A E Thomson Ltd

Independent Financial Advisers

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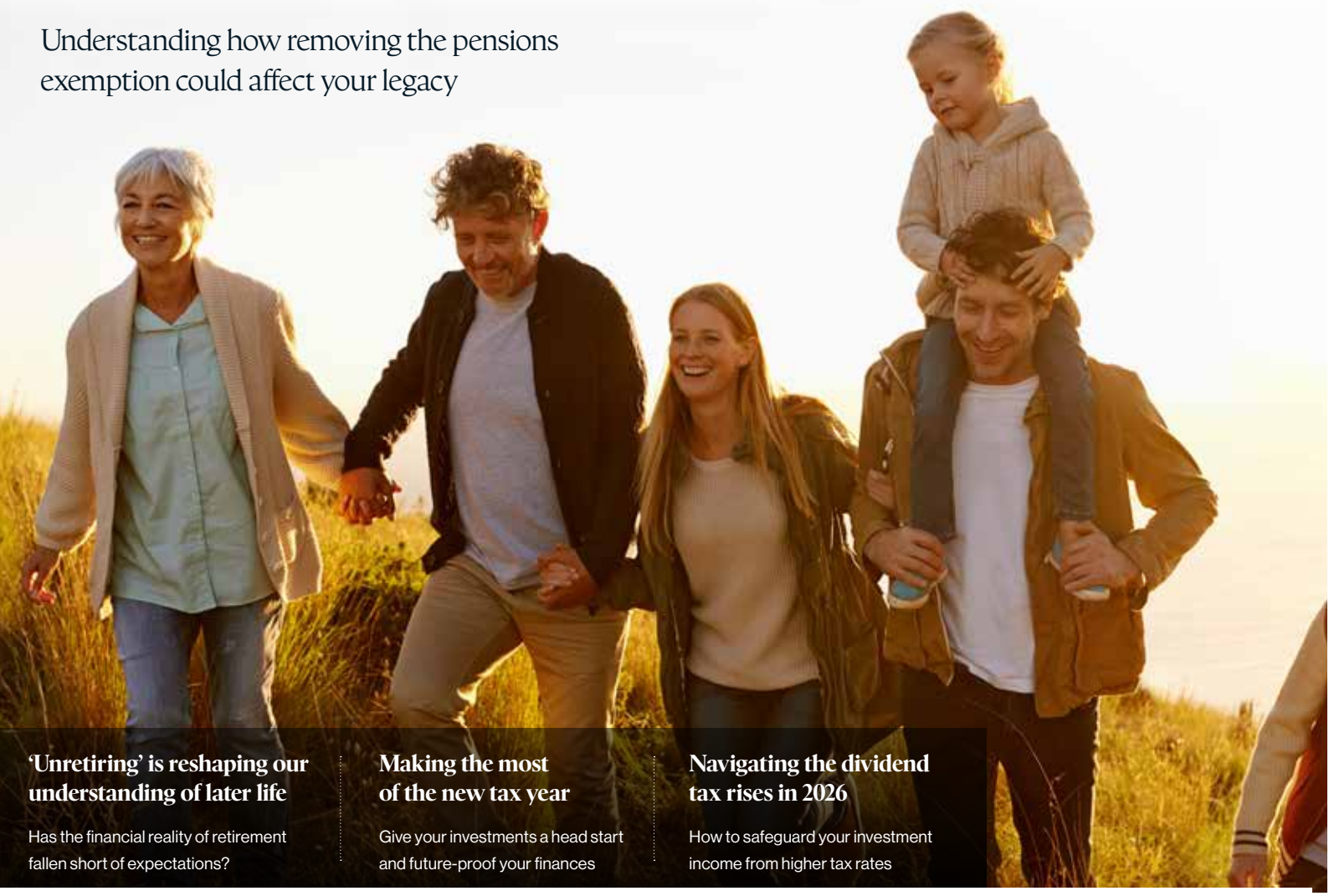
Pensions and Inheritance Tax: Big changes coming in 2027

Understanding how removing the pensions exemption could affect your legacy



'Unretiring' is reshaping our understanding of later life

Has the financial reality of retirement fallen short of expectations?

Making the most of the new tax year

Give your investments a head start and future-proof your finances

Navigating the dividend tax rises in 2026

How to safeguard your investment income from higher tax rates

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Inside this issue

A major shift in pension taxation is set to reshape wealth-transfer planning in the UK. From 6 April 2027, unspent pension pots will no longer be exempt from Inheritance Tax (IHT) and may be taxed at 40% if your estate exceeds the IHT threshold. On page 10, we explain how this change challenges traditional strategies and why families should rethink how they draw down their retirement assets. Early preparation, including estate valuation and exploration of tax-efficient options such as gifting or trusts, will be essential to protect your legacy.

"Unretiring" is on the rise as financial pressures and inflation erode retirees' spending power. While some return for fulfilment, others cite loneliness or financial necessity. On page 06, we consider why retirement is becoming more flexible, with part-time roles and phased approaches gaining popularity.

Proactive financial planning and exploring phased retirement options are essential to securing a comfortable and sustainable future.

The new tax year offers a fresh £20,000 ISA allowance, providing a valuable opportunity to shield your investments from capital gains and dividend taxes. Starting early maximises compounding benefits, giving your money more time to grow. Regular investing can help smooth out market volatility and maintain discipline during uncertain times. ISAs also offer flexibility, allowing gradual contributions throughout the year. Turn to page 12.

Dividend tax rates increased from 6 April 2026, making tax-efficient strategies more important than ever. The government raised dividend tax rates by 2 percentage points. The ordinary rate rose to 10.75%, and the upper rate to 35.75%, while the additional rate remains at 39.35%. However, you don't pay tax on dividend income within your personal allowance (£12,570 for 2026/27) or your annual dividend allowance of £500. On page 13, we explain planning options. A complete list of the articles featured in this issue appears on the opposite page and on page 03. ♦

Planning for tomorrow, today

Our personalised financial and wealth strategies will help you achieve your life ambitions while safeguarding your family's future. To discuss this further or to learn more, please get in touch with us.

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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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How to approach risk as an investor

Understanding risk tolerance and the capacity to make smarter investment decisions

From stocks to bonds and everything in between, every investment carries some degree of uncertainty. When we talk about risk, we generally refer to the possibility that your investments might not perform exactly as you expect. For some, this means watching an investment's value fall. For others, it is the silent threat of their hard-earned money losing purchasing power due to inflation.

No matter what risk looks like to you, it plays a foundational role in shaping your financial strategy. Before you commit your money to the markets, it helps to pause and ask yourself a few key questions. You are much more likely to stay invested and weather market storms when you find an exposure level that suits your personal circumstances.

Evaluating your personal comfort with market swings

Your risk tolerance reflects your emotional and psychological willingness to accept losses in pursuit of your goals. It is closely linked to your beliefs, personality, and past experiences with money. Think of it as your mental capacity to handle volatility. Are you someone who embraces uncertainty because it opens the door to greater opportunity, or are you more risk-averse and likely to lose sleep when the market falls?

This emotional baseline determines the types of assets you might choose. If you are comfortable with market fluctuations, you might select investments that offer faster growth and higher potential returns, accepting that your portfolio may decline in value at times. Conversely, a risk-averse investor will opt to protect their capital against losses, even if that means accepting lower long-term returns.

Understanding how much risk you can actually afford

While tolerance is about your feelings, your risk capacity is an entirely objective measure. It is not based on your emotions or any specific asset class, but rather on how much financial risk you can genuinely afford to take. This capacity is determined by your current financial situation, your age, and the specific goals you are working towards.

You must ask yourself how potential losses would affect your ability to reach those milestones. For instance, if your retirement fund falls by 10% just months before you plan to stop working, that would be a significant blow to your plans. However, if you are saving for a goal that is decades away, time is on your side. A longer time horizon significantly reduces the likelihood of poor outcomes, giving your portfolio the time it needs to recover from short-term dips.

Striking the perfect balance for your financial future

Ideally, the investments you choose should align perfectly with both your emotional tolerance and your financial capacity. If they do not, you might end up taking on more risk than you can safely afford, or you might sit in cash to such an extent that your savings grow far too slowly. Either extreme makes it incredibly challenging to achieve your long-term life goals.

Finding your unique approach to market volatility requires careful consideration and an honest review of your finances. Many investors find that working with a professional adviser helps them gain an objective understanding of their position. If you would like to explore your risk profile or need guidance on building a balanced portfolio, please contact our team of experts today for a personalised consultation. ♦

Time to discover the right investment balance?

Every investment requires an understanding of your risk tolerance and capacity. We'll help you balance emotional comfort with your financial goals to build a portfolio tailored to your needs. Contact us to start building a confident financial future.

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Long-term investing

Geopolitical concerns and the importance of staying the course

Geopolitical events, such as those in the Middle East, often introduce uncertainty into global markets, affecting energy prices, trade routes and investor sentiment. While these events can be unsettling, reacting impulsively may lead to missed opportunities and unnecessary losses.

History shows that markets are resilient in the face of geopolitical turmoil. Although short-term volatility is common, long-term investors who remain disciplined and diversified are better positioned to weather challenges and benefit from eventual recoveries.

Compounding is the key to success

Investors often debate whether to keep their money in assets like stocks and property or move it into cash. Decades of market history reveal that holding investments over the long term consistently delivers reliable outcomes for wealth creation.

The power of compounding is a cornerstone of investment success. Compounding allows your returns to generate additional returns, creating a snowball effect that steadily grows your wealth over time.

Maximising your growth potential

One of the strongest arguments for staying invested is the long-term growth potential of financial assets. Historically, equities and other investments have outpaced inflation, delivering substantial gains over extended periods.

Time is a critical factor in this process. The longer your money remains invested, the more opportunities it has to generate exponential growth. This underscores why staying invested is far more impactful than holding cash.

Why market timing rarely works

Attempting to time the market by moving to cash during downturns and reinvesting during upswings is a risky strategy. Even seasoned professionals struggle to predict short-term market movements accurately.

Emotional decisions often lead to poor outcomes, such as selling during a dip and missing subsequent gains. Missing just a few of the strongest recovery days can significantly reduce overall returns, proving that time in the market beats timing the market.

Minimising risk through diversification

Diversification is a practical way to manage risk. By spreading investments across asset classes, sectors and regions, you limit exposure to any single market segment.

A well-diversified portfolio typically experiences smoother performance, as gains in some areas offset losses in others. While it doesn't eliminate volatility, diversification builds resilience, helping you stay invested during tough economic periods.

