages 02 and 03.

ARE YOU READY TO SECURE YOUR FINANCIAL FUTURE?

Whether planning for retirement, investing your money or protecting your wealth, we can assist with every aspect of your financial planning. Contact us today to discuss your specific needs and start building a brighter, more secure future now. Your financial success begins with a single step.

Source data:

[1] The statistics cited were the result of an analysis by Scottish Widows on 232,654 different retirement claim transactions between 2019 and 2023, which has been used from different sources to give a single view.

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INFORMATION IS BASED ON OUR CURRENT UNDERSTANDING OF TAXATION LEGISLATION AND REGULATIONS. ANY LEVELS AND BASES OF, AND RELIEFS FROM, TAXATION ARE SUBJECT TO CHANGE.

THE VALUE OF INVESTMENTS MAY GO DOWN AS WELL AS UP, AND YOU MAY GET BACK LESS THAN YOU INVESTED.

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C O N T E N T S

A man with a beard and dark hair is carrying a young girl on his shoulders. Both are laughing and smiling broadly. The man is wearing a grey t-shirt, and the girl is wearing a white long-sleeved shirt over a yellow top. They are outdoors, with a blurred background of trees and foliage. In the top left corner, there is a red square containing the white number '12'.

A man with a white beard and a woman wearing a straw hat are sitting on a balcony, drinking wine from glasses. The man is wearing a white vest over a blue shirt, and the woman is wearing a white shirt and a straw hat. They are both smiling and looking at each other. The background shows a cityscape at night with lights.

A large-scale renewable energy farm. In the foreground, rows of solar panels are laid out on a field. In the background, several wind turbines are visible against a sunset sky with soft clouds. The overall scene represents clean energy production.

03



THE FUTURE OF RETIREMENT

EXPERIENCES OF THE PAST AND POTENTIAL FUTURE SCENARIOS

The latest research reveals a significant disparity in perceptions regarding retirement experiences of the past and potential future scenarios. Over the past 50 years, a 'hard stop' or 'transitional' retirement has been the predominant way people have transitioned into retirement. A 'hard stop' refers to an abrupt end to working life, while a 'transitional' retirement involves gradually reducing working hours.

However, the 'hard stop' retirement is anticipated to diminish considerably in the future. Only 15% of UK adults believe it will represent most people's experience in the next 10-25 years, indicating a paradigm shift in how future generations envision their retirement.

CHANGING RETIREMENT TRENDS

The most notable shift between past and future retirement perceptions is a substantial increase in individuals never fully retiring because they want or need to continue working. Currently, 41% of UK adults expect this to be the norm in the next 10-25 years, a significant rise from 13% in the past^[1]. This change can be attributed to several factors, including increased life expectancy, the rising cost of living and the desire to stay mentally and physically active.

Research focusing on hopes versus expectations of transitioning to retirement reveals that 44% hope for a 'hard stop', 47% hope for a transition period and just 9% hope to keep working. However, the expectations paint a different picture.

PLANNING FOR RETIREMENT

Only 30% expect a 'hard stop', 46% anticipate a transition period and 24% foresee continuing to work. Among those yet to retire who hope for a hard stop, only 52% realistically expect to achieve this, and one in five (19%) believe they will need to keep working. This divergence between hope and reality underscores the

complexity of planning for retirement in today's economic climate.

The concept of a 'hard stop' retirement has been replaced mainly by those looking to gradually reduce their working hours, combining part-time work with pensions to supplement their income. This approach allows retirees to maintain a sense of purpose and social connections while easing into retirement. While gradual transition remains popular, our research indicates a significant shift, with more people expecting to work indefinitely. This trend is expected to be driven by financial necessity and personal preference.

FLEXIBLE, PART-TIME AND REMOTE WORK

Technological advancements and the rise of the gig economy also play a role, providing opportunities for flexible, part-time and remote work that can be tailor-made to suit the needs of older workers. For instance, consulting roles, freelance opportunities and online businesses allow individuals to leverage their experience and skills without the constraints of traditional full-time employment.

Flexible work environments and savings strategies will need to support the evolving approach to retirement in the future. Many employers will need to consider adapting to flexible working hours, remote work options and phased retirement plans that align with the changing needs of their workforce. Policies must also adapt to allow individuals who wish or need to remain employed longer to do so

comfortably. For example, extending the age limits for pension contributions and providing incentives for lifelong learning can help older workers remain competitive in the job market.

BOOST RETIREMENT SAVINGS

Additionally, a concerted effort must be made to help people save more effectively for retirement. Financial education and planning services should be made more accessible to ensure individuals can make informed decisions about their retirement savings.

Millions of adults are currently off track with their savings and might have to delay retirement plans as a result. Addressing this issue will require strategic policy changes to boost retirement savings and provide adequate support for a flexible workforce. For example, increasing employer contributions to workplace pensions and offering tax advantages for personal savings plans could incentivise higher savings rates. ◀



READY TO NAVIGATE YOUR FUTURE WITH CONFIDENCE?

Please contact us for further information or to discuss how these trends might affect your retirement planning. We're here to help you navigate your future with confidence.

Source data:

^[1] Phoenix Insights research conducted by Message House, carried out in January 2024 among 1,502 UK adults. Weighted to be nationally representative.

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THE COST OF EARLY WITHDRAWAL FROM YOUR PENSION

HOW RETIREES ARE IMPACTING THEIR FINANCIAL FUTURE BY ACCESSING PENSION POTS TOO SOON

More than three-quarters (78%) of retirees have already dipped into their pension pots by the time they retire, according to recent data^[1]. Of these, more than half (52%) withdraw funds five years before their Selected Retirement Age (SRA), with 21% opting to start taking out funds nine to ten years before they retire.

This trend highlights a significant shift in retirement planning behaviours, where immediate financial needs or desires often outweigh the long-term benefits of leaving pension funds untouched. Factors such as unexpected medical expenses, the desire to pay off debts or the need for additional income to support a particular lifestyle can drive retirees to access their pension savings earlier than planned.

CONSIDER THE TIMING OF PENSION WITHDRAWALS

The implications of early withdrawals are multifaceted and can significantly impact retirees' financial security. By withdrawing funds early, retirees potentially miss out on the compound growth that could have been achieved if the money had remained invested. This can result in a smaller pension pot during the later years of retirement when the need for financial stability is often greater.

Furthermore, early withdrawals may indicate insufficient financial planning or awareness about the benefits of delaying pension access. As people live longer and retirement periods extend, it becomes increasingly important for individuals to carefully consider the timing of their pension withdrawals to ensure they stay within their savings.

FINANCIAL IMPACT OF EARLY WITHDRAWALS

The data revealed that the average amount an individual withdraws by age 65 is £47,000. Financial modelling shows how much that £47,000 could grow if invested for longer. If the money stayed invested from age 55 (when the member would have first been able to take benefits) for an additional five years, they would have £13,925 more on average by the time they reach 60.

That figure rises to £24,661 if it were to stay invested for ten years to age 65 – a rise of more

than 50%; and to more than £38,000 if invested to age 70. A separate modelling exercise was conducted assuming that individuals claimed the maximum tax-free cash available at age 55, which currently stands at 25%, equivalent to £11,750.

MAXIMISING PENSION BENEFITS

If the same modelling were run with the remaining £32,250 left in individuals' pots after taking the tax-free cash, savers would, on average, be £10,441 better off after five years and £18,496 after ten years if they decided to stay invested. These figures highlight the significant financial benefits of delaying withdrawals and allowing pension funds to grow.

The data further shows that most people withdraw money from their workplace pension before retirement age. While early withdrawals are often unavoidable, draining a pension pot too soon can carry substantial risks, which providers and retirees should be aware of and take steps to guard against where possible.

NAVIGATING A CHANGING PENSIONS LANDSCAPE

The pension landscape is ever-changing. People are living longer, which means pensions must cover longer retirements. Additionally, more individuals are choosing to phase into retirement with part-time work, changing how and when they access their pension funds.

Early withdrawals can severely impact the long-term financial stability of retirees. Therefore, individuals must seek professional financial advice to make informed decisions about their pension pots.

PLANNING FOR A SECURE RETIREMENT

Retirees should also consider other sources of income and investments that can support them

during their retirement years. Diversifying income streams can provide a safety net and reduce the need to dip into pension funds prematurely.

Proper financial planning ensures that retirees can maintain their desired lifestyle without compromising their financial security. By understanding the implications of early withdrawals and exploring alternatives, retirees can make decisions that will benefit them in the long run. ◀

WANT TO MAKE INFORMED DECISIONS THAT WILL HELP YOU MAXIMISE YOUR PENSION BENEFITS?

If you are approaching retirement or have already started considering your pension options, it's crucial to understand the impact of early withdrawals on your long-term financial security. Contact us today to explore your options and create a personalised retirement plan that aligns with your goals. Secure your financial future now – don't wait until it's too late!

Source data:

[1] The statistics cited were the result of an analysis by Scottish Widows on 232,654 different retirement claim transactions between 2019 and 2023, which has been used from different sources to give a single view.

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PENSION SCAMS ON THE RISE

PROTECT YOUR SAVINGS! 7.3 MILLION UK ADULTS ENCOUNTERED AN ATTEMPTED SCAM IN THE PAST YEAR

Around 7.3 million UK adults, or one in seven, encountered an attempted pension scam in the past year. Alarming, 14% were targeted through unsolicited calls, texts or emails, according to recent research, illustrating the aggressive tactics employed by scammers. This concerning trend has prompted a closer examination of the vulnerabilities within the pension system, especially as scammers become increasingly sophisticated in their approaches.

This study also highlighted that six million individuals with multiple pension pots may be at greater risk, as half of the respondents believe scams are becoming increasingly difficult to identify.

The complexity of managing several pension accounts can leave individuals more susceptible to fraudulent schemes, as it becomes challenging to keep track of all the details.

Scammers take advantage of this confusion, making it harder for people to discern legitimate communications from deceitful ones. This growing difficulty in identifying scams calls for heightened awareness and stronger protective measures to safeguard pension savings.

RIISING THREAT OF PENSION SCAMS

However, the awareness of reporting a scam is worryingly low, with only 32% of people knowing the proper channels. However, this figure improves significantly to 55% among those who consult financial advisers. This discrepancy underscores the importance of professional financial advice in mitigating the risk of scams.

The research further uncovered a high prevalence of various consumer scams. A

significant 42% of respondents reported phishing attempts, 36% encountered scams imitating reputable brands and 24% experienced refund scams.

YOUNGER PEOPLE AT HIGHER RISK

Interestingly, younger individuals between the ages of 18 and 34 are more susceptible to scams than the general population. The study found that 13% of this age group had been targeted, in contrast to 7% of the wider public.

The evolving tactics of scammers make it increasingly challenging for consumers to avoid falling prey. With the growing number of people managing multiple pension pots, keeping track of their finances has become more difficult.

PROTECTING YOUR PENSION

To safeguard against pension scams, hanging up on unsolicited cold calls is crucial. Recognising unexpected contact as a potential red flag can also help avoid hasty and ill-informed decisions. Additionally, verifying firms on the Financial Conduct Authority (FCA) registry provides an extra layer of security.

Remaining vigilant and informed is essential in this climate of sophisticated scams.

Consumers must take proactive steps to protect their hard-earned savings. ◀

DO YOU REQUIRE INFORMATION OR ASSISTANCE IN SAFEGUARDING YOUR PENSION?

If you require further information or assistance in safeguarding your pension, do not hesitate to contact us. Our team of financial experts is here to help you navigate these challenges and protect your future.

Source data:

[1] LV= Wealth and Wellbeing Research Programme, quarterly survey of 4,000 UK adults 12/08/24.

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MASTERING FINANCIAL PLANNING

ESSENTIAL TIPS FOR MOTHERS BALANCING FAMILY AND FINANCES

Balancing the many responsibilities of motherhood can be overwhelming, often pushing long-term financial planning onto the back burner. However, effective financial planning is essential for everyone, and as a mother, you face unique challenges that require extra attention. Here are some key financial planning steps to help you take control and secure your family's future.

SAVE FOR UNFORESEEN EMERGENCIES

As a mother, you've probably realised that emergencies can strike when you least expect them to. While an emergency savings pot can't prevent sick days, uniform mishaps or broken friendships, it can provide a useful financial buffer for more expensive emergencies, such as boiler or car breakdowns. Building up at least six months' worth of essential expenditure in an easy-access savings account reduces the risk of falling into debt or dipping into savings allocated for long-term goals.