Silent danger of holding cash

While cash feels safe, it carries the hidden risk that inflation will erode its value. Even competitive savings rates often fail to keep pace with rising prices, reducing purchasing power over time.

Cash is essential for short-term needs, but long-term wealth is better protected by assets designed to outpace inflation.

Psychological and tax benefits

Investing can feel emotionally taxing during market turbulence. A long-term approach reduces stress and prevents rash decisions driven by fear or greed.

Additionally, holding investments offers tax advantages. Deferring capital gains allows your returns to compound without frequent tax interruptions, enhancing long-term growth.

Navigating market recoveries

Markets have a remarkable ability to recover from downturns. Recessions and corrections are often followed by robust recoveries and expansions.

Staying invested ensures you participate fully in these rebounds, avoiding the mistake of locking in losses. ♦

Feeling uncertain about your financial future?

If you would like to discuss your portfolio, build a tailored financial plan or learn more about how long-term investing can help you achieve your goals, we're here to listen, address your concerns and guide you through your options with professional advice tailored to your needs.

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‘Unretiring’ is reshaping our understanding of later life

Has the financial reality of retirement fallen short of expectations?

Amid rising living costs and market uncertainty, ‘unretiring’ is a growing trend. Research shows that one in six retirees (16%) have either returned to work (8%) or are strongly considering doing so (8%)[1]. While some return for personal fulfilment, 24% cite loneliness or social disconnection as key reasons.

Financial pressures remain a primary driver: 30% of retirees report a lower standard of living than before retirement, while only 22% say it has improved. Many feel underprepared, with 20% underestimating how much money they would need, 21% wishing they had planned better and 19% failing to anticipate the length of their retirement.

Impact of inflation on spending power

Inflation has significantly eroded retirees’ spending power. For example, £100 in 2020 is now worth only £78.25 in real terms. Those without a defined-benefit pension or inflation protection face greater challenges in maintaining a comfortable income and often need meticulous planning or are willing to accept higher investment risk.

Societal expectations around retirement are also shifting. Retirement is no longer viewed as a fixed endpoint. Although the pandemic briefly accelerated retirements, the proportion of pensioners earning income has risen again since 2021. While the average person aspires to retire at 62, half expect to work beyond their State Pension age.

Balancing benefits and barriers

Returning to work offers benefits such as staying active, maintaining social connections, boosting income and enjoying flexible hours. However, challenges remain. While 78% of people feel confident about working at 60, this figure falls to 49% at 70. Barriers include declining health (39%), retraining concerns (26%) and age discrimination (24%).

Uncertainty about retirement lifestyles persists. More than a third (38%) expect their retirement to be worse than their current standard of living, with the figure rising to 49% among Generation X and 43% among women. As a result, retirement is becoming more flexible, with many adopting part-time roles or phased retirement strategies to balance work and personal needs.

Taking control of your financial future

In an unpredictable world, proactive financial planning is essential. Regularly reviewing pension savings, withdrawal amounts and whether your funds will last are crucial steps. Checking your retirement dates and planning for potential income gaps can help you avoid surprises.

Exploring phased retirement options and considering the lifestyle you want early on can lead to better-informed decisions. By planning ahead, you can secure your finances and enjoy the retirement you deserve. ♦

Time to review your retirement strategy?

If you’d like to discuss your retirement plans or need professional guidance, contact us for tailored support to ensure your savings last.

Source data:

[1] Research by Ipsos for Standard Life in June 2025 surveyed 6,000 UK participants aged 18-80, including working, unemployed and retired individuals. The sample was representative of the UK population by age, gender and region. Among those aged 55-80 who had retired, 8% had returned to work, 1% were actively seeking to return and 7% were considering it.

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Protect your life insurance payout from Inheritance Tax

An increasing number of estates are falling within the tax net every year

An increasing number of estates are falling within the Inheritance Tax net each year, largely due to rising property prices and frozen tax thresholds. The Office for Budget Responsibility forecasts that HM Revenue & Customs (HMRC) will collect £8.7 billion in Inheritance Tax for the 2025/26 tax year[1].

If you have a life insurance policy, it is important to ensure it falls outside your estate by writing it into an appropriate trust. This means it will not count towards the value of your estate when calculating how much Inheritance Tax (IHT) you may owe.

Here, we look at how life insurance is often used to cover potential IHT bills and how to protect any payout from being included in your estate for Inheritance Tax purposes.

Securing financial peace of mind

Most people take out life insurance to ensure their loved ones are financially protected if they die. It provides valuable peace of mind that financial commitments, such as a mortgage, will be covered. It also helps manage other expenses that could otherwise go unpaid if you are no longer around.

Increasingly, people are using life insurance to provide their loved ones with a lump sum to cover any Inheritance Tax bill upon their death. Although this will not reduce the amount you have to pay, it means your family will not end up with a potentially large bill to pay directly from your estate.

Importance of trust arrangements

If you do not write a life insurance policy into an appropriate trust, the proceeds on your death will simply increase the value of the money and property you leave behind. Life insurance can be a very effective estate-planning tool, but only when structured correctly to keep the payout separate from your taxable estate.

Using a trust can also save up to 40% in Inheritance Tax on the payout, and means you do not have to wait for probate. Probate can take many months, tying up essential funds. If not held in trust, the policy may be taxed for IHT and delayed, defeating its very purpose of providing quick liquidity to cover taxes and day-to-day bills.

Taking practical steps to protect your wealth

Putting your life insurance policies into an appropriate trust is straightforward. You can do this either when you take out cover or later. We can assist you with this. If you have life insurance that is not currently in trust, please contact us and we'll explain what to do next.

Provided you are in good health when you place the policy in trust, there are normally no Inheritance Tax implications, as the policy has no value. However, if you are seriously ill when you place the policy in trust and die within seven years, HMRC may consider the policy to have had value at the time of transfer and may seek to charge Inheritance Tax. If you are a couple, consult us to ensure you minimise the Inheritance Tax bill when the second person dies. ♦

Have you secured your wealth for your family's future?

If you are unsure whether this is the right option for you or need help navigating the complexities of trusts and Inheritance Tax, please contact us to safeguard your family's wealth.

Source data:

[1] https://obr.uk/forecasts-in-depth/tax-by-tax-spend-by-spend/inheritance-tax/

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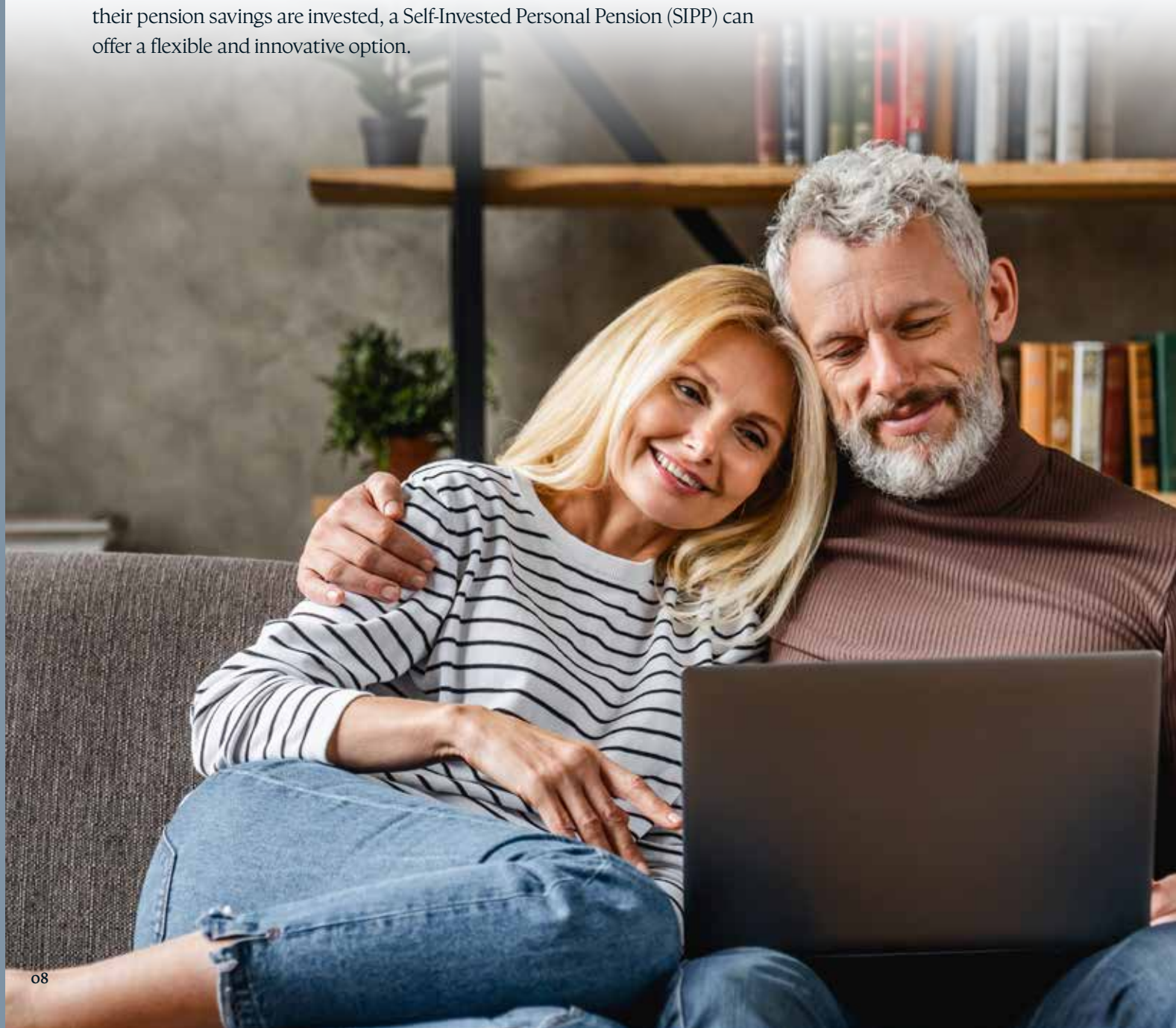
Taking charge of your retirement

Empowering your future with greater pension freedom

Planning for retirement is a crucial step in securing your financial stability for the years ahead. For those seeking greater involvement in how their pension savings are invested, a Self-Invested Personal Pension (SIPP) can offer a flexible and innovative option.



“The primary appeal of a SIPP is its wide range of investment options. Investors can choose from individual stocks and shares, investment trusts, corporate bonds, and even commercial property. This flexibility enables you to build a highly diversified portfolio aligned with your market outlook.”