PROTECTION, PROTECTION, PROTECTION

An income protection policy should be considered if your family relies on your income to cover bills, childcare, school fees or after-school activities. This type of insurance pays out a portion of your salary if you suffer from a long-term illness and cannot work, helping you maintain financial stability and ensuring your children's lifestyle isn't unduly affected.

Life insurance is another essential protection, offering a vital financial safety net should the worst happen to you. It provides a lump sum or regular income if you pass away during the policy term, which could help pay off the mortgage and ease the financial burden on your family.

YOUR PENSION MATTERS

If you've taken time off work to care for your children, finding ways to top up your pension savings is crucial. Many mothers prioritise their children's futures over their own, but neglecting your pension can have long-term financial repercussions that ultimately affect your entire family. The good news is that there's still ample time to get your pension back on track.

If you qualify for the full amount of the new State Pension, you will receive £221.20 per week, or £11,502.40 a year (2024/25). You must have paid National Insurance (NI) contributions for 35 years to qualify for the maximum amount. If you're not working, you'll receive NI credits automatically as long as you claim Child Benefit, and your child is under 12. You may still receive these credits if you've claimed child benefits but opted out of payments to avoid the High-Income Child Benefit charge.

TOPPING UP PENSIONS

Consider topping up your workplace or private pensions. Pensions are a highly cost-effective way of saving for retirement due to the tax relief you receive on personal pension contributions. This means a £100 pension contribution will only cost you £80 if you're a basic rate taxpayer, £60 if you're a higher rate taxpayer or £55 if you're an additional rate taxpayer, as long as the total gross contributions are matched by the income in that band.

Even if you aren't working, you can contribute up to £2,880 per year into a pension and still receive 20% tax relief, boosting your contribution to £3,600. If you receive any cash gifts or inherit some money, saving it into a pension can significantly enhance your retirement funds.

WEALTH CREATION FOR YOUR CHILDREN

If financially feasible, saving money for your children can profoundly impact their future, potentially helping with university fees or securing a deposit for their first home. To maximise the growth potential of their money, consider investing in the stock market.

Although mothers might naturally lean towards being risk-averse, history shows that, over long periods, the stock market generally outperforms cash. A Junior ISA is a starting point. It offers tax-efficient investment growth and locks away funds until your child's 18th birthday.

OBTAIN PROFESSIONAL FINANCIAL ADVICE

You might not have the time or inclination to sort out your finances independently – and that's perfectly fine. Financial matters are one area where entrusting the responsibility to a professional can be done guilt-free.

Obtaining professional financial advice can instil confidence that you've made the right decisions with your money, allowing you to focus on yourself and your family. ◀

WANT TO FIND OUT INFORMATION OR SEE HOW WE CAN HELP WITH PERSONALISED FINANCIAL GUIDANCE?

Contact us today for expert professional advice and personalised financial guidance. We're here to help you and your family achieve financial stability and peace of mind. Don't wait – contact us now, and let's secure a brighter future together!



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NAVIGATING THE COMPLEXITIES OF INHERITANCE



SHOULD YOU CONSIDER ESTATE PLANNING AND GIFTING FOR FUTURE GENERATIONS?

As we age or accumulate more wealth, protecting and preserving our assets for future generations becomes increasingly essential. This process, known as Inheritance Tax (IHT) planning, estate planning or intergenerational wealth planning, involves strategically managing your estate to minimise tax liabilities and ensure that your wealth is passed down to your loved ones in the most tax-efficient manner possible.

Effective planning can significantly impact the financial wellbeing of your heirs, making it crucial to consider various strategies and tools available for safeguarding your estate.

One common question we receive from clients is whether to gift assets during their lifetime or wait until they have passed away. The answer is more complex and heavily depends on your personal and financial circumstances and objectives. Gifting can provide immediate support to family members and potentially reduce your estate's size, lowering the IHT burden.

However, careful consideration must be given to the gifts' timing, amount and recipients to ensure that they align with your long-term goals and comply with tax regulations. Understanding these nuances is essential in making informed decisions that will benefit you and your loved ones.

UNDERSTANDING INHERITANCE TAX

When you pass away, IHT is potentially payable to HM Revenue & Customs (HMRC). The amount due depends on the estate's value minus any debts and after all available thresholds have been used. These thresholds are the nil rate band (NRB) and the residence nil rate band (RNRB). At a high level, the NRB is £325,000, and the RNRB is £175,000, the latter of which is only available if you leave your home to a direct

descendant. The standard rate of IHT due to HMRC on amounts over these thresholds is 40%. This reduces to 36% if at least 10% of your net estate is left to charity.

WHY DO WE GIFT?

We gift for two common reasons: We want to help our family and loved ones now, when they need it, and whilst we can see them enjoy it, as opposed to when we have passed away. This is often called a 'living inheritance'. Additionally, we may have a large estate and wish to reduce its value so that our beneficiaries pay less or no IHT when we pass away.

HOW MUCH CAN YOU GIFT?

In short, you can gift away however much you want to whoever you like and whenever you like. If these gifts fall within the 'annual gift allowances' or are made from your regular surplus income, they automatically fall outside your estate for IHT tax purposes. Otherwise, you must survive seven years after making the gift before the gift is excluded from IHT tax calculations.

THE IMPACT OF SEQUENCING GIFTS

The sequencing of gifts can significantly impact the wealth you want to pass on. In addition to the seven-year rule, there is the less well-known



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 ”

14-year rule. Giving a gift outright to an individual and/or Absolute/Bare Trust in excess of the annual allowances is known as making 'Potentially Exempt Transfers' or PETs.

POTENTIALLY EXEMPT TRANSFERS AND THEIR USES

For example, a common reason for making a PET might be to help a child onto the property ladder. To ensure the gift is outside of your estate for IHT tax purposes, you need to survive seven years from when the gift is made. If the PET is more than the NRB (£325,000), there is gradual tapering on the excess once you have survived for over 3 years. The longer you survive after making the gift (between 3 and 7 years), the greater the tapering.

CHARGEABLE LIFETIME TRANSFERS

Should you settle any money into a relevant property trust, such as a Discretionary Trust, these gifts are known as 'Chargeable Lifetime Transfers' or CLTs. An example of such a settlement might be grandparents wanting to pass money down to their grandchildren. A common reason for this may be that their children already have a large estate, so if they were to inherit any more, it would be unhelpful for their IHT position.

COMPLICATIONS IN GIFT ORDER

Complications may arise when an individual has passed away and has made both PETs

and CLTs. This is because the order of these gifts can result in bringing 14 years' worth of gifts into the IHT calculation. When considering which gifts are liable to IHT, the gifts are placed in the order they were made, starting with the oldest and moving towards the date of death.

HMRC RULES ON FAILED PETs

HMRC rules are such that any CLTs made in the seven years before any 'failed PETs' must also be brought into account. If an individual makes a PET and dies within 6 years and 11 months, the PET fails. From the 'failed PET' date, HMRC will look back a further seven years and include any CLTs in their calculation to determine the IHT due on the PET.

ANNUAL GIFTING ALLOWANCES

Under current legislation, everyone can gift away £3,000 per year. This is called your 'annual exemption'. Any unused allowance can be carried forward to the following tax year; however, it cannot be carried over again. There is also a wedding allowance of varying amounts depending on the relation, which must be made before the wedding, and the wedding must happen: £5,000 to a child, £2,500 to a grandchild, £1,000 to a relative or friend. Wedding gifts can be combined in the same year with the annual exemption.

SMALL GIFTS ALLOWANCE

You can also make gifts of up to £250 to as many different people as you like, as long as the person has received more than £250 from you that tax year. ◀

DO YOU REQUIRE INFORMATION OR PERSONALISED ADVICE ON GIFTING AND INHERITANCE TAX PLANNING?

For those seeking further information or personalised advice on gifting and Inheritance Tax planning, please do not hesitate to contact us for expert guidance tailored to your specific circumstances.

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THE FINANCIAL CONDUCT AUTHORITY DOESN'T REGULATE TRUST PLANNING AND MOST FORMS OF INHERITANCE TAX (IHT) PLANNING. SOME IHT PLANNING SOLUTIONS PUT YOUR MONEY AT RISK, AND YOU MAY GET BACK LESS THAN YOU INVESTED. IHT THRESHOLDS DEPEND ON INDIVIDUAL CIRCUMSTANCES AND THE LAW. TAX AND IHT RULES MAY CHANGE IN THE FUTURE.

AUTUMN BUDGET STATEMENT 2024

WHAT IT COULD MEAN FOR YOUR FINANCES

On 30 October, Chancellor of the Exchequer Rachel Reeves will deliver the Autumn Budget Statement 2024, accompanied by a comprehensive fiscal statement from the Office for Budget Responsibility (OBR). This significant event comes as the new government, elected to boost economic stability and growth, takes its first important step in addressing the nation's financial health.

The Autumn Budget will outline the government's economic strategy, providing insights into their taxation, public spending and fiscal policy plans. It will be a critical indicator of the government's approach to managing the economy, aiming to foster an environment conducive to sustainable growth.

BALANCING THE NATION'S BOOKS

The new government has faced the challenge of assessing the state of public spending and has identified a significant spending gap in the nation's finances. This gap underscores the complexities of balancing the nation's books while striving to implement growth-oriented policies. The Autumn Budget will likely address these challenges head-on, proposing measures to stimulate economic activity while ensuring fiscal responsibility.

The outcomes of this Autumn Budget will have far-reaching implications, potentially influencing everything from tax rates and public services to business investment and consumer confidence. As such, it is a pivotal moment that will shape the economic landscape in the months and years ahead.

ECONOMIC STABILITY AND GROWTH

Following an ambitious King's Speech, the new government's first budget will seek to announce initiatives for growth alongside the activation of

plans to balance the books across the spectrum of personal and business taxes and employment policy. But what could the new Labour government mean for your finances?

Prime Minister Starmer's Labour manifesto emphasised wealth creation. The manifesto aimed to grow the economy and 'keep taxes, inflation and mortgages as low as possible'. To fulfil those plans, Labour may have to make changes that could affect taxes, allowances, and various investment schemes and rules. Given the pledges made in the manifesto, doing so may prove challenging.

PLEDGES AND CHALLENGES

Although the manifesto is not legally binding, it best indicates Labour's government plans. Here, we highlight what the pledges could mean for your finances.

PENSIONS

Ahead of launching its manifesto, Labour announced that it would drop plans to reintroduce the lifetime allowance, a cap on how much people can save into their pensions before paying tax. Importantly, Labour committed to upholding the pensions 'triple lock', which ensures that the State Pension will continue to increase yearly in line with the highest of three factors: wage growth, inflation or a minimum of 2.5%. This policy is designed

to protect the purchasing power of retirees and ensure they can maintain a stable standard of living in retirement.

In the Autumn Budget, there are rumours the Chancellor could look to change pension tax relief, with speculation that this might be one of her targets. One option for Reeves is to cut pension tax relief to 20%. This would be no change for basic rate taxpayers. But it would be a considerable reduction for higher and additional rate taxpayers, who receive 40% and 45% relief on some or all of their pension contributions.

However, further clarity on the scope of this and the challenges they are looking to address has yet to be made available. In the meantime, making the most of all your pension allowances is essential to build your financial resilience in retirement.

INHERITANCE TAX

Although Inheritance Tax has been widely discussed recently, it was a noticeable absence from the Labour manifesto. It contained no comments on future Inheritance Tax rates or reliefs (such as Business and Agricultural Relief).

VAT

The Labour manifesto confirmed that it intended to introduce VAT on private school fees and will end business rates relief for the schools, with such measures estimated to raise around £1.5bn for the government. The delay until 2025 gives families additional time to consider their options and improve their planning. Families typically have a finite number of financial planning options that can be used to meet additional expenditures,



namely reducing other expenditures, increasing earnings, targeting higher returns (with the additional risk that comes with this), looking to borrow and gifting from relatives.

INCOME TAX

Whilst Labour had pledged not to increase taxes on working people (including Income Tax at the basic, higher and additional rates), this does not preclude utilising fiscal drag to increase Income Tax revenues. Fiscal drag occurs when inflation and income growth push taxpayers into higher tax brackets, which will remain frozen until at least 2028. This policy results in higher taxes for affected individuals, even though the tax rates themselves have not changed.