Unlike standard personal pensions, where investment decisions are typically made by a third-party fund manager, a SIPP allows you to choose from a wide range of permitted investments offered by the provider. This flexibility can help you shape your pension portfolio to match your financial objectives and attitude to risk, but it also places greater responsibility on you to monitor and manage those investments.

Taking control of your retirement funds

The primary appeal of a SIPP is its wide range of investment options. Investors can choose from individual stocks and shares, investment trusts, corporate bonds and even commercial property. This flexibility enables you to build a highly diversified portfolio aligned with your market outlook.

Alongside this freedom comes a generous framework of government tax incentives. When you pay into a SIPP, you receive tax relief on your contributions, which effectively boosts the size of your retirement pot without any extra effort on your part.

Understanding the tax advantages

Basic rate taxpayers currently receive a 20% government top-up. This means that if you contribute £80, the government adds £20, bringing the total investment to £100. Higher and additional rate taxpayers can claim back even more through their annual self-assessment tax returns, making it a highly tax-efficient way to save for the future.

Furthermore, the investments held within your SIPP grow entirely free of UK Capital Gains Tax and Income Tax. Once you reach the qualifying retirement age, you can usually take up to 25% of your total pension pot as a tax-free lump sum (within allowable limits), providing significant financial flexibility when you retire.

Weighing up the responsibilities

While the benefits are clear, managing your own pension requires time, market knowledge and dedication. Because you make the underlying investment decisions, you also bear the risk. The value of investments can fall as well as rise, meaning you might get back less than you originally invested.

It is also vital to keep a close eye on the administrative costs of running a SIPP. We can provide professional advice to help you navigate these complexities and make informed decisions about your pension investments.

Securing your financial future

If appropriate, a SIPP can be a very effective wealth-building tool for those willing to take an active role in their retirement planning. However, because pension rules change and markets can be complex, a self-managed approach is not always the right choice for every investor. Seeking professional guidance helps you make the most of your annual allowances while protecting your hard-earned wealth. ♦

Ready to plan your next step?

If you require further information on how a Self-Invested Personal Pension could suit your circumstances, please contact us. We can arrange a review and help you take the next step towards the retirement you deserve.

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Pensions and Inheritance Tax: Big changes coming in 2027

Understanding how removing the pensions exemption could affect your legacy

For decades, UK savers have relied on pensions not only for retirement income but also as a highly tax-efficient way to pass on wealth. Under current rules, pension pots generally fall outside your estate for Inheritance Tax (IHT) purposes. However, a significant shift is on the horizon. From 6 April 2027, the government will remove this long-standing exemption, bringing unspent pension wealth within the scope of IHT.

> For the 2026/27 tax year, the standard IHT threshold is £325,000, with an additional £175,000 allowance if you pass your main residence to direct descendants. Adding a substantial retirement pot to your estate could easily push many families over these thresholds, leading to unexpected tax bills for grieving loved ones.

This policy change marks a fundamental overhaul of the wealth-transfer system. The government announced that it was introducing this measure to create a fairer tax framework and address wealth inequality. For many families, this means that the money accumulated over a lifetime of hard work may suddenly be subject to a substantial tax burden when passed on to beneficiaries.

How the forthcoming tax framework operates

Research indicates that 9 in 10 (89%) UK adults have little or no awareness of the change[1]. When the new rules take effect, your remaining pension funds will form part of your estate's total value on your death. If the combined value of your assets, including property, cash savings, investments and pensions, exceeds the standard nil rate band, the excess will typically be taxed at 40%.

For the 2026/27 tax year, the standard IHT threshold is £325,000, with an additional £175,000 allowance if you pass your main residence to direct descendants. Adding a substantial retirement pot to your estate could easily push many families over these thresholds, leading to unexpected tax bills for grieving loved ones.

Rethinking your long-term wealth strategy

Historically, most people have spent other taxable assets first, leaving their pension funds untouched as an effective wealth-transfer tool. Because pensions were shielded from IHT, they provided a safe harbour for inheritance, allowing funds to grow in a tax-advantaged environment.

The 2027 deadline forces a complete rethink of this conventional wisdom. You may need to reassess the order in which you draw down your retirement assets. Using your pension to fund your lifestyle earlier in retirement, while preserving other assets that may benefit from different tax treatments, could soon become the standard approach for many households.

Practical steps to protect your legacy

Although the changes do not take effect until April 2027, early preparation will put you in a much stronger position. Initially, it's important to calculate the projected value of your entire estate, including your current pension balances, to give you a clear picture of your potential IHT exposure under the new regime.

You might also consider alternative ways to reduce the taxable value of your estate before the deadline. Making lifetime gifts to your family, utilising annual exemptions or exploring trust structures can help mitigate the impact of these changes. Each situation requires a tailored approach based on personal goals and family circumstances.

Securing your family's future

Pensions and tax legislation are inherently complex, and their intricacies often pose challenges for individuals and businesses alike. They are also frequently subject to subtle yet significant adjustments before reaching their final stage of implementation. Navigating these changes can be daunting, but staying informed is crucial to making sound financial decisions.

We are committed to keeping you up to date on the latest developments, including updates to official guidance, new consultations and proposed amendments. By providing timely, accurate information, we aim to help you make well-informed decisions that protect and optimise your hard-earned wealth. With our support, you can approach these changes with confidence, knowing you have the insights to adapt and thrive in an ever-evolving tax landscape. ♦

Time to discuss how the new pension rules could affect your family's inheritance?

The upcoming changes require careful planning and a thorough understanding of estate planning and preservation. If you want to know exactly how the April 2027 pension rules could affect your family's inheritance, please contact us as soon as possible to arrange a comprehensive review of your retirement strategy.

Source data:

[1] Standard Life research IHT research was conducted among 2,000 UK adults in February 2026. Findings are weighted to be nationally representative.

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Making the most of the new tax year

Give your investments a head start and future-proof your finances

The new tax year brings a fresh £20,000 Individual Savings Account (ISA) allowance for each individual, giving couples the potential to invest up to £40,000 between them, offering a valuable opportunity to shield your investments from capital gains and dividend taxes. With recent cuts to these tax allowances and increases to tax rates, the protection ISAs offer is more generous than ever.

Starting early in the tax year gives your investments a head start. By contributing at the beginning, your money has an extra 12 months to benefit from compounding, in which returns generate additional returns over time. Even modest early contributions can outperform last-minute deposits, as unused ISA allowances cannot be carried forward to future tax years.

Stay focused during uncertain markets

Economic news, market volatility and global events can create uncertainty, tempting investors to delay. However, markets rarely move in a straight line, and history shows they tend to recover over the long term. Staying focused on your personal goals is far more effective than reacting to short-term fluctuations.

If you're hesitant to invest a lump sum, regular investing offers a practical alternative. By drip-feeding money into the market each month, you can smooth out volatility, maintain discipline and remove emotion from your financial decisions.

Protect your wealth and maximise flexibility

ISAs are popular for their flexibility. You don't need to use the full £20,000 allowance immediately; you can build up to it gradually throughout the year, depending on what you can afford. As long as you contribute by 5 April, you'll use the full allowance.

If you hold investments outside an ISA, consider a 'Bed and ISA' strategy. This involves transferring investments from a general account into an ISA to keep them tax-protected.

Progress comes from consistency, not perfection

Making the most of the new tax year isn't about perfectly timing the market or investing a large sum on day one. It's about taking small, manageable steps tailored to your circumstances. Consistency, not perfection, drives long-term progress.

Whether you choose to contribute your maximum allowance early or drip-feed your cash over the year, the key is to establish a repeatable routine. Take time to review your strategy, set up regular contributions and give your money the best chance to grow.

By acting early and staying consistent, you can make the most of your ISA allowance and build a strong foundation for your financial future. ♦

Want to make the most of the new tax year?

Please contact us to explore tailored strategies that could work for you and your family, and to structure your finances and secure your future.

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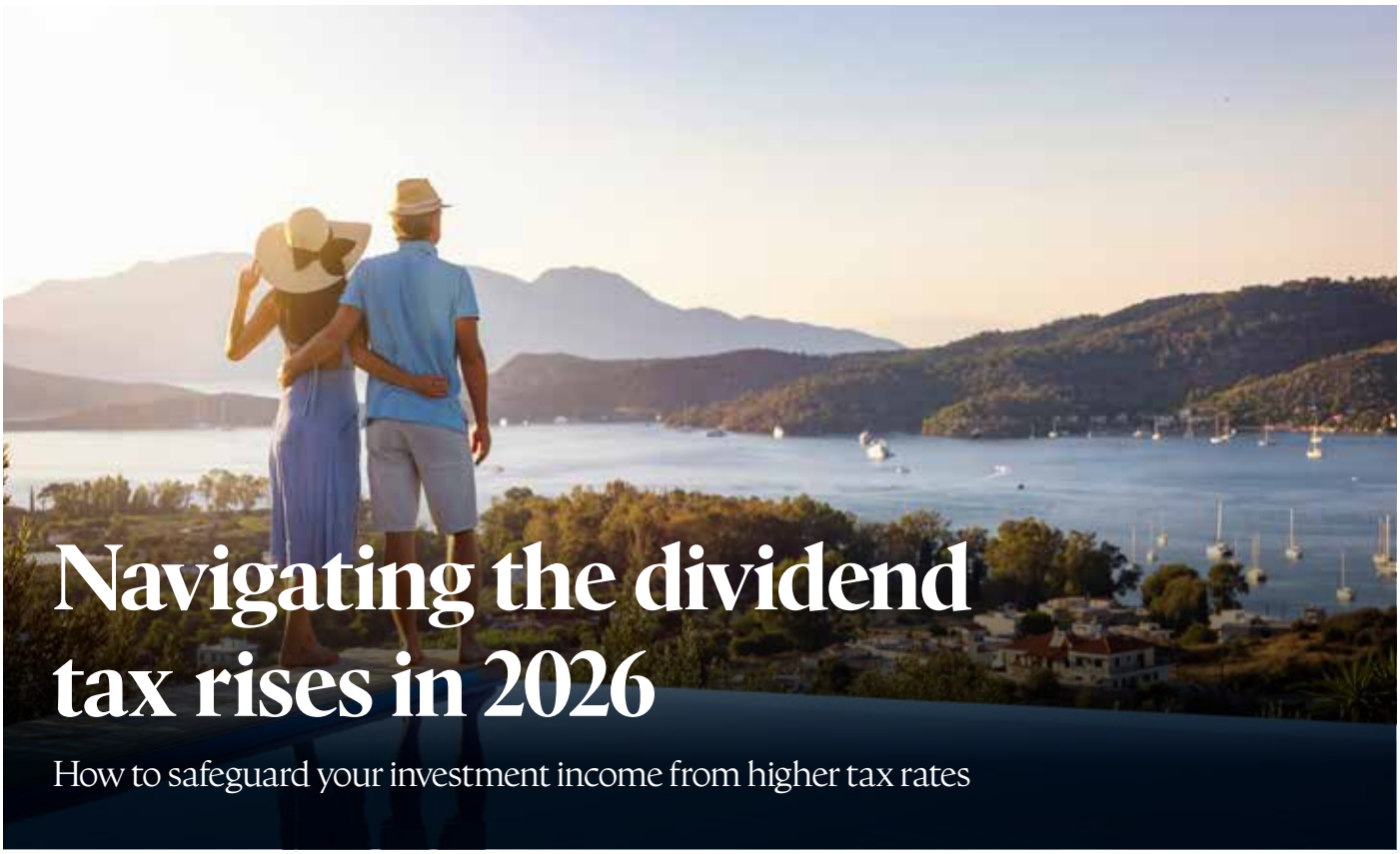