One area to watch could be taxes on dividend income. These have not been mentioned and may be outside the scope of the pledge as a non-working source of income with its own Income Tax rates. Moreover, Labour has pledged to reform the taxation of carried interest, which is a share of profits from a private equity, venture capital or hedge

fund. The manifesto did not specify exactly how Labour would close the carried interest 'loophole', but the intent is clear: private equity is the only industry where performance-related pay is treated as capital gains. Labour will look to close this loophole.

CAPITAL GAINS TAX (CGT)

The Labour manifesto did not specifically mention CGT rates, and the party's senior figures have said that they have no plans to reform these rates - with the exception of their proposed policy on carried interest. That said, future increases have not been ruled out entirely.

NATIONAL INSURANCE CONTRIBUTIONS

Labour supported the Conservatives' cuts to National Insurance in the 2024 Spring Budget, and its manifesto outlined a commitment not to raise current rates. However, Labour may utilise fiscal drag with frozen tax rates until 2028.

As the 30 October Autumn Budget approaches, individuals and families should take proactive steps to manage their personal

finances. Anticipating potential changes and being prepared can significantly affect one's financial wellbeing.

Remember, proactive planning is key to financial stability and peace of mind. Don't wait until the last minute - take action now to secure your financial future. ◀

WANT EXPERT ADVICE ON HOW TO PREPARE FOR THE UPCOMING AUTUMN BUDGET?

To discuss the potential impacts of the upcoming Autumn Budget on your finances, we can provide tailored advice and help you navigate any changes that might affect your tax liabilities, pension contributions or investment strategies. If you need further guidance or personalised advice, please don't hesitate to contact us.

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TIME TO REVISIT YOUR RETIREMENT PLAN?

HELPING YOU FEEL MORE PREPARED FOR THIS STAGE OF YOUR LIFE

If you are in your 40s or 50s, you have likely contributed to a pension for quite some time. Over the years, you may have accumulated multiple employer workplace pensions. However, when did you last thoroughly examine your pension and retirement strategy?

Having a documented retirement plan can help you feel more prepared for this stage of your life, ensuring you have a sufficient income when you stop working. Here, we explore several factors to consider when reviewing your savings. If you don't yet have a plan, in this article, we consider a helpful starting point.

REVISIT YOUR RETIREMENT PLAN

It's always a good idea to reassess your plan to ensure you're on track to achieve the retirement income and lifestyle you desire. Priorities and circumstances can change, necessitating adjustments to your plan.

BEGIN BY ASKING YOURSELF THESE THREE KEY QUESTIONS:

HOW WOULD YOU LIKE TO SPEND YOUR RETIREMENT?

Consider what you'd like to do during your retirement to help determine how much money you'll need. Whether it's holidaying, investing more time in hobbies or starting a new business venture, it's crucial to account for everyday expenses such as rent or mortgage payments, household bills and food shopping. Additionally, it's wise to set aside savings for potential medical needs or home care as you age.

When planning your expenses, don't forget to factor in inflation. Prices tend to increase over time, so having an extra financial cushion can be beneficial.

WHEN WOULD YOU LIKE TO RETIRE, AND FOR HOW LONG?

Is the age you'd like to retire still the same, or has it changed? With life expectancy increasing, you'll need to consider how much money you'll need

throughout your retirement. Dividing the total figure into an annual salary, followed by a monthly income, will help you determine if your savings are sufficient.

Consider how you'll access your retirement income. Different options have various terms and conditions that affect your take-home pay.

DEBT REPAYMENTS BEFORE RETIREMENT

If possible, set goals to pay off any debts before you retire. Clearing debts can provide peace of mind, as it's one less expense to worry about.

CHECK YOUR PENSION CONTRIBUTIONS

Your retirement fund could include workplace pensions, personal pensions, Individual Savings Accounts (ISAs), investments and the State Pension. When reviewing your pension pot, check the amount and track performance, and take action if necessary.

CONSIDER THE FOLLOWING WHEN REVIEWING YOUR PENSION POT:

- Review your workplace pension contributions. Can you afford to increase them, even slightly? Even small annual increases can make a significant difference over time.
- Check your employer's contributions. Many employers offer benefits such as matching increases in your contributions to your workplace pension.
- Keep track of all your pension pots to avoid forgetting about them. Consider whether you want to keep working part-time or flexible hours, which will give you more time to improve your savings.
- Remember, the value of investments can fall as well as rise, and there are no guarantees.

When you start drawing benefits, the value of your pension pot might be less than the total contributions made.

THE STATE PENSION AS AN INCOME SOURCE

The State Pension alone is unlikely to support your retirement. If you're eligible, the amount you receive will depend on your National Insurance contribution record. You can check your State Pension forecast on the government's website to see how much you could receive when you can claim it and if you can improve it.

UNDERSTAND YOUR RETIREMENT INCOME OPTIONS

From age 55 (57 from April 2028), you can access some or all of your pension benefits. Personal circumstances, lifestyle and health will influence your right income option. Some contracts restrict your options, and there are tax implications to consider.

CONTROL OVER YOUR RELATIONSHIP WITH MONEY

Planning for retirement is a step towards improving your financial wellbeing. It's about how you feel regarding control over your financial future and your relationship with money. Focus on what makes your life enjoyable and meaningful now and in retirement. ◀

WANT TO IMPROVE YOUR FINANCIAL WELLBEING?

Please get in touch with us if you require further information or assistance in planning your retirement. We're here to help you navigate your financial future with confidence.

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THE MIDDLE-AGED SQUEEZE

JUGGLING CAREERS, FAMILY CARE AND FINANCIAL PRESSURE AMID RISING COSTS AND WEALTH TRANSFERS

Increasing longevity and evolving demographics have left many middle-aged individuals juggling careers with caring for both ageing parents and children. This issue is particularly acute for ambitious professionals who prioritised establishing their careers before starting a family in their thirties or forties.

On top of financial constraints, caring for elderly parents and young children places immense pressure on the most precious resource of all for working parents – time.

The emotional and physical toll of feeling constantly at the coalface may generate significant stress. Choosing your priorities carefully can mean disapproval from those who think your attention should be elsewhere, often focusing on them.

RIISING INFLATION AND INTEREST RATES

Has the squeeze got tighter? Rising inflation and interest rates have created clear winners and losers. Those with mortgages have been among the losers. As fixed rate deals have ended, moving onto a variable or new fixed rate has meant accepting higher payments or extending terms to keep monthly outlays the same.

Coupled with inflation, this has reduced real disposable incomes. The winners have been those who are debt-free and those who have savings and investments. Typically, these individuals are retired, and the increased income may be surplus to requirements.

THE COST OF EDUCATION

School fees and care costs have historically risen faster than inflation. The cost of private education has soared. Fees jumped by an average of 5.1% in 2022^[1]. The average cost per child is now £6,944 a term for day pupils and £12,344 a term for boarders^[2]. There are big regional variations, too. With the rising cost of living, private schools have had little choice but to pass energy and food costs on to parents. Imagine those costs for a family of four.

It is no wonder house prices are so high in the catchment areas of state schools with good Ofsted ratings. Many parents or guardians rely on other sources for some or all of the fees, such as loans, inheritances or other payments.

UNIVERSITY AND HOUSING

School may lead to university, with its accompanying student debts. Children may be dependent on their parents for longer and not leave the nest as quickly as one might hope. Rising rents mean the aspiration to get on the property

ladder may only be achieved after age 30 and will require some financial assistance.

THE MOUNTING COST OF CARE FEES

If you are paying for care, the average weekly cost of a residential care home in the UK is £1,160, while average fees at a nursing home cost £1,410 per week^[3]. This means residential care for a whole year (52 weeks) costs an average of £60,320, and nursing home care costs an average of £73,320 annually. Fees will vary depending on the area you live in and the home you choose.

The families of those in care homes are unlikely to pay the entire bill but may top this up to ensure a better quality of life, such as an ensuite room, visits from the hairdresser, entertainment and day trips. As parents may live some distance away from other family members, time and practicalities may create the need to move closer, leading to inevitable upheaval and losing a friendship network.

ROLE OF INHERITANCE

Our elderly relatives play a crucial role in the upcoming shift in wealth. They'll be vital in the wealth transfer over the next 10-15 years. The 'sandwich generation' – those caring for their children and ageing parents – are set to inherit significant assets. Figures from HM Revenue and Customs (HMRC) show a record-breaking increase in Inheritance Tax (IHT) receipts, reaching £7.5 billion from March 2023 to April 2024. This is a jump of £400 million compared to the previous year and continues a trend that's been rising for the past two decades.

With an IHT rate of 40%, nearly £19 billion in assets, beyond various exemptions and reliefs, were taxed^[4]. The taxman might become the largest single beneficiary if multiple family members inherit. Given the current higher interest rates, the compounding effect of reinvested income can grow wealth even further. Therefore, financial planning is about reducing the size of estates and preventing them from growing too large.

FINANCIAL PLANNING AND GIFTING

Using surplus pension and investment income, for example, to help towards grandchildren's

school fees both invests in their future and reduces the growth rate of the estate. The notion of IHT planning may conjure images of esoteric and inaccessible investment schemes, but straightforward gifting can be just as effective.

In addition to utilising various allowances and reliefs available, lump-sum gifts to an individual, known as Potentially Exempt Transfers, will not be subject to IHT if you live for seven years after making the gift. If you die before then, these gifts are initially set against the available nil rate bands, so they may still be tax-free. Lump-sum gifts could be a valuable way to help a grandchild working to be a first-time buyer get a decent deposit together. The average gift for a house deposit is £25,000.

CREATING A FINANCIAL PLAN

However, for many – possibly the majority – the fear of running out of income and capital mentally eclipses the huge benefits of helping younger generations now, providing the enjoyment of seeing the positive impact on their lives. Creating a financial plan will provide the knowledge and reassurance of knowing you are financially secure, whatever the future may hold. This, in turn, will enable you to consider gifting from income and capital.

An inbuilt reluctance to discuss money matters with family members can lead to poorer long-term financial decisions and more money lost to the taxman. A lack of dialogue will also mean less influence over the choices made for you if you lose capacity – simply because your children might not know what you want to happen. Financial openness across generations is the starting point. ◀

DO YOU WANT TO DISCUSS YOUR FINANCIAL PLANNING REQUIREMENTS?

Please get in touch with us if you require further information or need assistance with your financial planning requirements. We are here to help you secure your and your loved ones' financial future.

Source data:

[1] Schoolfeeschecker, accessed April 2024,

[2] Schoolguide, accessed April 2024.

[3] www.carehome.co.uk/advice

[4] <https://britishbusinessexcellenceawards.co.uk/from-the-awards/inheritance-tax-receipts-reach-a-record-breaking-7-5>

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RISING DEMAND FOR HEALTH COVER

GRAPPLING WITH A WORKFORCE SICKNESS EPIDEMIC AND LONG NHS WAITING TIMES

With 2.81 million people in the UK now away from work due to long-term sickness, ensuring employers offer comprehensive health benefits is becoming increasingly critical. This approach is essential for preventing employees from becoming too ill to work, as well as for attracting and retaining staff in a competitive job market. By providing the right health coverage, companies can support their workforce's wellbeing, leading to higher productivity and job satisfaction.

Young employees, mainly those aged 18-34, drive the increasing need for workplace health support. Research indicates that 78% of young workers find health cover crucial, and 64% consider it their most significant benefit, starkly contrasting with the 46% of those over 55 who feel the same^[1].

Moreover, 71% of younger workers would hesitate to switch jobs if health coverage wasn't provided, highlighting its importance in career decisions. Additionally, 66% of this demographic believe that having health benefits would reduce sick days by enabling quicker access to healthcare professionals, thus promoting a healthier, more resilient workforce.

IMPACT ON EMPLOYEE WELLBEING AND PRODUCTIVITY

Including comprehensive health benefits can significantly enhance employee wellbeing and overall productivity. By facilitating easier access to medical care, employees are less likely to experience prolonged periods of illness, allowing them to maintain consistent work attendance and performance.

This support is particularly crucial for younger employees who place high value on health benefits and are more likely to consider these benefits when evaluating job opportunities. Consequently, employers who invest in comprehensive health cover

demonstrate their commitment to employee welfare and position themselves as attractive employers in the talent market.