Navigating the dividend tax rises in 2026

How to safeguard your investment income from higher tax rates

From 6 April 2026, the government increased dividend tax rates by 2 percentage points. The ordinary rate rose to 10.75%, and the upper rate to 35.75%, while the additional rate remains at 39.35%. However, you don't pay tax on dividend income within your personal allowance (£12,570 for 2026/27) or your annual dividend allowance of £500.

To reduce dividend tax, maximising your ISA allowance is key. Dividends on investments held in an ISA are entirely tax-free. For the 2026/27 tax year, you can invest up to £20,000 in ISAs. This use-it-or-lose-it allowance cannot be carried forward, so systematically moving taxable investments into an ISA can shield a significant portion of your portfolio from tax increases.

Exploring pension benefits and long-term saving

Dividends received by pension funds are also tax-free, making pensions another effective way to protect your wealth. Contributions to pensions receive tax relief at your marginal income tax rate, boosting your savings by 20% to 45% before any returns are generated.

When drawing income from your pension, withdrawals above the tax-free lump sum (usually 25% of your pot, up to £268,275) are taxed as regular income. Proper planning ensures this strategy aligns with your timeline and minimises tax liabilities, especially when large withdrawals could push you into a higher tax bracket.

Sharing wealth and diversifying income streams

If you're married or in a registered civil partnership, you can reduce your dividend tax bill by holding income-generating investments in the name of the partner in a lower tax band. This approach ensures that both partners fully utilise their individual ISA and dividend allowances.

Diversifying income streams can also help. For example, payouts from bond funds are treated as interest and may fall within your personal savings allowance. Additionally, selling investments to realise a capital gain allows you to use your annual CGT exemption, further reducing your tax bill.

Adopting a total return approach to investing

A total return approach, which combines dividend income and capital gains, can maximise tax allowances, enhance returns and reduce volatility. High dividend yields aren't always sustainable and may signal financial distress. A total return strategy builds resilience by selecting investments expected to deliver strong overall performance within your risk capacity.

While tax-efficient investing is crucial, tax rules shouldn't be the sole driver of your decisions. Professional advice will help you build a diversified portfolio tailored to your goals, ensuring you pay no more tax than necessary. ♦

Looking to shield your wealth from rising dividend taxes?

We can discuss smart strategies to minimise your tax bill and maximise your investments, tailored to your financial goals. If you require further information or wish to discuss how these changes to dividend taxation could affect your personal portfolio, please contact us.

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Protecting your pension from rising prices

How to safeguard your future against rising costs

When you're working, an increase in your weekly shop or energy bill is frustrating but manageable, typically offset by salary increases over time. In retirement, with income fixed at pensions or savings, rising prices can threaten your financial security.

Without a plan, everyday cost increases may erode your hard-earned savings. Recognising which areas are most exposed to inflation lets you build a more resilient financial strategy and enjoy retirement without ongoing money worries.

Below, we outline where costs often rise and offer six proven strategies to help you protect your nest egg against inflation.

Hidden expenses of later life

Leaving work often changes your spending habits and daily routine. Many people underestimate how quickly household and other living costs can rise after retiring. Taking a closer look at the expenses most affected by inflation helps you act early and keep your finances in good shape.

Increasing household bills

You may expect that leaving work means lower spending, but the opposite is often true. More time at home means greater use of heating, electricity, and water. Recent years have shown how easily utility and food prices can spike. Minor annual increases on essentials add up over decades and can upend your long-term plans.

Medical and care costs

The NHS is invaluable, but it doesn't cover every health or care need as you age. You may opt for private treatment to avoid waiting lists, or find yourself funding home help or residential care. Worryingly, social care often becomes pricier than general inflation, making it crucial to include in your plan.

Supporting family members

Even in retirement, many people continue to provide financial support to their children or grandchildren, covering university fees, wedding costs, or house deposits. Others help older relatives with living or healthcare costs. Unless planned for, these additional needs can quickly erode your financial cushion.

How inflation drains your savings

Inflation acts quietly, eroding what your money can buy, especially for essentials. Over a couple of decades, even modest inflation pushes costs up significantly. That means the income that supports a comfortable lifestyle now may fall short in the future unless it grows.

Six ways to future-proof your retirement funds

The right strategies help your money keep pace with rising costs and secure your standard of living.

1. Review your pension income

Check how your pension performs in the face of inflation. Increasing annuities offer annual increases, though they start lower than fixed ones. If you draw on investments, ensure your returns are sufficient to beat inflation over the long term. Combining multiple income sources can provide stability.

2. Maximise State Benefits

The State Pension's "Triple Lock" means it rises each year by the highest of inflation, wage growth, or 2.5%. Future rules may change, but the State Pension remains a reliable foundation for most. Make sure your National Insurance record lets you claim the full amount.

3. Diversify your investments

Relying solely on cash savings risks eroding purchasing power, as interest rarely keeps pace with prices. Diversifying into equities, bonds, and some cash offers growth potential and reduces the impact of any single underperforming investment.

4. Use tax-efficient options

Reducing your tax bills can boost your income. Individual Savings Accounts (ISAs), pensions, and careful withdrawals help you keep more of your money. Plan ahead for Inheritance Tax so your family benefits from your careful savings.

5. Keep an emergency fund

Keep three to six months' worth of living expenses in an instant-access account. This helps cover unexpected costs, such as repairs, without selling investments or resorting to expensive credit.

6. Regularly review your plan

Reviewing your finances isn't a one-off task. As your habits, health, and the wider economy evolve, your plan should too. Revisit it annually to ensure your strategy aligns with your needs and goals. ♦

Is it time to secure your retirement and plan today for a stress-free tomorrow?

Securing your retirement against inflation requires attention, but proactive planning pays off with peace of mind. Track your spending, compare it with your expected income, and spot any shortfall early. If you're unsure where to begin, we can help you structure your savings, manage your taxes, and develop a future-proof plan. Your financial security is worth the effort. Speak with us today to start building your inflation-proof retirement plan.

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Plan today, protect tomorrow

Secure your legacy so your loved ones can thrive for generations to come

Wealth succession planning should be at the heart of your financial strategy. Discussing money matters with loved ones can feel awkward, but attitudes are shifting as more people recognise the value of open communication. Leaving your legacy to chance can cause unnecessary stress and confusion for those you leave behind.

“Calculating the exact amount to pass on requires a careful review of your financial position. Giving away too much too soon could compromise your lifestyle or future care needs. It is vital to maintain sufficient capital to comfortably support your retirement plans over the long term.”

Adopting the right approach means answering key questions about your assets. Building a solid plan ensures your wishes are respected and protects your loved ones from avoidable financial burdens. Exploring the core elements of wealth transfer enables you to make informed, confident choices.

Why discuss your wealth transfer matters

Sitting down with your family to discuss the transfer of wealth provides much-needed clarity. Open conversations eliminate guesswork and help prevent conflicts during an already difficult time. When everyone understands your intentions, it brings you and your beneficiaries peace of mind.

Clear communication also plays a vital role in reducing the overall tax burden. Without a solid plan, Inheritance Tax, depending on the value of your estate and how it is structured, could take up to 40% of your taxable estate. By structuring your finances properly, you ensure your family retains a larger share of your hard-earned money.

Choosing the right time to pass on assets

Deciding when to transfer your wealth depends largely on your personal goals and financial comfort. Gifting assets during your lifetime offers the distinct joy of seeing your loved ones benefit from your generosity. This proactive approach can also be highly tax-efficient under current UK regulations.

Alternatively, you may prefer to transfer wealth through a well-structured, regularly updated Will. A Will ensures your estate is distributed exactly as you wish and in accordance with legal requirements. Many individuals find that a blended approach, combining lifetime gifts with a solid Will, strikes the right balance.

Determining how much wealth to give away

Calculating the exact amount to pass on requires a careful review of your financial position. Giving away too much too soon could compromise your lifestyle or future care needs. It is vital to maintain sufficient capital to comfortably support your retirement plans over the long term.

Cashflow stress testing is an excellent tool to help you gift with confidence. By mapping out various financial scenarios, you can determine exactly what proportion of your estate you can afford to release. Finding this sweet spot means you can support your family without jeopardising your independence.

Selecting beneficiaries and effective transfer methods

Deciding who receives your wealth is a deeply personal decision. You might choose to support immediate family, set up trusts for your grandchildren, or leave a lasting impact through charitable donations. Taking a tailored approach ensures your assets provide long-term protection for the causes and people you care about most.

Transferring your wealth requires equally careful thought. You can use direct lifetime gifts, formal trusts, or specific provisions in your Will. Evaluating the timing, affordability, and the potential benefits of trusts will help you choose the most effective strategy for your circumstances.

Take the next step to secure your legacy

Building a solid succession plan takes time, but the rewards are immense. Securing your family's future means taking control of your financial legacy today. With expert guidance, you can simplify estate planning, ensure smooth asset transfer, and reduce tax burdens. Clear instructions give your loved ones certainty and help prevent disputes.

A strong succession plan does more than distribute wealth; it safeguards your business, protects vulnerable family members, and preserves your values. With professional financial guidance, you can identify gaps in your strategy and stay up to date with legal changes, ensuring your life's work remains protected. ♦

Want to ensure your wealth remains in the right hands?