EXPECTATIONS AND EMPLOYER RESPONSE

Employers are beginning to notice this shift in expectations. Three out of ten firms report that job candidates' expectations for health cover are rising. When health cover is provided, employers observe a 37% increase in satisfaction and a 33% boost in productivity. The data clearly highlights the significant impact health benefits have on both employee morale and overall business efficiency.

MENTAL HEALTH A GROWING CONCERN

Mental health has emerged as a crucial element of workplace wellbeing, particularly for younger workers. Research shows that 76% of younger employees believe that health insurance improves their productivity, and 71% have taken time off for mental health reasons, compared



to just 32% of older workers. Alarming, 71% of younger UK workers reported experiencing anxiety in the previous year, compared to 32% of those over 55.

ADDRESSING THE MENTAL HEALTH CHALLENGE

As a result, 33% of employers now see rising mental health days as a major challenge. Younger workers no longer view health benefits as a bonus; instead, they expect them as a standard part of their employment package. This shift in perception underscores the urgent need for comprehensive health benefits in the workplace.

THE NEED FOR ACCESSIBLE HEALTH COVER

The UK continues to grapple with a workforce sickness epidemic and long NHS waiting times. In this context, providing affordable and accessible health cover at work has never been more important. Employers who wish to attract and retain top talent, maintain a healthy workforce and enhance business productivity

must recognise the importance of offering health cover. ◀

DO YOU WANT TO DISCUSS COMPREHENSIVE HEALTH BENEFITS?



As the landscape of workplace health continues to evolve, employers must adapt by offering comprehensive health benefits. This not only supports employee wellbeing but also drives productivity and satisfaction. If you require further information, please contact us.

Source data:

[1] Opinion research on behalf of Simplyhealth throughout May and June 2024. The first surveyed 500 HR decision makers across UK businesses, while the second surveyed 2,000 employees with a minimum of 100 respondents across business services, construction, manufacturing, professional education, hospitality and leisure, transport, retail, food and drink, and healthcare. 2.81 million not working due to long-term sickness in the UK in July 2024, according to ONS figures.

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BUILDING WEALTH AND ACHIEVING FINANCIAL GOALS

ALIGNING INVESTMENTS WITH RISK TOLERANCE AND CAPACITY

Investing is an indispensable tool for building wealth and achieving financial goals. By allocating resources to various investments, individuals can accumulate wealth over time through capital appreciation, dividends and interest. For example, investing in a diversified portfolio of stocks can yield significant returns, enabling you to grow your wealth far beyond what traditional savings accounts offer.

Additionally, investments can provide a passive income stream, helping to fund major life events such as buying a home, funding education or enjoying a comfortable retirement. The power of compounding returns further amplifies the benefits of investing, as the earnings on your investments generate their earnings over time.

However, it is crucial to understand the concepts of risk tolerance and risk capacity to make informed investment decisions. Properly balancing your investment strategy with your risk profile can significantly impact your financial success and peace of mind, helping you navigate the complexities of the financial markets more effectively and confidently.

UNDERSTANDING RISK TOLERANCE

Risk tolerance refers to an investor's willingness and ability to endure market volatility and potential losses. It measures your comfort level with investing in assets that may fluctuate in value. Factors influencing risk tolerance include

your personality, past investment experiences and financial goals.

For example, if you are comfortable taking risks, you might prefer investments offering higher potential returns, understanding that these come with greater volatility. Conversely, if you are risk-averse, you would likely choose safer investments, even if they offer lower returns.

Understanding your risk tolerance is crucial before you begin investing. Ask yourself questions like: How comfortable are you with market volatility? How might you react if your investments decrease in value? Are you someone who embraces investment risk for greater opportunities, or are you more risk-averse and likely to worry when the market dips?

DEFINING RISK CAPACITY

Unlike risk tolerance, risk capacity is not based on your emotional comfort with risk. Instead, it pertains to how much risk you can afford to take, given your financial situation, investment time horizon and life stage.

Risk capacity considers practical aspects like your income, savings, liabilities and the time frame for achieving your financial goals. For instance, a young professional with a steady income and decades before retirement may have a higher risk capacity than someone nearing retirement who cannot afford significant portfolio losses.

THE IMPORTANCE OF ALIGNING INVESTMENTS

Aligning your investments with risk tolerance and capacity is critical for several reasons. First, it helps ensure that you do not take on more risk than you can handle emotionally or financially. Second, it prevents you from being overly conservative, which might hinder your ability to grow your wealth sufficiently to meet your financial goals.

PRACTICAL TIPS FOR ASSESSING RISK TOLERANCE AND CAPACITY

Self-assessment: Reflect on your past reactions to financial losses. How did you feel and respond? Consider your long-term financial goals and how much volatility you will endure to achieve them.

Financial review: Evaluate your current financial situation, including your income, savings, debts and future financial needs. Determine how much loss you can afford without jeopardising your financial security.



Time horizon: Assess the time you have to invest. Longer time horizons generally allow for taking on more risk, as there is more time to recover from potential losses.

Risk tolerance questionnaire: We can help assess your risk tolerance and provide insights into your comfort level with different types of investments.

CHOOSING INVESTMENTS

Once you understand your risk tolerance and capacity, we can advise on the appropriate investments that align with these factors.

HERE ARE SOME OPTIONS:

For high-risk tolerance and capacity: Equities, growth stocks and exchange-traded funds (ETFs). These investments offer higher potential returns but come with increased volatility.

For moderate risk tolerance and capacity: Balanced portfolios with a mix of stocks and bonds can provide a good balance of growth and stability.

For low-risk tolerance and capacity: Conservative investments such as government bonds, blue-chip stocks and high-quality fixed-income securities. These options offer lower returns but are less volatile.

ALIGNING INVESTMENTS WITH RISK TOLERANCE AND CAPACITY

It's essential to align your investments with both your risk tolerance and risk capacity. Failing to do so may result in taking on more risk than you can afford or being overly cautious, causing your savings to grow too slowly. Both scenarios could hinder your ability to reach your financial goals. Understanding your unique approach to risk and how it impacts you is vital.

Additionally, aligning your investments with your risk tolerance and capacity is essential for achieving your financial goals while maintaining peace of mind. By assessing these factors and choosing appropriate investments, you can more effectively navigate the complexities of the financial markets. ◀

READY TO TAKE CONTROL OF YOUR FINANCIAL FUTURE?

We'll listen to your plans and goals and create an investment strategy tailored to your unique risk profile and financial situation. To discuss your investment requirements – please get in touch with us.



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THE VALUE OF YOUR INVESTMENTS CAN GO DOWN AS WELL AS UP, AND YOU MAY GET BACK LESS THAN YOU INVESTED.

THE TAX TREATMENT IS DEPENDENT ON INDIVIDUAL CIRCUMSTANCES AND MAY BE SUBJECT TO CHANGE IN FUTURE.

THE GREAT UNRETIREMENT

CONTEMPLATING A RETURN TO WORK AFTER A SIGNIFICANT ABSENCE OR CONSIDERING A PHASED RETURN?

In what some call ‘The Great Unretirement’, many retirees are re-entering the workforce. The reasons for this trend are as varied as the individuals themselves, but the rising cost of living has driven many to seek ways to bolster their financial security.

If you’re contemplating a return to work after a significant absence or considering a phased return, there are several factors to consider. Here, we will explore how ‘unretirement’ could impact your finances, including effects on your State Pension and workplace pensions, as well as potential tax implications.

WHAT RETURNING TO WORK COULD MEAN FOR YOUR PENSION

Unretiring can be an exciting prospect. Beyond financial considerations, returning to work can offer benefits such as mental stimulation and social interaction. Many individuals contemplating a phased approach to retirement express a desire to keep their minds active and connect to working life.

If you have already started drawing benefits from a workplace pension or the State Pension before returning to employment, there may be specific implications you need to consider.

STATE PENSION CONSIDERATIONS

WHAT HAPPENS TO MY STATE PENSION IF I GO BACK TO WORK?

If you’ve reached the State Pension age, you should be able to continue claiming it even if

you return to work. Conversely, if you haven’t yet reached State Pension age, working and paying National Insurance Contributions (NICs) could increase the amount of State Pension you receive. The State Pension age is 66, rising to 67 by 2028.

To claim any State Pension, you need at least ten qualifying years of NICs and 35 qualifying years to claim the full new State Pension^[1]. A qualifying year is a tax year in which you have paid or been credited with enough NICs to count toward your State Pension. If you don’t yet have 35 qualifying years, working longer could boost this, thereby increasing the amount of State Pension you receive.

CAN I DEFER MY STATE PENSION IF I GO BACK TO WORK?

If you’ve previously claimed your State Pension, you can stop claiming and defer future payments. However, you can only do this once, and you must typically reside in the UK. The State Pension is not given automatically upon reaching the State Pension age; you must claim it.

The government will send you a letter at least two months before you reach State Pension age with details on how to claim. If you wish to defer your pension and haven’t yet claimed it, it will be

deferred automatically until you take action. The government provides useful information on how deferring affects your State Pension, available on their website.

WORKPLACE PENSION IMPLICATIONS

WILL I GET A NEW WORKPLACE PENSION IF I GO BACK TO WORK?

For those under the State Pension age, if you return to employment and earn more than £10,000 a year, you should be automatically enrolled in a workplace pension scheme. You’ll contribute to your pension, as will your employer, and may benefit from government tax relief, which varies based on individual circumstances.

PEOPLE OVER THE STATE PENSION AGE

If you’re over State Pension age and return to work, you won’t be automatically enrolled in a workplace pension scheme. Nevertheless, you can opt in up to the age of 74, subject to your earnings^[2]. You won’t get tax relief on pension contributions once you’re over 75, although employer contributions might still apply if they choose to do so.

RETURNING TO A PREVIOUS EMPLOYER

If you return to a former employer where you had previously contributed to a pension, you might be able to resume contributions to the same pension pot. However, there’s a chance you may need to start a new pot as if you were



a new employee. It's advisable to check with your employer regarding their policies for returning employees.

POTENTIAL LOSS OF BENEFITS

Returning to work might affect certain pension benefits, such as a protected pension age. This is when the age at which you can take benefits from your pension is fixed or 'protected', even if it's lower than the Normal Minimum Pension Age (NMPA), currently 55 but rising to 57 in April 2028^[3].

SAVING AND WITHDRAWING FROM EXISTING PENSIONS

CAN I KEEP SAVING INTO OR WITHDRAWING FROM MY EXISTING PENSIONS IF I UNRETIRE?

If you return to work after retirement, you should be able to contribute to a workplace pension up to age 75. Your Annual Allowance permits a total contribution (employer and employee) of £60,000 per year across all pension plans before attracting an Annual Allowance charge^[4]. As well as the annual allowance limit, your own tax-relievable contributions are limited to 100% of your annual earnings.

If you've already started withdrawing from your pension pots, you may have triggered the Money Purchase Annual Allowance (MPAA), reducing your Annual Allowance to £10,000 each tax year. Only income from a defined contribution (DC) pension affects the MPAA; income from a defined benefit (DB) pension does not trigger it. If you maximise the £10,000 into your DC pension, you can still accrue a pension input amount of up to £50,000 pa in your DB pension before incurring a charge, known as the Alternative Annual Allowance (plus any carry forward that you have available).

TRACKING DOWN LOST PENSIONS

It's estimated that over £26.6 billion is sitting in lost and forgotten pension pots, with each pot in the 55 to 74-year-old age group averaging £16,000^[5]. Before returning to work, consider tracking down any old pensions you may have. Uncovering these can provide a clearer picture of your financial situation and might influence your decision to unretire. You can search for lost pensions through the government's Pensions Tracing Service.

TAX IMPLICATIONS

WHAT UNRETIRING MEANS FOR TAX

If you've reached State Pension age, you'll continue to pay Income Tax but will not pay NICs on your earnings. An exception is if you're self-employed and pay Class 4 NICs, which stop at the end of the tax year in which you reach State Pension age. Not paying NICs could offer a significant financial incentive to return to work if you're above this age threshold.

Your age does not affect whether you pay Income Tax; you'll continue to pay it if your taxable income, including any private and State Pension income, exceeds your tax-free allowance. The annual standard Personal Allowance is £12,570 for the 2024/25 tax year. NICs must continue following tax rules for those below the State Pension age and returning to work. ◀

LOOKING TO DISCUSS MAKING THE BEST FINANCIAL DECISIONS FOR YOUR FUTURE?

Please contact us if you require further information or have any questions regarding returning to work after retirement. We are here to help guide you through this transitional phase and ensure you make the best financial decisions for your future.