If you want to ensure your wealth is preserved and passed on efficiently, our advice will make all the difference. Please contact us to discuss your family succession planning options and to begin securing your family's financial future.

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Secure income and protect your wealth

Balance dividends and bonds for steady growth and stability

For many investors, securing a steady stream of income from their portfolios is a common goal, whether to supplement their salary or to fund a comfortable retirement. The challenge is finding the right balance between generating cash now and protecting the future purchasing power of their wealth.

Fortunately, the financial markets offer distinct avenues to achieve this balance. By focusing on quality assets that pay cash directly to investors, you can build a resilient portfolio. Two of the most effective tools for achieving this are dividend-paying shares and fixed-income bonds.

Understanding how dividends actually work

Dividends are regular payments that certain companies make to their shareholders, usually drawn from their profits. These payments reward investor loyalty and often signal underlying financial strength. When a business consistently shares its success, it provides investors with a reliable income stream that requires no selling of the underlying shares.

However, not all dividends are created equal. The most attractive opportunities come from companies with a track record of reliable profits and consistent dividend growth. A strong business will have more than enough earnings to comfortably cover its payments, ensuring you receive a steady, long-term income even during challenging economic conditions.

Protecting your wealth against rising inflation

One of the biggest threats to any income strategy is the rising cost of living. Dividends can play a vital role in helping investors beat inflation. Because successful companies tend to grow their profits over time, they often increase their dividends accordingly.

Historically, these growing payouts have risen faster than inflation, helping to protect the real value of your money. If a company increases its dividend by 5% in a year when inflation is 3%, your purchasing power improves. This dynamic makes dividend-paying shares a powerful engine for maintaining your lifestyle over the decades.

Securing predictable income with bonds

While shares offer growth, bonds provide stability. When you buy a bond, you are essentially lending money to a government or a corporation. In return, the bond pays regular interest, giving investors a steady, predictable income, with the amounts known well in advance.

This predictability is invaluable for planning your finances. Because the interest payments are fixed, bonds provide a reliable anchor for your portfolio. This stability is especially important when stock dividends fluctuate or when the broader equity markets experience periods of volatility.

Timing your investments in the bond market

Knowing when to allocate your money to different types of bonds depends heavily on the current economic cycle. Government and high-quality corporate bonds tend to perform exceptionally well when economic growth slows, as investors flock to the safety of guaranteed returns.

Conversely, the strategy shifts during periods of economic expansion. Higher-yielding corporate bonds may be a better choice when interest rates rise and businesses are thriving. These bonds offer higher yields to compensate for slightly higher risk, making them attractive when corporate default rates are low.

Building a reliable income portfolio

Combining the inflation-beating potential of dividends with the dependable stability of bonds offers a powerful investment strategy. By focusing on reliable dividend-paying companies and carefully selected bonds, we help clients achieve a steady income stream while balancing growth and inflation protection.

Our approach ensures that investments are not only secure but also positioned to generate consistent returns. With expert guidance, we build a portfolio that blends the best of both worlds, combining growth opportunities through dividends with the stability of bonds, providing a solid foundation for financial success. ♦

Looking for expert guidance to help you achieve your financial goals?

If you require further guidance on structuring your investments or would like to explore which assets best suit your personal financial goals, please contact us.

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Looking to pass your assets on to the next generation?

Asking the right questions that align with your specific financial goals

Planning for the future of your wealth is a significant responsibility, especially when you want to protect your family and ensure your hard-earned assets are passed on smoothly. A trust, in its many forms, is often considered a highly effective solution for individuals and families seeking to safeguard their estate. It provides a sound framework for planning ahead and is a crucial part of a strategy for transferring wealth to the next generation.

> Ultimately, incorporating a trust into your estate planning can offer unparalleled peace of mind. By providing control, protection, and flexibility, a well-structured trust ensures your wealth serves its intended purpose for generations to come.

While trusts are a valuable estate-planning tool, they are undeniably complex and require careful consideration. Before committing to a legal arrangement, it is essential to ask the right questions to ensure the trust aligns with your specific financial goals. Setting the scene early and understanding the landscape can make all the difference in securing your family's financial future.

Defining trusts and knowing when to use them

At its core, a trust is a legal arrangement in which you, the 'settlor', give cash, property, or investments to someone else, the 'trustee', to manage for the benefit of a third party, the 'beneficiary'. These key roles underpin how trusts work and why they are used. Trustees hold legal title to the assets, but they must always act in the best interests of the beneficiaries in accordance with the rules set out in the trust deed.

Whether a trust is appropriate, and when to use one, depends on your unique circumstances and the scenarios you might face. For instance, you might want to provide for young children who cannot yet manage money, or to support a relative with a disability. Trusts are also highly beneficial when navigating complex family dynamics, such as ensuring children from a previous marriage are provided for while still supporting a current spouse.

Role of trusts in shaping your legacy

Exploring the key reasons for using trusts in estate planning reveals how versatile they can be. One of the primary advantages is the level of control they offer over how and when your assets are passed on. Instead of handing over a large lump sum, a trust allows you to stipulate that funds are released gradually, for example, when a beneficiary reaches a certain age or achieves a specific life milestone.

Beyond simply controlling the flow of wealth, trusts play a vital role in protecting vulnerable beneficiaries from financial mismanagement or external risks, such as divorce or bankruptcy. They can also be used strategically to support charitable causes close to your heart, ensuring your legacy extends beyond your immediate family and positively impacts the wider community.

Managing the intricate rules and requirements

Navigating the legal, tax, and reporting requirements of setting up a trust is intricate work. The landscape is highly regulated, with different types of trusts, such as discretionary and bare trusts, each with its own specific tax implications. From income tax and capital gains tax to inheritance tax, the way a trust is taxed can significantly affect the value of the assets held within it, sometimes incurring tax charges of up to 45%.

Given this complexity, seeking professional advice is essential. Trustees have strict legal duties and must comply with rigorous reporting requirements, including registering the trust with HM Revenue & Customs. Failure to meet these obligations can result in severe financial penalties, underscoring the importance of experienced legal and financial professionals to guide you through the process.

Structuring a tailored investment approach

Once a trust is established, a critical question arises: how should the assets within it be invested? Trusts require a highly tailored investment approach that balances the needs of current beneficiaries, who may require a steady income, with the interests of future beneficiaries, who will eventually inherit the underlying capital. This demands a delicate balancing act to preserve the trust's real value against inflation over time.

Professional financial advice helps trustees manage risk, generate returns, and fulfil their legal obligations. Trustees are legally required to seek appropriate advice when making or reviewing investment decisions to ensure they are suitable and sufficiently diversified. A bespoke investment strategy not only protects the trust's capital but also helps it grow efficiently and in a tax-efficient manner.

Securing your future and taking the next step

Ultimately, incorporating a trust into your estate planning can offer unparalleled peace of mind. By providing control, protection, and flexibility, a well-structured trust ensures your wealth serves its intended purpose for generations to come.

However, the complexities and nuances involved mean that setting one up should never be treated as a straightforward administrative task. Instead, it requires careful consideration and professional advice and guidance to ensure it aligns with your long-term goals and intentions.. ♦

Time to take control of your financial future with confidence?

Whether you are considering a trust to protect your family's wealth or need help managing an existing trust, professional guidance is essential. Please contact us to discuss your circumstances and explore how a trust could safeguard your legacy.

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Global tensions escalate

UK braces for inflationary pressures, supply chain challenges, and rising costs of living

Geopolitical events are unfolding rapidly. At the time of writing, in mid-March, the course of the current conflict in Iran remained deeply uncertain. The situation appeared to be intensifying amid reports of further threats to Gulf energy infrastructure, production cuts and damage to desalination plants.

> Estimating the macroeconomic impact on UK inflation and GDP is complex and depends heavily on the scale and duration of the energy price spike. The direct impact of higher energy prices on consumer inflation has two main components: petrol prices and utility bills.

Talks between the US and Iran in Islamabad ended with an agreed two-week ceasefire, and discussions are underway for a further meeting between officials. However, the risks of a more prolonged conflict seem to be rising, although recent US comments have reignited hopes that the disruption may be short-lived.

Initially, the White House may have hoped that its military operation would quickly topple the Iranian leadership and install a more compliant government. However, Mojtaba Khamenei's appointment as Supreme Leader has been seen as a stark act of defiance, and there is little sign that the regime will capitulate.

Shifting dynamics and economic hurdles

Consequently, the US administration is beginning to face domestic and external pressure. Public support for the conflict was already low, and sharp rises in energy prices mean cost-of-living pressures are set to climb. Furthermore, Gulf states have voiced concerns, warning they might curtail foreign spending, which could jeopardise hundreds of billions of dollars in US investment pledges.

Crucially, it appears the US may have underestimated Iran's capacity for asymmetric warfare and its ability to disrupt global energy markets. The recent surge in energy prices may have revealed a political pain threshold, prompting a shift in rhetoric towards ending the war soon. Markets have reacted positively, with Brent crude prices fluctuating but retreating from their recent peaks, though a formal cessation of hostilities remains unguaranteed.

Global logistics and commodity flow challenges

For global markets, the critical issue is the closure of the Strait of Hormuz. Hundreds of tankers and cargo vessels are trapped in the Gulf, disrupting the transit of everything from oil and gas to fertiliser and aluminium. Producers are having to throttle back output as storage nears capacity, with oil production cut by an estimated 6% to 7% of global supply.

An even bigger issue concerns natural gas. Qatar, which accounts for the vast majority of the 20% of global liquefied natural gas supply from the Gulf, has shut down production at its giant Ras Laffan complex. Even if the conflict ends tomorrow, restarting production will take time. Officials suggest it could take weeks or months to normalise supply, meaning energy prices are likely to remain elevated for the foreseeable future.

Assessing effects on UK consumers

Estimating the macroeconomic impact on UK inflation and GDP is complex and depends heavily on the scale and duration of the energy price spike. The direct impact of higher energy prices on consumer inflation has two main components: petrol prices and utility bills. While the effect on fuel at the pump is immediate, utility bills depend on futures markets, so a short-lived surge in wholesale gas prices will affect households differently from a sustained one.

Based on recent trading, economists estimate this shock could directly add about 0.7% points to pre-conflict UK inflation forecasts at its peak. However, a severe risk scenario in which oil and gas prices spike dramatically and remain high for months could push UK inflation up by as much as 1.7 % points. The longer prices remain high, the greater the indirect impacts, as businesses adjust output prices to reflect higher input costs.