Source data:

- [1] *The new State Pension*. Data source, accessed February 2024.
- [2] *Automatic enrolment if you're above State Pension age*. Data source, MoneyHelper, accessed February 2024.
- [3] *Increasing Normal Minimum Pension Age*. Data source, GOV.UK, 4 November 2021.
- [4] *Tax on your private pension contributions*. Data source, GOV.UK, accessed February 2024.
- [5] *Lost pensions 2022: what's the scale and impact?* Data source, Pensions Policy Institute, October 2022.

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A PENSION IS A LONG-TERM INVESTMENT NOT NORMALLY ACCESSIBLE UNTIL AGE 55 (57 FROM APRIL 2028 UNLESS THE PLAN HAS A PROTECTED PENSION AGE).

THE VALUE OF YOUR INVESTMENTS (AND ANY INCOME FROM THEM) CAN GO DOWN AS WELL AS UP, WHICH WOULD HAVE AN IMPACT ON THE LEVEL OF PENSION BENEFITS AVAILABLE.

YOUR PENSION INCOME COULD ALSO BE AFFECTED BY THE INTEREST RATES AT THE TIME YOU TAKE YOUR BENEFITS.

SANDWICH GENERATION

TWO-THIRDS OF PEOPLE IN THE UK WILL CARE FOR A LOVED ONE AT SOME POINT

With life expectancy rising and more people starting families later, around 1.3 million individuals in England and Wales now have caring responsibilities for older and younger dependents. If this sounds familiar, you're likely part of the 'sandwich generation'^[1].

Commonly aged between 45 and 54, the sandwich generation often provides financial assistance and physical care for their parents while also looking after their children. Increasingly, this includes young adults still living at home and needing financial support to kickstart their futures. These additional responsibilities can be costly and reduce your ability to take on paid work, making saving time harder.

A UNIQUE FINANCIAL LANDSCAPE

If you're part of the sandwich generation, your financial planning might look different from older generations, who, at your age, likely had fewer expenses and more to save for retirement. However, you're not alone. It's estimated that two-thirds of people in the UK will care for a loved one at some point, and half will provide care before they turn age 50^[2].

Here are some considerations to help you become financially resilient when you're taking care of yourself and others too.

JOINT FINANCIAL PLANNING

We all have unique situations – no one-size-fits-all approach to financial planning exists. Whatever your financial situation, being transparent with your spouse, partner, family or

support unit can help. Talking about your plans – and backup plans – could help you and your loved ones make the future you want a reality.

If you manage finances collectively, ensure your planning considers all the current and future circumstances that could impact your family's income. This might include speaking with working adult children or extended family living at home to help them understand how they fit into your family's wider financial goals.

THINK LONG-TERM

Thinking ahead can help you plan how to support your loved ones best when they need it most. Try writing a list of things you might want to save for or need to prepare for, like parents going into care, university fees or housing costs for your children, and goals for your future.

While some people in the sandwich generation might have to consider working for longer or retiring later, it's essential to think about the lifestyle you want when you stop working. Ask yourself what actions your 80-year-old self would be grateful for you taking now.

MOTIVATION FOR THE FUTURE

A clear, long-term vision can motivate you to take positive and responsible steps for the

future. Financial wellbeing research has shown that those with a more concrete vision of their future had less debt and better emergency and long-term savings. Utilising tools to help you picture what your life could look like and tips to help you get there can be beneficial.

REVIEW YOUR BUDGET

With many things to save for, prioritising is key. You could set mini targets to reach by certain points in time for different needs – these should be realistic regarding your budget. Consider your income and how much you can afford to save each month.

It might help to create different 'pots' for specific purposes or people, ranging from your own retirement, to funding further education, care, housing deposits, weddings and more. You should also consider building an emergency fund for unexpected scenarios, like losing your job or a boiler breakdown. But it's also important to factor in money for things you enjoy.

PROFESSIONAL FINANCIAL ADVICE

Obtaining professional financial advice could help you understand how to balance your competing financial priorities. An adviser can provide tailored recommendations to help you achieve your financial goals while managing responsibilities.

ENTITLEMENT AWARENESS

Don't miss out on any discounts or benefits. For example, households with children might be



eligible for Child Benefit or free childcare hours, depending on your circumstances. If you're providing care for any relatives or loved ones, government help such as Carer's Allowance and Carer's Credit might be available.

You're entitled to one week of unpaid carer's leave in the workplace every 12 months, subject to conditions^[3]. In this scenario, you should check your employment contract in case your work offers any additional benefits or leave. Some employers also offer discounts and deals through voucher schemes, which might mean spending less on groceries or luxury items.

NATIONAL INSURANCE CREDITS

If your parents can still carry out babysitting duties, you might be able to pass over National Insurance credits to them to help boost their State Pension. Understanding the benefits available can help you maximise financial support for your family.

SMART DEBT MANAGEMENT

Debt isn't to be taken lightly, but it's not always bad. Taking on a mortgage, for example, can give your family the stability of a place to grow and spend time together. However, be careful with what kind of debt you're taking on. If you're

struggling with debt or loan repayments, many sources of help are available.

SELF-CARE IS CRUCIAL

Currently, around 8% of the UK population is providing informal care^[4]. If you're one of them, remember to think about your own future, too. People in mid-life who have caring responsibilities are more likely to reduce the amount of paid work they do so that they can provide care. This is also more common among women than men.

Reducing your paid work might, in turn, reduce the amount you have in any workplace pension. It could also lessen your National Insurance contributions which influence your State Pension. Obtaining professional advice before reducing your paid work could help you see the bigger picture and still save for your future while supporting your loved ones.

Looking after loved ones can be challenging but rewarding. Encourage your family to come together to be a source of support and motivation for each other. Remember to take care of yourself while caring for others. Taking steps to strengthen your family's financial wellbeing can also help build resilience in your own mental wellbeing. ◀

WILL YOU SECURE A STABLE FINANCIAL FUTURE FOR YOURSELF AND YOUR LOVED ONES?

Please contact us if you need further assistance or detailed information on financial planning while managing caring responsibilities. We are here to help you with these challenges and secure a stable financial future for you and your loved ones.

Source data:

[1] More than one in four sandwich carers report symptoms of mental ill-health. Data source, Office for National Statistics, January 2019, accessed May 2024.

[2] Will I Care: The Likelihood of Being a Carer in Adult Life. Data source, Carers UK, November 2019.

[3] Unpaid carer's leave. Data source, GOV.UK, accessed May 2024.

[4] Family resource survey: financial year 2022 to 2023. Data source, GOV.UK, updated March 2024.

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TAKE YOUR PENSION TO THE MAX

DO YOU HAVE POTENTIAL SHORTFALLS AND NEED TO ADDRESS THESE GAPS?

Throughout your working life, keeping track of your pension is crucial to ensure you save sufficiently for the future. Reviewing your pension can help you identify any potential shortfalls and, if necessary, increase your contributions to address these gaps.

First and foremost, let's explore how your pension operates. When you contribute to a personal or defined contribution workplace pension, your payments are invested in various investment funds. As you continue to contribute, your pension pot should grow. However, it's important to remember that the value of investments can fall as well as rise and is not guaranteed.

Your contributions will generally benefit from tax relief, although how this works depends on your circumstances and the scheme you contribute to. The value of any tax benefit is also contingent on your situation. If you're paying into a workplace pension, your employer will also contribute.

ACCESSING YOUR PENSION POT

You can access your pension pot starting at age 55, though this age will increase to 57 in April 2028. Exceptions apply, for instance, in cases of ill health^[1]. It's important to remember that the age at which you can access your State Pension is higher compared to personal or workplace pensions.

WHY CONSIDER INCREASING YOUR CONTRIBUTIONS?

Increasing your pension contributions could significantly boost your savings, potentially enhancing your standard of living in retirement. The Pension and Lifetime Savings Association suggests

that a single-person household outside of London needs £31,302.40 a year for a moderate retirement lifestyle^[2]. This comprises the full State Pension of £11,502.40 a year for the 2024/25 tax year plus £19,800 a year from personal pension savings.

GETTING BACK ON TRACK

If you've realised that your savings are not on track and can afford to do so, increasing your contributions will potentially give you more time to get back on course. Remember, contributing to a pension can be tax-efficient as well. In a workplace pension, some employers might offer enhanced contributions you can use. We'll delve deeper into this later.

IS INCREASING CONTRIBUTIONS RIGHT FOR YOU?

Deciding whether to increase your pension contributions is a personal decision that hinges on your circumstances. Consider your other financial priorities, such as paying off debts, a mortgage or building an emergency fund. Once you've reviewed your outgoings and anticipated future expenses, you'll have a clearer idea of whether increasing your pension contributions is feasible.

WAYS TO BOOST YOUR PENSION CONTRIBUTIONS

We can advise how to increase your pension contributions by updating your online pension

account or speaking to your employer or pension provider.

HERE ARE SOME STEPS TO CONSIDER:

MAKE THE MOST OF EMPLOYER CONTRIBUTIONS

In some workplace pension schemes, employers will increase their contribution to your pension pot when you do. They may even match your contributions up to a certain amount. If this is an option for you, it could be an easy way to augment your pension pot with minimal extra effort from you.

CONSIDER SALARY SACRIFICE

Check whether your employer offers 'salary sacrifice'. Instead of making personal contributions directly, your gross salary is reduced ('sacrificed') and, in return, your employer increases their pension contribution by at least the same amount. You don't pay Income Tax or National Insurance contributions (NICs) on the sacrificed amount.

Depending on the structure of the salary sacrifice arrangement, your employer's pension contribution could be increased by some or all of the savings in NICs. It's a complex subject, but your employer can explain how it works for you if offered.

IF YOU FINISH PAYING OFF A PURCHASE

If you've been comfortably making regular repayments on a loan, car or holiday, consider redirecting that money into your pension once

the repayments are complete. If you're not missing the extra income in your bank account, it might be easy to save more without noticing.

PAY IN LUMP SUMS

If you come into extra money, such as from a bonus, gift or inheritance, consider investing some or all of it into your pension pot. If the lump sum is substantial, remember the Annual Allowance, which is the total amount that can be paid into your pension each tax year without suffering a tax charge. The current Annual Allowance is £60,000 (2024/25). However, 'carry forward' rules may allow you to pay more before being taxed. Your own tax-relievable contributions can't exceed 100% of your annual earnings.

GENERATE ADDITIONAL INCOME

If you need to boost your retirement savings, consider generating additional income through side hustles or converting your skills into earnings. Ensure you check your employment contract to avoid

breaching any regulations that could impact your main job.

Now that you've explored ways to increase your pension contributions and why you might consider doing so, setting goals to help you save towards the retirement you envision could be a wise next step. ◀

READY TO DISCUSS SECURING THE FUTURE YOU DESERVE?

If you require further information or personalised advice, please contact us. We are here to help you secure the future you deserve.

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Source data:

[1] *When can I take money from my pension?* Data source, MoneyHelper. Accessed February 2024.

[2] *Retirement Living Standards.* Data source, Pension and Lifetime Savings Association. Accessed February 2024.

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A PENSION IS A LONG-TERM INVESTMENT NOT NORMALLY ACCESSIBLE UNTIL AGE 55 (57 FROM APRIL 2028 UNLESS THE PLAN HAS A PROTECTED PENSION AGE).

THE VALUE OF YOUR INVESTMENTS (AND ANY INCOME FROM THEM) CAN GO DOWN AS WELL AS UP, WHICH WOULD HAVE AN IMPACT ON THE LEVEL OF PENSION BENEFITS AVAILABLE.

YOUR PENSION INCOME COULD ALSO BE AFFECTED BY THE INTEREST RATES AT THE TIME YOU TAKE YOUR BENEFITS.



EMPOWERED SAVERS

HOW TO MAKE FUTURE ASPIRATIONS MORE ATTAINABLE AND LESS STRESSFUL

Saving can bring you a level of financial freedom that transforms your life. By putting money away regularly, you create a financial cushion that can support you through emergencies, help you achieve significant milestones or provide peace of mind.

A dedicated savings pot can be the foundation for achieving your dreams, whether buying a home, embarking on a dream holiday or ensuring a comfortable retirement. Saving empowers you to take control of your finances, making future aspirations more attainable and less stressful.

However, to truly harness the power of saving, it is essential to set clear money goals and develop a plan to stay on track. Setting specific, realistic goals provides direction and motivation, turning abstract aspirations into achievable targets. This involves defining what you are saving for, how much you need to save and establishing a timeline to reach your objectives.

HOW TO SET YOUR GOALS

First things first, think about what saving goals you're aiming for. Here are a few considerations. Write down your goals. Physically writing out what you want to achieve can help you see the bigger picture of your aspirations and make it feel more real. Are you saving for your family, retirement, holidays, a house, an emergency fund or a car? Remember to keep in mind what brings you joy and purpose, too.

MAKE YOUR GOALS SPECIFIC AND REALISTIC

General statements like 'I want to save more' or 'I need to spend less' are too vague to stick to. They make it too easy to create many 'exceptions' that knock you off track. Setting specific goals could help you work towards achieving a clear, fixed target. For example, 'I want to save £6,000 in the next six months' or 'I want to halve how much I spend on takeaways

for the rest of the year.' It's also important to ensure your goals are realistic and achievable – setting goals that you're unlikely to reach because they are too ambitious could be disheartening and demotivating.

SPLIT YOUR GOALS INTO SHORT AND LONG-TERM

A short-term saving goal could be building up a rainy-day fund to pay your bills if you lose your job. A longer-term goal may be saving up a deposit for a house or reviewing your monthly pension contributions, depending on when you want to retire. You don't have to wait to complete your short-term goals before starting your longer-term ones. Think about how your goals would fit in with living a longer, multi-stage life.

TALKING ABOUT LONG-TERM GOALS

As we start to live longer, saving for your later years might be something you want to give serious thought to. For example, are your retirement savings right for you, and what lifestyle do you have in mind after work? Or do you need to put some money aside for healthcare? The dynamics of how we live are changing, too. We're moving away from the traditional three-stage 'education, employment, retirement' model to living more varied and flexible multi-stage lives. Our age no longer defines life's stages but rather our decisions about how to spend our time. You might choose to attend university in your 40s or decide not to retire.

WHAT TO DO IF YOU HAVE TOO MANY GOALS

Sometimes, setting too many goals can be overwhelming and hinder your progress. If you

have a long list of goals and need help to meet them right now, you could add these to your long-term plan. You might decide to start saving for something in a few years rather than right now. It all depends on what's most important to you and the money goals you'd like to achieve first.

HOW TO MEET YOUR GOALS

So you've written down your money goals, but how do you achieve them? Begin with the end in mind. Planning is important to stay on track. Work back from there once you've chosen the financial goals you want to achieve. Decide where you want to be financially, set a future date and track back to where you are today. Setting milestones along the way might help, especially for those long-term goals.

CONSIDER WHICH GOALS YOU NEED TO ACHIEVE FIRST

You might have many money goals, but some need your attention first. It's essential to recognise those and separate out what's important from what's urgent. Debts can often be a pressing money issue and are something to stay on top of. Understanding how much you need to save each month is crucial. As mentioned, you want to make sure your goals are achievable. So, think about when you want to achieve your goal and how much money you'll need to save each month to meet it.

CHOOSE WHERE YOU'RE GOING TO SAVE YOUR MONEY

It's a good idea to consider where you'll put your savings. There are a range of different savings accounts – so research which ones are best suited to your needs and goals. If you're considering investing, bear in mind that the value of an investment can fall as well as rise and isn't guaranteed. You could get

back less than you invest. We can help you review your options.

STAYING ON TRACK TO ACHIEVE YOUR GOALS

Now you've started saving towards your money goals, here are some things to consider to help you stay on track. Be proactive. Getting started is just the beginning; it's important to stay on top of your goals and the milestones you've set. Not only will this help you achieve them, but it could also prevent bigger problems from building up. To help you stay on track, you could consider setting up a standing order so the money is automatically allocated to your savings pot. And if it helps, mark off a countdown on your calendar to keep you motivated as you get closer to your goal.

REVIEW YOUR GOALS

Things change, and so can your goals. As we start to live longer multi-stage lives, you might find that you need to adapt what you're saving for or working towards due to a change in your circumstances. Like reviewing your budget, you might find checking in on your goals mid-way through the year useful.

BE CAUTIOUS

Achieving your money goals can require patience. Being realistic about how long reaching each milestone might take is a crucial part of meeting your targets – and there are times when you might want to give up. Whatever your money goals, the first step is to start. Whether it's starting small, make sure your targets are achievable based on how much you can afford each week or month. ◀

DO YOU WANT TO DISCUSS SETTING AND ACHIEVING YOUR FINANCIAL GOALS?

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If you require further information or assistance with setting and achieving your financial goals, please do not hesitate to contact us. We are here to guide you every step of the way.

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SHAPING A SUSTAINABLE FUTURE

THE IMPERATIVE OF COLLECTIVE ACTION AND RESPONSIBLE INVESTMENT

What we do collectively this decade – including how we invest – could mark the difference between starkly different futures. Our actions now will determine whether we face a future plagued by environmental degradation or one where we have successfully mitigated some of the most pressing ecological concerns.

The urgency of addressing climate change cannot be overstated, but it is not our only challenge. We must also confront the rapid loss of biodiversity, which threatens the natural balance of ecosystems, and the pervasive problem of plastic pollution that chokes our waterways and oceans.

INTEGRATING SUSTAINABLE PRACTICES INTO OUR DAILY LIVES

Sustainability is not merely a ‘nice to do’ but an indispensable necessity. Integrating sustainable practices into our daily lives and investment decisions is crucial for creating a liveable future. By prioritising sustainability, we help preserve the environment and foster a society that values long-term wellbeing over short-term gains.

This shift in mindset is essential for addressing the complex and interconnected issues we face. Investing in sustainable solutions and companies that adhere to ethical practices can drive positive change, ensuring that our economic activities support the planet rather than deplete it.

PUTTING SUSTAINABILITY AT THE HEART OF YOUR DECISIONS

Our everyday choices are guided by our values and beliefs, whether consciously or not. For

example, we’re likely to think twice about buying clothes from a fast-fashion retailer that has been found to exploit its workforce. We rarely know the full story behind the products we buy, but when unethical and unsustainable practices come to light—and they increasingly do—our moral compass kicks in.

UNDERSTANDING RESPONSIBLE INVESTING

Many terms are used, but responsible investing – or you may know it as sustainable or ESG (Environmental, Social and Governance) investing – is about taking this ‘full story’ into account. It’s essentially asking a wider range of questions about how wisely a company is managed and whether it is acting in harmony with the kind of world we want to live in. This may seem like common sense, but it wasn’t long ago that ESG factors tended to be overlooked compared to financial information, such as a company’s profits and cash flows.

THE EVOLVING LANDSCAPE OF ESG FACTORS

But fund managers, regulators and investors are now aware that these factors are just as important in assessing a company’s likely future health. Our investment choices can drive change, influencing how businesses operate

and their impact on the world. Aligning personal values with investments can lead to more ethical and sustainable outcomes, benefiting society and the environment.

ALIGNING YOUR PERSONAL VALUES WITH YOUR INVESTMENTS

Your pension is not just a pot of money you and your employer add to over time. Through our retirement savings, we’re all likely to be shareholders in (and lenders to) companies worldwide. We can choose what types of funds we invest in, and as shareholders, we can influence how companies are managed through the providers and fund managers who look after our pension savings.

THE CONCEPT OF STEWARDSHIP

This is often referred to as ‘stewardship’ and can be practised by any fund, whether it has a sustainability label or not. Some funds go a step further and explicitly target positive environmental and social impacts alongside financial returns. These investments aim not only to generate profits but also to benefit society and the environment.

QUESTIONS TO CONSIDER WHEN REVIEWING YOUR INVESTMENTS

Most pension savers are invested in a scheme default fund – the fund that is automatically selected for you if you don’t make an active choice yourself. Increasingly, default funds consider ESG factors, but they may do this differently. For example, they may exclude

certain types of companies from investment – such as those involved in tobacco production, controversial weapons or thermal coal extraction.

EVALUATING YOUR PENSION FUND

They may also increase or decrease the weighting (the percentage invested) in companies based on a specific factor, such as carbon emissions or ESG scores. A small amount of research – simply logging into your pension account and looking at the factsheets for the funds you're invested in – will help you understand whether they align with your values and preferences.

INVESTING YOUR MONEY IN A MORE PURPOSEFUL WAY FOR SOCIETAL GOOD

It's about asking questions: What is my pension fund doing to include sustainability considerations? Are the underlying investments in my portfolio aligned with my values? If they're not, is my fund manager voting and engaging to nudge misaligned companies in the right direction? Or are there more suitable funds for me?

MAKING A DIFFERENCE FOR THE BENEFIT OF PEOPLE AND THE PLANET

We're all looking for ways to help make a difference for the benefit of people and the planet. While taking the more obvious actions such as recycling and taking public transport is important, ensuring that our pensions are invested sustainably and aligned with our personal values could also positively influence our world. Navigating different responsible investment approaches and funds isn't easy, so obtaining professional financial advice is important to discuss which investments are right for you. ◀

WANT TO ALIGN YOUR INVESTMENTS WITH YOUR VALUES?

Please contact us for further information on aligning your investments with your values. We're here to help you make informed decisions for a sustainable future. We look forward to hearing from you.

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THE VALUE OF YOUR INVESTMENTS CAN GO DOWN AS WELL AS UP, AND YOU MAY GET BACK LESS THAN YOU INVESTED.

THE TAX TREATMENT IS DEPENDENT ON INDIVIDUAL CIRCUMSTANCES AND MAY BE SUBJECT TO CHANGE IN FUTURE.



NEW STUDY UNCOVERS FINANCIAL VULNERABILITY IN FIVE MILLION UK HOUSEHOLDS

DELAYED LIFE MILESTONES AND LACK OF PLANNING POSE SIGNIFICANT RISKS

New research has revealed that five million childless households in the UK currently lack life insurance, pensions or savings^[1]. This alarming statistic underscores a broader shift in how families are structured and how financial priorities are set across the nation.

Traditionally, significant life events such as marriage, parenthood and homeownership have catalysed individuals to take serious steps in securing their financial futures.

However, with many now opting to delay these milestones, the conventional triggers for financial planning are also being postponed. This delay is having tangible consequences on the overall financial wellbeing of these households, making them more vulnerable to unexpected financial hardships.

KEY FINANCIAL SAFEGUARDS

The evolving dynamics of family life are causing a paradigm shift in financial engagement. For instance, it's becoming increasingly common for individuals to prioritise career advancement or personal freedom over settling down early. While this shift allows for greater personal and professional development, it also means that key financial safeguards such as life insurance and pension plans are often not put in place until much later in life, if at all. This lack of early financial planning leaves many without a safety net, as the research shows.

The delay in securing financial products that were once considered essential is not just a personal risk but a societal one, potentially leading to a generation ill-prepared for future financial challenges.

DELAYS IN KEY LIFE MILESTONES

An estimated 6.5 million UK adults (12%) postpone important financial decisions until they marry, have children or buy a home. However, societal changes mean these milestones are increasingly delayed. The research identified that official records show that the average age for having a first child is now

32, the highest it has ever been. Similarly, the average age for first-time homebuyers has risen to 34, the highest in decades.

People in the UK are also marrying later in life. Women now typically get married at 33 and men at 35, up from averages of 29 and 32 in the year 2000. This trend poses potential risks to financial resilience.

FINANCIAL RESILIENCE AT RISK

Delaying key life milestones often means postponing serious financial planning. Two out of five UK adults who have not started a family (21%) cite this as a reason for delaying crucial financial decisions. This includes taking out protection insurance (22%), starting a pension (23%) and contributing to savings (18%).

A significant portion of the population is delaying these decisions until marriage (11%) or homeownership (17%). Consequently, financial engagement among UK adults is declining, with 35.7 million adults not regularly checking their finances.

IMPACT ON FINANCIAL WELLBEING

The lack of engagement has serious ramifications. Without protection insurance, millions of families are left without a safety net. Recent data indicates that half of all critical illness claims occur before age 50, highlighting the importance of early financial planning. Additionally, delaying pension contributions is setting millions of young people toward a retirement shortfall of more than £25,000 annually by the 2060s^[2].

People are now waiting until midlife to focus on their finances, with the average UK adult only engaging with their financial

planning at age 48. This delay increases the risk of missing significant insurance, savings and investment opportunities.