Ripple effects across global industries

Beyond energy, the lesson from recent geopolitical shocks is that interconnected global supply chains carry hidden risks. Crucial global fertiliser trade routes usually pass through the Strait of Hormuz. If this flow is curtailed during the planting season, subsequent harvests could yield less, triggering a food price spike. Similarly, cargoes from Asia that are critical for producing medicines use the same route, leaving them vulnerable to shortages.

While financial markets have shown signs of calming, an end to the conflict is needed for humanitarian reasons. It would also help stabilise the global economy. The implications for the UK may require another difficult round of sharing the shock's costs among households, businesses and the government. ♦

Trends, risks and future plans - what comes next?

If you want to discuss your plans and ensure you're prepared for whatever comes next, contact us for professional guidance tailored to your family's needs.

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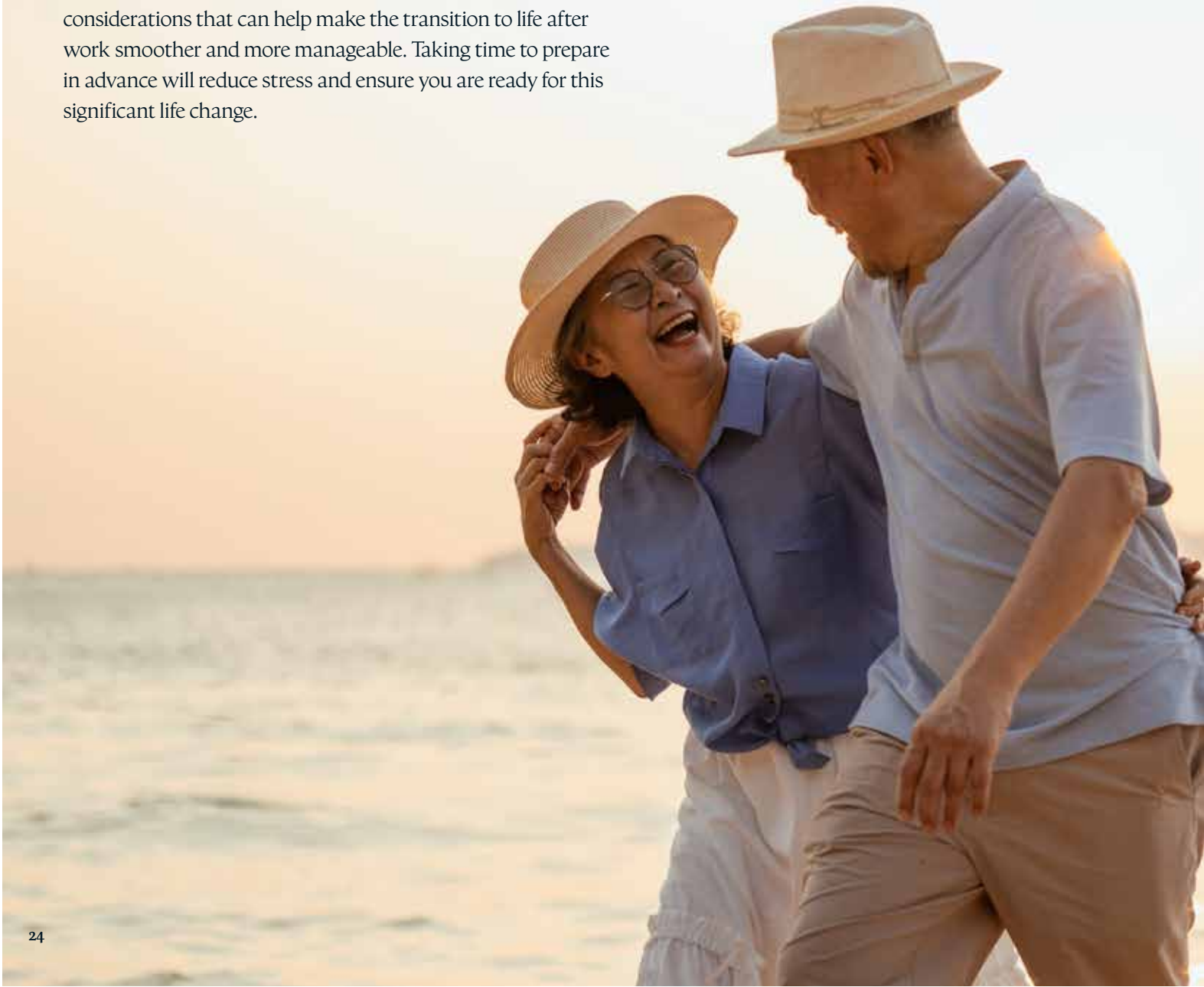
Your roadmap to a successful retirement transition

Have you planned your timeline, lifestyle, and finances for when you stop working?

Regardless of when you plan to retire, there are several key considerations that can help make the transition to life after work smoother and more manageable. Taking time to prepare in advance will reduce stress and ensure you are ready for this significant life change.



A **well-thought-out retirement checklist** is a valuable tool that helps you stay organised, track key details, and focus on the critical decisions you need to make.

To help you get started, here are some essential factors to consider as you approach retirement:

Planning your retirement timeline

The first crucial question to ask yourself is: at what age do you plan to retire? While you might have a specific timeline in mind, it is equally important to consider whether you are prepared for an unexpected retirement date due to health changes or company changes. Having a flexible timeline ensures you are not caught off guard if your working life ends sooner than anticipated.

Envisaging your post-retirement lifestyle

Once you have a timeline, consider your primary focus in retirement. You should rank your priorities across categories such as home, travel, leisure, family, business, and health. Understanding what matters most to you will determine how you spend your time and money.

You also need to decide whether you plan to stop working entirely. Many people now opt for a phased approach, perhaps stepping down to a part-time role or taking on consulting work. This transition can provide a sense of purpose while supplementing your income in the early years of your retirement.

Evaluating your financial preparedness

A clear vision of your lifestyle naturally leads to the practicalities of finance. Have you determined exactly how much you will need to live the life you want? You must consider all your sources of income, including your employer pension, government benefits, registered plans, personal savings, and investments. Knowing where your money will come from is just as important as knowing how much you have.

Against this income, weigh your projected day-to-day expenses. Your budget should cover basic necessities, housing costs, taxes, and any outstanding debt. Do not forget to factor in discretionary spending for philanthropy, travel, and family support, which often make up a large share of a fulfilling retirement.

Safeguarding your wealth and wellbeing

Preserving your hard-earned money requires careful planning. Have you considered whether you can withdraw your retirement income in a more tax-efficient way? Even a 5% reduction in your tax burden can make a significant difference to your long-term wealth. Alongside this, you must plan for the unexpected, ensuring you have a financial buffer for sudden health issues, urgent home repairs, or a vehicle replacement.

Your wellbeing is also paramount, so check whether you have reviewed your employer's retirement benefits or whether you need additional health insurance. Furthermore, your planning need not stop at retirement. Through effective estate planning, you can protect the assets you worked so hard to build and provide for your family in the future.

Seeking professional guidance for a secure future

Navigating pensions, tax rules, and estate planning can be complex. Have you sought professional advice on your retirement planning? A financial expert can help you create a robust strategy tailored to your circumstances and ensure your retirement plan is securely in place. ♦

Need to check whether your retirement plans are on track?

If you require further information or wish to discuss your retirement options, please contact us to begin securing the lifestyle you deserve and have worked hard for after you stop working.

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Breaking the silence: Tackling Britain's money taboo

Why talking about money boosts wellbeing, relationships, and financial futures

We happily discuss our health, our relationships, and even our most embarrassing mistakes with friends and family. Yet when the topic turns to personal finances, the room often falls silent. Money remains one of the last great taboos in British society. As household budgets stretch and the economic landscape shifts, open communication about wealth, debt, and spending is more critical than ever. Yet a deep-seated reluctance leaves many of us suffering in silence.

“Avoiding these crucial discussions carries a heavy price. When we keep our money worries hidden, we isolate ourselves from potential help and practical solutions. Financial stress breeds quickly in the dark, often leading to poor decision-making and mounting debt.”

Recent research reveals a startling reality: a third of Britons feel entirely uncomfortable discussing their finances[1]. This hesitation spans all age groups and income brackets, highlighting a cultural hurdle we have yet to overcome. Whether it involves admitting to debt or simply sharing salary details, the very thought of discussing finances triggers significant anxiety among millions across the UK.

Hidden money worries

Avoiding these crucial discussions carries a heavy price. When we keep our money worries hidden, we isolate ourselves from potential help and practical solutions. Financial stress breeds quickly in the dark, often leading to poor decision-making and mounting debt. For many, the fear of judgement outweighs the need to seek advice or to share the burden with a trusted confidant.

This secrecy also takes a profound toll on mental wellbeing and relationships. Couples who avoid discussing money often face deep-rooted trust issues down the line. Hidden debts or mismatched spending habits can fracture partnerships, while the internal pressure of carrying financial burdens alone often manifests as anxiety, sleepless nights, and depression.

Breaking the stigma

Changing this ingrained behaviour requires a gentle, deliberate approach. You do not need to lay out your entire financial history in one sitting. Instead, start small. Initiate casual conversations about financial goals, everyday budgeting, or general economic news to gauge the response. Creating a safe, non-judgemental space helps everyone involved feel more at ease.

It's also important to normalise these conversations at home. Parents who speak openly and constructively about money set a healthy precedent for their children. By treating budgeting and saving as routine household topics rather than stressful, closed-door matters, we equip the next generation with the confidence to manage their finances without fear.

Finding professional guidance

Discussing money matters with family and friends can be a first step towards managing your financial wellbeing. However, relying solely on your personal network can be limiting, as your loved ones may lack the technical expertise to address complex financial challenges. Ultimately, recognising that you need assistance is a clear sign of financial maturity, not a personal failure.

Engaging with a financial professional provides objective insights tailored specifically to your unique circumstances. The research shows that nearly 40% of people who seek professional financial advice report feeling significantly less stressed about their future. This reduction in anxiety stems from having a clear, structured plan guided by someone who understands the financial landscape.

Taking the next step

Opening up about your finances can feel daunting at first, but the relief that follows is immense. By breaking the silence, you take control of your financial narrative and ease the burden of money worries.

Sharing the load not only reduces stress but also creates opportunities for better planning, stronger relationships, and a more secure future. We all deserve peace of mind about our finances. ♦

Ready to secure your financial future?

If you feel overwhelmed by your finances or simply want to start planning for the future, please contact us. We look forward to hearing from you.