THE RISKS OF WAITING

Delaying financial engagement until traditional life milestones like marriage and parenthood can lead to missed opportunities. Five million childless households currently lack essential financial products, and this delay in financial planning is already being felt across the UK.

The reluctance to save contributes to 30% of UK adults having no savings or investments or less than £1,000 set aside for emergencies^[3]. By starting financial planning earlier, individuals can build a stronger financial foundation and be better equipped to handle life's uncertainties. ◀

TIME TO SECURE YOUR FINANCIAL FUTURE?

If you need further information or guidance on managing your financial planning effectively, we'll explain how to secure the financial future you deserve. Contact us for expert guidance and support.

Source data:

[1] Mustard research consisting of a nationally representative survey of 2,000 UK adults conducted in January 2024.

[2] Analysis conducted by Legal & General based on Opinium Research conducted amongst 2,000 online interviews of people aged 22-32 in August 2023. Income based on Legal & General annuities.

[3] <https://www.fca.org.uk/publication/financial-lives/financial-lives-survey-2022-key-findings.pdf>

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HAVE YOU SECURED YOUR LEGACY?

THE VITAL ROLE OF WILLS IN ESTATE PLANNING

Legacy planning holds different meanings for different individuals. For some, it is about ensuring their loved ones are financially secure; for others, it involves safeguarding cherished possessions or supporting charitable causes. Central to this process is drafting a Will, a pivotal legal document that allows you to dictate the distribution of your money, property and possessions after your death.

This document clearly states your wishes, ensuring your assets are allocated precisely as you intend. Without a Will, you lose this control and are considered to have died 'intestate'. Consequently, intestacy laws come into play, determining how your legacy is distributed. These rules are far from straightforward and vary significantly based on factors such as your location, relationship status and family structure.

The complexity of intestacy laws can lead to unintended consequences, such as estranged relatives inheriting your estate or loved ones being left without adequate support. The absence of a Will complicates the distribution process and can create emotional and financial strain for your family. By having a valid Will, you provide peace of mind, knowing that your wishes will be respected and potential disputes or challenges will be minimised.

LASTING POWER OF ATTORNEY EXPLAINED

Equally important in legacy planning is the concept of a Lasting Power of Attorney (LPA). This legal document permits you, the 'donor', to appoint one or more individuals, known as 'attorneys', to make decisions on your behalf or assist you in doing so. There are two primary types of LPA: Health and Welfare, and Property and Financial Affairs.

IMPORTANCE OF HEALTH AND WELFARE LPA

The Health and Welfare LPA ensures that your chosen attorneys can make decisions regarding your medical care and life-sustaining treatment when you are incapacitated. This document becomes effective only when you lose mental capacity, allowing your attorneys to act in accordance with your expressed wishes.

PROPERTY AND FINANCIAL AFFAIRS LPA

On the other hand, the Property and Financial Affairs LPA allows your attorneys to manage your financial matters, including paying bills, managing your bank accounts and handling property transactions. This type of LPA can be activated as soon as it is registered, provided you grant permission or upon losing your mental capacity.

AVOIDING POTENTIAL FINANCIAL PITFALLS

From a financial planning perspective, neglecting to establish an LPA can lead to significant issues. Without an LPA, your loved ones may need to apply to the Court of Protection for the right to act on your behalf, a time-consuming and costly process. This can be particularly problematic if the finances are solely in the name of the incapacitated individual, leaving their spouse or partner without legal access to necessary funds.

REGISTERING YOUR LPA

Once drafted, LPAs must be registered with the Office of the Public Guardian (OPG). This registration is crucial for the documents to become legally effective and ensures that your chosen attorneys can act on your behalf when necessary.

HOLISTIC FINANCIAL PLANNING

We can help you identify these potential pitfalls and plan accordingly. By incorporating LPAs into your financial strategy, you can avoid the complications that arise from an unexpected loss of capacity, ensuring that your financial matters are handled smoothly and in line with your wishes. ◀

READY TO SECURE YOUR FUTURE LEGACY?

Please get in touch with us for further information on drafting a Will or establishing a Lasting Power of Attorney. We'll assist you in every step of your legacy planning process.

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THE FINANCIAL CONDUCT AUTHORITY DOESN'T REGULATE TRUST PLANNING AND MOST FORMS OF INHERITANCE TAX (IHT) PLANNING. SOME IHT PLANNING SOLUTIONS PUT YOUR MONEY AT RISK, AND YOU MAY GET BACK LESS THAN YOU INVESTED. IHT THRESHOLDS DEPEND ON INDIVIDUAL CIRCUMSTANCES AND THE LAW. TAX AND IHT RULES MAY CHANGE IN THE FUTURE.

REDUNDANCY AND YOUR PENSION

UNDERSTANDING YOUR WORKPLACE PENSION OPTIONS TO NAVIGATE YOUR NEXT STEPS CONFIDENTLY

Redundancy can be challenging and stressful, often creating uncertainty about the future.

However, it can also signal the beginning of a positive new chapter in your life. For many, this transition period offers a unique opportunity to reflect on personal and professional goals and consider new directions that might have previously seemed unattainable.

Whether it's the chance to pursue further education, embark on a completely new career path or even start your own business, redundancy can serve as a catalyst for meaningful change and growth. As you navigate this transition, your workplace pension is one of the most crucial aspects to consider. Understanding your pension options is key to making informed decisions that will impact your financial stability in the long term

WHAT HAPPENS TO YOUR PENSION WHEN YOU'RE MADE REDUNDANT?

If you've been made redundant, the workplace pension you have been contributing to remains yours. You won't lose it due to a change in your employment status. However, leaving a job or being made redundant doesn't automatically grant access to your pension immediately.

The standard rules on how and when you can access your retirement savings still apply. This generally includes accessing your pension from age 55 (rising to 57 in 2028) and typically taking up to 25% of your pension pot as a tax-free lump sum.

The next steps depend on the type of pension plan you were paying into while employed. Two primary types of workplace pensions exist: defined contribution (DC) and defined benefit (DB) plans.

If you're unsure which type you have, you can ask your employer or check documents from your pension provider, such as your annual statement.

DEFINED BENEFIT (DB) PENSIONS

If you hold a DB pension, typically found in the public sector, contributions will stop once you leave the job. The value of this pension pot is usually determined by the length of your employment and your salary.

DEFINED CONTRIBUTION (DC) PENSIONS

For those with a DC pension, the primary change is that your employer's contributions will cease. Unlike a DB pension, you may be able to continue making personal contributions.

WHAT CAN YOU DO WITH YOUR WORKPLACE PENSION?

Depending on your circumstances and the type of workplace pension you have, several options are available.

CONTINUING CONTRIBUTIONS

If you have a DC pension, you might be allowed to continue making contributions and benefit from any applicable government tax relief. The value of any tax relief will depend on your individual circumstances. Remember, you won't

receive further employer contributions after leaving your job.

All contributions, whether from personal, employer or third-party sources, count towards your annual allowance, which is £60,000 for the 2024/25 tax year.

CONTRIBUTING YOUR REDUNDANCY PAYMENT TO YOUR PENSION

You may be able to pay a portion of your redundancy payment into your workplace pension, typically applicable to DC pension schemes. This usually requires an agreement with your employer. Note that your redundancy payment might be subject to tax, with the first £30,000 usually being tax-free. Any portion paid into your pension will also count towards your annual allowance.

TRANSFERRING YOUR PENSION

You might consider transferring your pension pot into another workplace or private pension, usually reserved for DC schemes. However, combining pension pots isn't suitable for everyone, as you could lose features, protections or benefits. Always compare products before making a decision, as the value of your combined pension pot can fluctuate.

WITHDRAWING YOUR MONEY

Depending on your pension scheme's rules, you can generally withdraw money from your pension pot if you're aged 55 or over (rising to 57 in 2028). However, withdrawing from your pension requires several factors to be

considered. If you stop working, this might affect your entitlement to the full State Pension if you haven't accumulated enough qualifying years of National Insurance contributions. Also, taking a flexible income from a DC pension while continuing to work may reduce the amount you and your employer can contribute without facing tax charges due to the Money Purchase Annual Allowance (MPAA).

LEAVING YOUR PENSION AS IS

You can opt to leave your pension untouched until your retirement age, ensuring you keep your login details and personal information up-to-date. This helps you maintain track of your savings. Update your details by logging into your pension account or contacting your provider.

TAKE YOUR NEXT STEPS WITH CONFIDENCE

The right option for you depends on various factors, including the type of workplace

pension scheme you have. Pension schemes are legally required to provide specific information about your scheme. Understanding your options can give you a clearer idea of what will happen to your pension if you're made redundant, allowing you to focus more on your future plans. ◀

WANT TO DISCUSS YOUR CURRENT WORKPLACE PENSION OPTIONS?

Whether you decide to advance your career or prepare for retirement, having a clear grasp of what you can and cannot do with your current workplace pension can provide you with the confidence needed to take your next steps. Please get in touch with us for further information or assistance to discuss your pension options.



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SHOULD YOU USE YOUR PENSION LUMP SUM TO PAY OFF YOUR MORTGAGE?

ESSENTIAL KEY CONSIDERATIONS AND POTENTIAL PITFALLS YOU NEED TO KNOW

With interest rates much higher than they've been for many years, using your pension tax-free lump sum to pay off your mortgage might initially seem prudent. Reducing your monthly outgoings can be appealing, particularly if you're approaching retirement and looking to streamline your financial commitments.

This move could potentially free up more disposable income, allowing you to enjoy your retirement with fewer financial burdens. Additionally, the emotional comfort of owning your home outright and eliminating mortgage debt can provide significant peace of mind, making this option worth considering.

FRAUGHT WITH POTENTIAL PITFALLS

However, paying off your mortgage early using your pension lump sum is fraught with potential pitfalls that require much greater evaluation. While the immediate financial relief is tempting, there are complex tax implications and long-term financial consequences to consider. For instance, withdrawing more than the tax-free portion of your pension can result in hefty tax liabilities, which might negate the benefits of reduced mortgage payments.

Moreover, depleting your pension fund early could compromise your retirement income, potentially affecting your quality of life in the future. Given these nuances, assessing your unique circumstances and seeking professional

financial advice is essential to determine the best course of action.

Here are some key points to ponder as you navigate this significant financial decision.

TAX IMPLICATIONS

You can access most workplace and personal pensions from age 55 (or 57 from April 2028) and use the money as you wish. However, while you can withdraw the first 25% as a tax-free lump sum (capped at £268,275 for most people), any additional withdrawals will be taxed at your marginal Income Tax rate.

If your 25% tax-free lump sum doesn't cover your outstanding mortgage, making a taxable withdrawal to pay it off in full probably won't make financial sense as it would trigger a range of additional tax considerations. It's imperative to weigh the tax implications carefully before making any decisions.

INTEREST RATES AND MORTGAGE PAYMENTS

When interest rates are low, you're probably better off leaving your money in your pension.

This is because the potential growth rate in your pension is likely to be higher than your mortgage interest rate. There are some instances where paying off your mortgage might be the better option, so make sure you seek advice on what's right for you.

When interest rates are high, it isn't quite as straightforward. It may still be the case that your pension fund has the potential to grow at a greater rate and benefit you more in the long run than paying off your mortgage early would. It's also worth remembering that most lenders only let you overpay your mortgage by 10% yearly.

EARLY REDEMPTION REPAYMENT CHARGES

If you go over this amount while in a fixed rate deal, you might have to pay an early repayment charge (ERC) of between 1% and 5% of the outstanding balance. Before making any overpayments, make sure you check when your deal is due to end. Planning ahead can help you avoid these potential penalties.

IMPACT ON RETIREMENT INCOME

Taking money out of your pension to pay off your mortgage could have longer-term repercussions. A smaller pension pot will generate less income in retirement, which



means you might be unable to afford the lifestyle you were hoping for or, worse, run out of money. This could far outweigh the short-term benefit of having lower monthly outgoings for a few extra years.

By using cashflow modelling, we can demonstrate how long your money will last in retirement and the impact that paying off your mortgage early would have on this. Withdrawing money from your pension could be especially detrimental during a stock market downturn.

MARKET FLUCTUATIONS

If you sell investments that have fallen in value, you could deplete your pension pot more quickly than you anticipated. By leaving the money invested, your pension will have the opportunity to recover from dips in stock market performance and hopefully go on to

produce a healthy and sustainable retirement income over the long term.

EXPLORING OTHER OPTIONS

If you do want to pay off your mortgage, there are other ways to fund this other than via your pension. Individual Savings Accounts (ISAs), for example, let you withdraw as much money as you wish tax-efficiently. ISAs also form part of your estate for Inheritance Tax purposes, whereas pensions typically do not.

Depleting ISAs before pensions could make sense if you want to leave a tax-efficient financial legacy for your loved ones. In a stock market downturn, however, withdrawing money from cash ISAs and savings accounts could be a better option, as you'll leave your investments untouched and give them the chance to recover in value. ◀

NEED MORE INFORMATION OR WANT TO DISCUSS YOUR SPECIFIC CIRCUMSTANCES?

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Understanding whether it makes sense to pay off your mortgage early is a complex decision that requires careful consideration – and obtaining professional financial advice is essential. We can discuss with you the effects it may have on your long-term finances and plans for retirement. For further information or to discuss your specific circumstances, please contact us.

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THE RETIREMENT GAP

WHY UK RETIREES ARE WORKING SEVEN YEARS LONGER THAN PLANNED

More than half (54%) of UK retirees foresee themselves working beyond their preferred retirement age, extending their careers by an average of seven years, according to a new report⁽¹⁾. This concerning trend highlights a significant gap between the age at which people wish to retire and the financial realities dictated by their pension savings.

The scenario is particularly alarming given that many individuals have diligently planned for retirement yet find their savings insufficient to support their desired lifestyle. The discrepancy between expectation and reality underscores the critical need for robust financial planning and a reevaluation of current pension strategies to ensure that retirees can enjoy the fruits of their labour without undue financial stress.

ABILITY TO AFFORD RETIREMENT

Adding to the gravity of the situation, over a quarter (27%) of those who have laid out retirement plans express scepticism about their ability to afford retirement altogether. This lack of confidence stems from various factors, including the rising cost of living and stagnating wage growth, which erodes the value of pension savings over time.

The financial insecurity future retirees face threatens their quality of life and places additional pressure on state and private pension systems. It is imperative for individuals and policymakers alike to address these challenges through comprehensive financial education, improved pension schemes and supportive public policies aimed at enhancing the financial resilience of the ageing population.

YOUNGER GENERATIONS WANT EARLIER RETIREMENT

A recent report reveals that younger individuals aspire to retire even earlier. Those aged 18-29 wish to retire at 61, although they are willing to work until 64 if necessary. This is four years shy of the age at which they can access their State Pension.

Only a third (34%) of respondents believe they are adequately preparing for retirement, and 38% are not on track to achieve even a

minimum retirement lifestyle, as defined by the Pensions and Lifetime Savings Association. This figure has increased by 3% from last year, equating to an additional 1.2 million people, more than the combined working populations of Liverpool and Birmingham.

IMPACT OF RISING LIVING COSTS

The projected increase in those facing inadequate retirement outcomes is primarily driven by rising living costs, such as a 15% increase in rents, compared to an average wage growth of just 6.2%^[2]. Survey participants also highlighted the reliance on the State Pension, with just over half (54%) expecting it to form a significant portion of their retirement income.

Three-quarters (75%) deem the State Pension crucial for covering everyday necessities. However, 12% of respondents doubt that this level of support will be available by the time they retire.

GROWING GAP IN RETIREMENT OUTCOMES

The widening gap in retirement outcomes and the quality of later life between current retirees and future retirees is concerning. People are considering how their private pension pots might work in conjunction with their State Pension Entitlement to plan their retirement.

Despite this, reliance on the State Pension remains strong. While some individuals will use their private pension to gain the retirement flexibility they seek, many realise they might have to work much longer than anticipated.

CALL FOR GOVERNMENT ACTION

Britain is far from achieving sufficient savings to provide future pensioners with their desired

outcomes. In the meantime, it is crucial to help people maximise their existing resources. This is an opportune moment for the new government to adopt a comprehensive approach to financial resilience throughout people's lives, particularly focusing on those predicted to have lower retirement outcomes. ◀

READY TO TAKE CONTROL OF YOUR RETIREMENT PLANNING NOW AND SECURE A BRIGHTER TOMORROW?



Planning for a secure and fulfilling retirement is more important than ever. If you need further information or personalised guidance on best preparing for your future, please contact us today. We'll help you make informed decisions and ensure your financial peace of mind. Don't delay - take control of your retirement planning now and secure a brighter tomorrow.

Source data:

^[1] The research was conducted online by YouGov on across a total 5,072 nationally representative adults aged 18+ in the UK between 21/03/2024 - 05/04/2024. Pension and Lifetime Savings Association (PLSA)'s living standards used as a measure.

The PLSA defines a minimum retirement as someone living with no car, spending £50 per week on groceries and spending £20 for each birthday and Christmas present. The latest PLSA thresholds have increased from 8-34%.

^[2] Index of Private Housing Rental Prices, UK: monthly estimates

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THE RISE OF REMOTE WORK AND MOVING ABROAD

BECOMING A UK EXPAT CAN MARK THE START OF AN EXCITING CHAPTER, BUT WHAT ABOUT YOUR PENSION?

In recent years, the rise in remote work, significantly accelerated by the global pandemic, has given many individuals the flexibility to work from virtually anywhere. Coupled with a mounting cost of living crisis, this newfound freedom has led many people to contemplate the prospect of moving abroad.

The allure of a different lifestyle, potential cost savings and the opportunity to explore new cultures are compelling factors driving this trend. Whether individuals plan to return to the UK eventually or settle abroad permanently, the initial decision to relocate marks the beginning of an exciting, albeit complex, journey.

Becoming a UK expat is an exciting chapter filled with many opportunities, but it also comes with its own set of challenges. One of the most critical aspects to consider when planning a move overseas is the management of your pension.

MANAGING YOUR UK PENSION OVERSEAS

Deciding whether to leave your pension in the UK or transfer it to your new country involves navigating complex tax implications, understanding how to access your pension pot and determining the feasibility of contributing to a UK pension while living abroad. Proper planning and seeking professional financial advice are essential steps to ensure that your move is not only adventurous but also financially sound.

Your personal circumstances, the rules of your new country and the terms set by your existing pension provider will all impact these decisions. It's crucial to take the time to assess your available options. Given the complexities, it is important to obtain professional financial advice. This ensures you make the right choices for your financial future and provides peace of mind.

WHAT HAPPENS TO MY UK PENSION?

When you move abroad, any pension plans you have in the UK won't follow you unless you arrange for them to be transferred overseas. Instead, they'll stay where they are, meaning once you reach 55 (57 from 6 April 2028), you can start taking money from them, even while you're overseas.

CLAIMING YOUR STATE PENSION ABROAD

You can still claim your UK State Pension abroad, provided you've paid enough UK National Insurance contributions to qualify. Just like if you stayed in the UK, you need 35 years of National Insurance contributions to get the full State Pension and at least ten years to be entitled to a reduced payment. However, you must notify the Department for Work and Pensions (DWP) of your move.

STATE PENSION INCREASES AND QUALIFYING COUNTRIES

It's worth noting that the State Pension only increases annually in certain countries. These include any country in the European Economic Area (EEA) and Switzerland and countries with a social security agreement with the UK.

TRANSFERRING YOUR UK PENSION PLANS

You can usually transfer your UK pension plans to a different scheme abroad, but it must be

a Qualifying Recognised Overseas Pension Scheme (QROPS). This type of scheme follows similar rules to UK schemes and is listed on GOV.UK. You might be able to make this transfer tax-free, but depending on your circumstances, you might need to pay a 25% tax on the amount you're transferring out of the UK.

OVERSEAS TRANSFER ALLOWANCE

There is also an 'overseas transfer allowance', which caps the amount of pension savings you can transfer out of the UK. Unless you have protection in place, the allowance is usually £1,073,100. If you transfer more than this, you'll normally need to pay a 25% tax charge on the excess. Transferring to a scheme that isn't a QROPS may be considered an unauthorised payment and could result in a 55% tax charge and additional penalties.

IMPORTANCE OF PROFESSIONAL FINANCIAL ADVICE

Transferring a pension plan overseas is a significant decision and may not be right for everyone. You could lose valuable benefits and guarantees associated with your UK pension. If you're considering this option, professional financial advice is essential to ensure it's the right choice for you. Obtaining financial advice is a legal requirement if you're transferring a defined benefit plan worth more than £30,000.

ACCESSING YOUR UK PENSION FUNDS

If you're abroad, you'll generally be able to access your money like you would in the UK. However, some providers may limit payment options. It's vital to contact your existing provider to understand the available payment options. If your existing plan doesn't offer what

you need, shop around for a better option, though some providers may not let you open a new plan if you live abroad.

RECEIVING PAYMENTS ABROAD

Some providers will pay into an overseas bank account, although they might charge extra for this service. Others may only pay into a UK account. The exchange rate will also affect how much you receive when your pension money is converted into your local currency.

TAX IMPLICATIONS ON UK PENSIONS

Living abroad complicates your tax situation. You might need to pay UK Income Tax on withdrawals from a UK pension plan, as it counts as UK income. However, the country you're living in might also tax you. The UK has double-taxation agreements with numerous countries, potentially allowing you to get tax relief or a refund to avoid paying tax twice.

TAX-FREE ALLOWANCES AND OVERSEAS CONSIDERATIONS

In the UK, you can typically take up to 25% of your pension plan tax-free, with a total tax-free amount across all pension plans being

£268,275. However, this might not apply in your new country, where it could be taxed as income. It's important to investigate the tax implications in your new country.

CONTINUING PENSION CONTRIBUTIONS

You should check with your provider if you can continue paying into a UK pension while living overseas. This depends on the rules of your pension scheme, and you may not be eligible for tax relief on these payments. Depending on your circumstances, the amount of tax relief you receive could also be limited. ◀

READY TO MAKE A SUCCESSFUL TRANSITION TO YOUR NEW LIFE OVERSEAS?

Navigating the complexities of pension management while living abroad can be challenging, but with the right guidance, you can make informed decisions that secure your financial future. Don't leave your financial wellbeing to chance – with our expert advice, we'll ensure a smooth and successful transition to your new life overseas. Contact us today and take the first step towards a financially stable future.



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THE FINANCIAL CONDUCT AUTHORITY DO NOT REGULATE TAX PLANNING.



COULD YOU HAVE BEEN UNDERPAID THE STATE PENSION?

HMRC ESTIMATES THAT AFFECTED WOMEN COULD BE OWED AN AVERAGE OF £5,000 EACH

Thousands of mothers who have missed out on their full State Pension entitlement due to calculation errors have begun receiving letters from HM Revenue & Customs (HMRC) to address this oversight.

These letters are being sent to women who have taken time off work to raise children since 1978, following the identification of underpayments in the Department for Work and Pensions (DWP) July 2022 annual report.

STATE PENSION UNDERPAYMENTS

Affected women may have been underpaid by tens of thousands of pounds over the course of their retirement due to not receiving National Insurance credits towards their State Pension entitlement. If you receive a letter from HMRC indicating that you may be one of those affected, it is crucial to check if you are owed a State Pension back payment.

HMRC estimates that affected women could be owed an average of £5,000 each. The letters will be sent out over the next 18 months, prioritising those over State Pension age. Additionally, you may be eligible for Home Responsibilities Protection.

AVOIDING SCAMS

If you are concerned about potential scammers exploiting this issue, you can verify the letter's authenticity by contacting HMRC on 0300 200 3500. The issue was initially corrected in 2011,

resulting in 36,000 women receiving a share of £83m. Nevertheless, the DWP report indicates that thousands more women may still miss out on their rightful State Pension entitlement.

HISTORICAL CONTEXT

This is not the first instance of women's pensions being underpaid. This latest issue follows a scandal involving the underpayment of State Pensions to married women and widows who claimed their pension before April 2016. Based on their husbands' records, these women were entitled to higher rates, with the underpaid amount estimated to be around £1.5 billion.

ONGOING CHALLENGES

Many pensioners continue to be underpaid due to these errors, and sadly, tens of thousands have passed away without receiving any of the money they were owed. The DWP has pledged to track down and pay the owed amounts to those affected by the end of 2024. ◀

REQUIRE FURTHER INFORMATION OR BELIEVE YOU MAY BE AFFECTED?

If you require further information or believe you may be affected, please do not hesitate to contact HMRC, visit their official website for guidance, or contact us. Ensuring you receive your rightful State Pension is paramount.

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