Source data:

[1] Research conducted by Opinium Research on behalf of Barclays between 6th and 10th March 2026. The sample comprised 2,000 respondents, providing a representative sample of UK consumers by age, gender, region, and income group. Opinium adheres to Market Research Society (MRS) standards for respondent verification and transparency. All respondents were verified through Opinium's rigorous identity validation and data quality processes.

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Take control of your financial future

Building a solid retirement plan to navigate life's uncertainties

Planning for your future requires more than saving money; it's about having a clear, structured strategy. A well-thought-out approach ensures your hard-earned wealth serves you well in later life and keeps you in control of your financial destiny.

Securing a comfortable lifestyle after you stop working means staying on track with your goals. Whether you dream of travelling the world, supporting your family, or enjoying a quiet life, monitoring your progress is essential to achieving your ambitions.

Why stress testing your retirement goals matters

The foundation of any successful strategy is a realistic assessment of your future lifestyle costs. You must plan to replace your lost salary while accounting for increased leisure expenses and the long-term impact of inflation or social care costs.

Economic conditions rarely remain static, so stress-testing your financial assumptions is crucial. By modelling scenarios like shifts in interest rates or dips in investment returns, you can ensure your strategy remains dynamic and robust enough to weather economic uncertainties.

Balance of security and flexibility

Building a reliable income stream requires selecting the right financial products for your circumstances. Annuities provide guaranteed income for life, protecting against longevity risk, while flexible drawdown plans allow you to keep your money invested while taking withdrawals.

A bespoke strategy that combines both options can offer the ideal balance of security and flexibility. With professional guidance and dedicated planning tools, you can tailor this approach to your risk tolerance and income needs.

Why you must constantly review your plans

A financial strategy is never a one-off task; it must evolve with changes in your life. Personal goals will shift, family circumstances will change, and global financial markets will remain unpredictable.

Regular reviews are essential to keeping your approach relevant. They enable you to respond to new opportunities or challenges and ensure your money consistently works towards your long-term objectives.

Value of seeking professional advice

Navigating pensions, tax rules, and investment options can be overwhelming without expert help. Qualified financial advisers can help define your goals, assess your capacity for financial risk, and develop a tailored, long-term strategy aligned with your circumstances.

Professional advice not only helps maximise your returns but also prevents costly mistakes that could jeopardise your future lifestyle. ♦

Are your retirement plans firmly on track?

If you want to keep your retirement plans firmly on track and explore the right options for your future, contact us to arrange a comprehensive review of your wealth or to discuss your retirement options and secure your future.

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Bridging the confidence gap in dementia care

It's time to break the silence and build a support system

For many adults in the UK, the middle decades of life are defined by a delicate balancing act. You might find yourself building a career, raising children, and managing a household, all while keeping a watchful eye on your ageing parents. This phenomenon has given rise to what experts call the 'sandwich generation', a group stretched thin by dual caregiving responsibilities.

Within this group, a distinct and worrying trend is emerging in a specific type of care. As life expectancy rises, so does the prevalence of conditions such as dementia, placing unprecedented demands on families. Yet, when faced with the prospect of providing dementia care, a profound confidence gap exists among those most likely to be called upon.

Generational divide in care readiness

Recent findings highlight a striking demographic divide in how prepared people feel to support loved ones with dementia. Research shows that middle-aged men feel significantly less equipped to handle this challenge than their younger counterparts[1]. While one might assume life experience builds resilience, the data paints a very different picture.

The study shows that 32% of young people aged 16 to 24 feel confident they would know how to respond if a family member developed dementia. By contrast, only 14% of men aged 55 and over express the same level of assurance. This suggests that younger generations are more than twice as likely to feel prepared for the complexities of dementia care.

Understanding the confidence gap

Why does this stark contrast exist? Younger people have grown up in an era when mental health and cognitive conditions are discussed more openly. Schools, the media, and public awareness campaigns have demystified dementia, presenting it as a medical condition requiring structured support rather than a taboo subject.

Middle-aged men, however, often find themselves blindsided by the reality of the condition. Many were raised in environments where such topics were rarely discussed, leaving them without a solid foundation for navigating the emotional and practical hurdles. Furthermore, these men are already juggling immense financial and familial pressures, making the sudden requirement to provide complex cognitive care feel entirely overwhelming.

Hidden pressures on families

The transition from being a son to becoming a primary carer for a parent with dementia drastically alters family dynamics. It is not merely about assisting with physical tasks; it also involves managing memory loss, personality changes, and administrative burdens. Without proper preparation, the strain can fracture relationships and severely affect the carer's mental wellbeing.

Financial readiness also plays a crucial role. Care costs can escalate rapidly, and navigating the social care system requires time and energy that many middle-aged men simply do not have. A significant proportion of families report feeling completely unguided when arranging financial support for a relative living with dementia.

Taking steps towards preparation

Acknowledging this lack of preparedness is the first vital step towards changing the narrative. Families must prioritise early, open conversations about ageing and care preferences well before a crisis hits. By discussing legal arrangements, such as setting up a Power of Attorney, and researching local support networks, families can share the burden, making it far less daunting.

While the statistics serve as a wake-up call, they also present an opportunity for reflection and action. No one should have to navigate the complexities of dementia care alone, and seeking guidance can make all the difference for both the carer and the person receiving care. If you or a family member is facing these challenges and needs further information, contact Dementia UK or your local healthcare provider today to explore the support networks available to you.

For assistance, call us on **0800 123 4567** or email us at **support@dementiauk.org**. ♦

Navigating dementia financial planning

The progression of dementia significantly affects financial planning as the condition worsens over time, requiring different levels of care and support. As dementia progresses, the need for full-time care, specialised treatments, and home modifications increases, leading to higher costs. It's crucial to plan for these changing needs in advance. To find out more, please contact us.

Source data:

[1] The research was conducted by Censuswide among a sample of 2,000 men who do not act as carers or have caring responsibilities. The data was collected between 12/11/25 and 17/11/25. Censuswide is a member of the Market Research Society and adheres to the MRS Code of Conduct and the ESOMAR Principles. Censuswide is also a member of the British Polling Council.

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Rethinking retirement

Research highlights why retirees are choosing income security over risk

Planning for your retirement income is one of the most significant financial steps you will take. As we transition from our working years into retirement, our priorities naturally shift from simply building wealth to ensuring that our wealth lasts throughout our later years.

Recent research offers a fascinating insight into what truly matters to people when they consider their financial future[1]. The findings reveal that more than half of UK adults aged 61 to 79 (56%) say certainty is the single most important factor when considering their retirement income.

Shifting priorities in later life

When we look more closely at the numbers, almost a third (29%) of this age group prioritise flexibility. Meanwhile, just 19% cite growth as their primary goal. This clearly highlights that retirement planning is a deeply personal process. Compared with the wider UK adult population, those aged 61 to 79 show a notably stronger preference for income security, at 56% versus 43% for the wider public.

The requirement for flexibility remains broadly similar across the board, at around one third for both groups. However, capital growth is considered much more important by the overall UK adult population, at 27%, compared with just 19% among those nearing or in their early retirement years. This makes sense, as a stable, predictable income helps you budget for daily expenses and enjoy your free time without financial stress.

Turning intentions into solid plans

Despite having clear views on what matters most, many people approaching or already in early retirement have yet to translate these priorities into firm action. Understanding what you want is only the first step, as putting the right financial options in place to deliver that outcome is quite another challenge.

Among those aged 61 to 79 who have explored their options, income drawdown was the most considered route, at 13%. This was closely followed by lifetime annuities, considered by 11%. These figures suggest that many people are still weighing up their options or feel unsure about how to achieve their desired balance of security and control.

Finding your ideal balance

You should never feel you have to compromise your goals entirely. While research shows most people value a guaranteed income, many also seek flexibility, and a centralised approach to their finances could deliver on all fronts.

You do not have to choose strictly between certainty, flexibility and growth when crafting your retirement strategy. Navigating these choices can feel overwhelming, but the right guidance can help you secure the peace of mind you deserve. ♦

Ready to take the next steps and develop a unified strategy?

If you need further information or want to discuss how we can help you balance these elements and secure your financial future, please contact us - we look forward to hearing from you.

Source data:

[1] Wealth and Wellbeing Research programme, www.lv.com/wealth-and-wellbeing - the data used come from a survey of 4,000 nationally representative UK adults conducted for LV= by Opinium in September 2025.

This article does not constitute tax, legal or financial advice and should not be relied upon as such. For guidance, seek professional advice. The value of your investments (and any income from them) can go down as well as up, which will affect the level of pension benefits available. Investments can fall as well as rise in value, and you may receive back less than you invested.

Navigating your finances through a divorce

Taking the right initial steps lays the foundation for a fair settlement

Money matters might not be your primary focus when a marriage ends. However, given the significant impact a separation can have on your financial wellbeing, it is crucial to safeguard your future security early on. Understanding your assets, from property and pensions to savings and investments, makes the entire process much less daunting.

Every situation is unique, and taking the right initial steps lays the foundation for a fair settlement. The legal and financial decisions involved can be highly complex. Your immediate priority should be to obtain tailored professional advice to ensure you fully understand your current position and your future options.

Taking control of your assets and budget

If you find yourself in this unfortunate situation, we will help you compile a comprehensive list of joint and individual assets, ensuring you have up-to-date valuations. You'll need to account for properties, pension pots, investment portfolios, and any business interests. Documenting your joint and individual income and outgoings is equally vital, as it ensures your legal adviser works with accurate data and saves you valuable time and money.

Once you have a clear picture of your current wealth, you must budget for the life you want to lead after divorce. Your circumstances will likely change, so preparing in advance gives you a realistic view of what you can afford. Obtaining a copy of your credit report is a sensible early step, especially if you plan to apply for a new mortgage or need to untangle joint lending liabilities.

Making decisions about property and pensions

Dividing the family home offers several viable options. You might choose to sell the property so both parties can use the proceeds to buy new homes. Alternatively, one partner could buy out the other's share, or you might agree to keep the home until your children finish their education. While keeping the family home offers emotional stability, you must carefully assess whether you can comfortably manage the mortgage repayments on a single income.

Splitting pensions often has the most long-lasting impact on your financial security. Pension sharing is frequently the preferred method, as it splits the assets immediately and allows a clean break. Each person can then manage their share independently. Another option is pension offsetting, where one party retains their pension fund while the other receives an asset of equal value, such as the family home.

Managing savings, investments and tax

Beyond property and pensions, your divorce settlement will also cover your broader savings and investments. Dividing cash accounts is usually straightforward, typically involving a simple transfer of funds. However, Individual Savings Accounts require that funds be withdrawn before they can be transferred to an ex-spouse. Dividing investment portfolios can trigger tax implications and additional charges, underscoring the need for expert professional financial and tax advice.

You must also account for capital gains tax liabilities when transferring assets. Separating couples can transfer assets between them without incurring a capital gains tax charge, provided the transfer is completed within three years of the tax year in which they separate. This extension offers flexibility, but if you sell an asset later, you might still face a tax bill on the profits.

Securing your financial future today

Once your divorce is finalised, you should regularly review your financial plan. Your new lifestyle will require a fresh approach to saving, spending, and investing. Adapting your strategy ensures your arrangements remain suitable for your changing needs and long-term objectives.

Rebuilding your life after a separation can feel overwhelming, but the right support makes the journey much smoother. We can help ease the burden by helping you budget, setting up new investment accounts, and building a plan tailored to you.. ♦

i Need to talk about financial planning advice on divorce?

If you require further information or need help securing your financial future, please contact us to discuss your next steps.

This article does not constitute financial or legal advice and should not be relied upon as such. For guidance, seek professional advice.

The optimal time to pass on your wealth

Making a significant difference to your family's financial wellbeing

Some people choose to wait until they pass away to transfer their assets to their children and grandchildren. However, passing on your wealth during your lifetime is an approach worth considering for several compelling reasons.

While the right strategy depends heavily on your personal circumstances, giving away assets while you are still alive can be highly tax-efficient. More importantly, it can make a significant difference to your family's financial wellbeing when they need it most.

Evaluating your Inheritance Tax exposure

Leaving assets to your loved ones through a Will is a common choice, yet it can be one of the least efficient ways to transfer wealth. On death, your entire estate is valued to calculate your Inheritance Tax liability. For a single person who has not made large gifts in the past seven years, any amount exceeding the current 2026/27 £325,000 nil-rate band is taxed at 40%.

You might qualify for an additional allowance if you leave your main home directly to your children or grandchildren. This extra residence nil-rate band currently allows up to £175,000 per person, provided your total estate is worth less than £ 2 million. Consequently, an individual could pass on up to £500,000 tax-free, while married couples can combine their allowances to shield up to £1 million.

Maximising the impact of lifetime gifts

Gifting money while you are still alive offers another viable way to distribute your assets. Rising life expectancy means that if your children receive an inheritance through your Will, they could easily be in their sixties. By that stage in life, they might not need significant financial support.

Conversely, a financial gift to a young adult can completely transform their circumstances. Your early support could enable them to graduate from university without debt or help them secure a deposit for their first home. Having an open conversation with your family about their immediate needs helps determine the most appropriate time to offer financial assistance.

Navigating trusts and tax allowances

Trusts offer a useful way to manage your tax liability while retaining some control over how your money is used. When you place assets into a trust, they legally become the property of the trustees rather than part of your personal estate. Provided you meet strict conditions, these assets generally fall outside your estate for tax calculations, though establishing a trust requires specialist professional guidance.

You can also reduce your taxable estate by taking advantage of various gifting allowances each tax year. You have an annual exemption of £3,000, allowing you to give away up to that amount tax-free. You can also make specific gifts for weddings or registered civil partnerships, ranging from £1,000 for a friend to £5,000 for a child. You can even give away surplus income, provided the gifts are regular and leave you with enough money to maintain your usual standard of living.

Planning for the longer term

Larger financial gifts are subject to different rules and are known as potentially exempt transfers. To make these larger gifts completely tax-free, you need to survive for at least seven years after transferring the money. It is vital to keep a precise record of any large transfers you make so your family can calculate your tax position accurately in the future.

Before you begin giving your money away, you must understand how this generosity might affect your financial security. If you give away more than you can realistically afford, you risk running out of funds later in your retirement. We can use cashflow modelling to map out your long-term savings and show exactly how lifetime gifts will affect your future financial independence.

Securing your financial legacy

Knowing exactly when and how to transfer your assets is rarely a simple decision. Taking the time to understand your future needs alongside your family's wishes ensures you can build an estate plan that protects everyone involved. Professional advice helps you balance your generosity with your long-term financial security. ♦

Ready to start building a plan that works for you?

If you would like to explore how to manage your Inheritance Tax liability and support your family effectively, we are here to help. Contact us to arrange a comprehensive financial review and begin building a plan that works for you.

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Your health could be the key to a larger pension

Maximise your pension by sharing your health story

Many UK adults approaching retirement may be missing out on thousands of pounds due to misunderstandings about how their health affects their pension options. Research shows that two in five adults over 50 are unaware that common medical conditions could significantly increase their retirement income[1]. Despite the potential for higher guaranteed income through enhanced annuities, 40% of those over 50 do not understand how health disclosures affect their final rate.

This confusion often centres on everyday health issues. For example, over 40% of people in this age group are unsure whether conditions such as high blood pressure, type 2 diabetes or smoking habits affect their annuity income. Surprisingly, only 17% believe smoking could increase their income, and even fewer associate high blood pressure (13%) or type 2 diabetes (12%) with higher payouts.

Closing the gap on enhanced annuities

Contrary to common assumptions, poor health or lifestyle choices can work in your favour when it comes to annuities. These financial products provide guaranteed lifetime income, and providers use your medical history to calculate payouts. If a health condition or lifestyle factor reduces your life expectancy, you may receive a higher annual income as compensation.

Being fully transparent about your medical history is the most effective way to maximise your retirement income. Omitting seemingly minor health details could cost you significantly over time. Although 57% of UK adults report being honest with professionals about their health, only 48% of annuities purchased in 2024/25 were enhanced, highlighting a gap between eligibility and uptake.

Seeking the right support and guidance

Reluctance to discuss health in a financial context often prevents people from securing the most competitive rates. Many feel uncomfortable sharing sensitive medical data by phone with advisers. To address this, some providers now offer online health declarations, which provide a private and straightforward way to ensure all details are accurately recorded.

Enhanced annuities are tailored to your circumstances, ensuring your retirement income aligns with your health and lifestyle. Total transparency ensures you receive the best financial arrangement for your situation.

Take control of your retirement income

Understanding how your health affects your pension options is crucial. By being open about your medical history and seeking professional advice, you could secure a higher guaranteed income and make the most of your retirement. Don't let misunderstandings or discomfort hold you back; explore enhanced annuities to ensure your financial future meets your individual needs. ♦

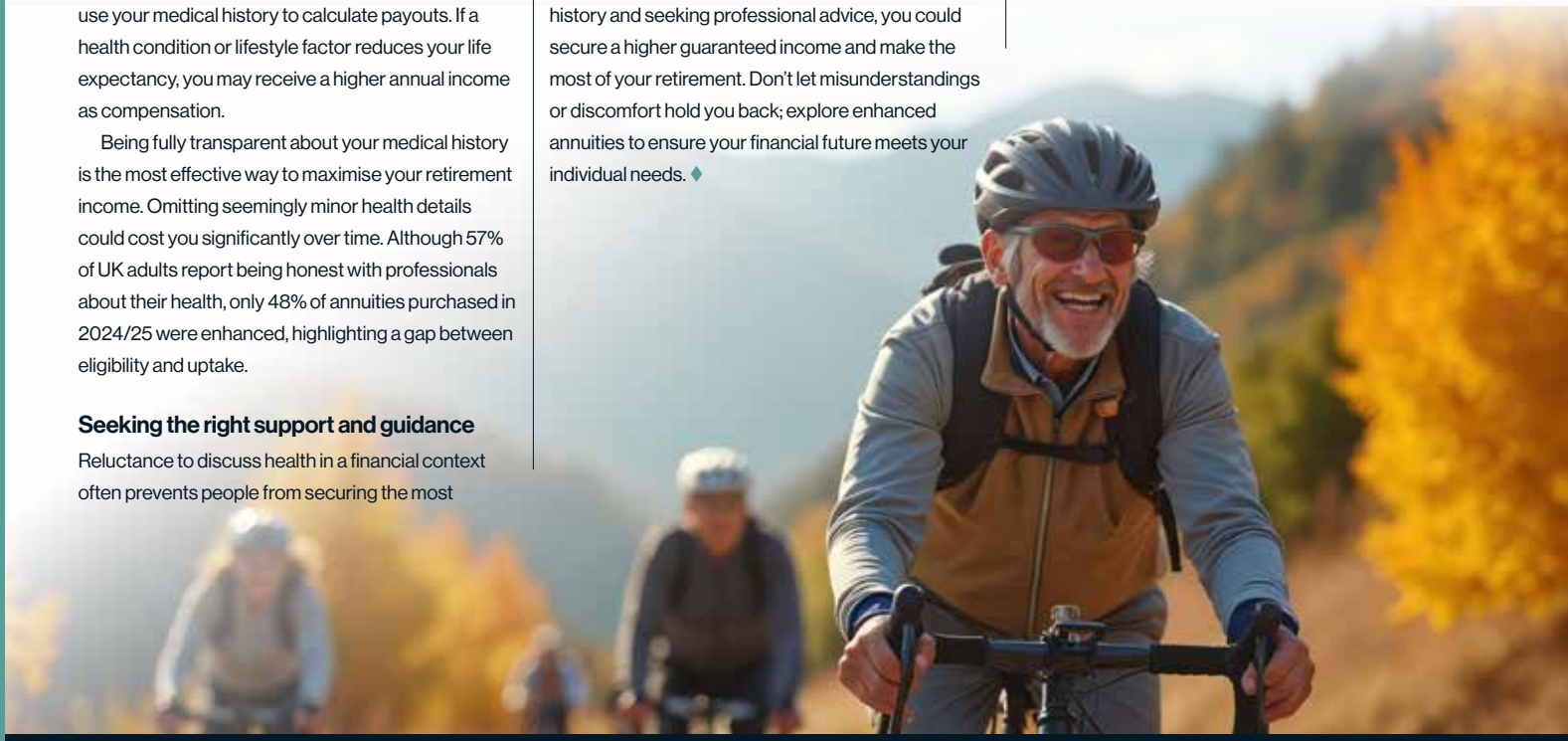
Want to discover whether you could increase the income you receive for the rest of your life?

If you are approaching retirement and want to understand how your medical history could affect your guaranteed income, speak to us. We'll explore your options and help you secure the maximum retirement income you deserve.

Source data:

[1] Research conducted by Opinium with a nationally representative sample of 2,000 UK adults aged 50 and over, carried out between 27 August and 1 September 2025.

This article does not constitute tax, legal or financial advice and should not be relied upon as such. For guidance, seek professional advice. 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).



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