# VizionWealth

Independent Financial Advisers & Wealth Managers

Chartered Financial Planners

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# Autumn Budget 2026 tax watch

With the main taxes ruled out, attention is shifting to other revenue generators

**Five questions to ask yourself before retirement**

Are you doing enough today to give yourself the freedom and choices you want tomorrow?

**Inheritance Tax gift rule many families may be overlooking**

72% of UK adults unaware gifts from surplus income are IHT-exempt

**Safeguarding your retirement wealth**

From cold calls to fake investments, recognise the warning signs of pension scams

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# Inside this issue

As Chancellor John Healey prepares to deliver his first Autumn Budget, speculation is mounting over where the government could raise additional revenue. With the main rates of Income Tax, National Insurance and VAT ruled out, attention could be turning to Capital Gains Tax, property, wealth, pensions and frozen tax thresholds. On page 10, we explain what might change, the potential impact on your finances and why reviewing your financial position ahead of the Budget could help you prepare rather than react.

Retirement should be a time to enjoy the life you have worked towards, but without careful planning, your savings may not stretch as far as you expect. On page 06, we explore five essential questions to help you assess your retirement goals, income needs, pension savings and potential risks, and explain why professional advice can help you build a more secure financial future.

Many families may be missing out on a valuable Inheritance Tax (IHT) exemption that immediately exempts qualifying regular gifts from surplus income. Turn to page 05 to discover how the 'normal expenditure out of income' rules work, the conditions you must meet and why careful record-keeping is essential, particularly as IHT rules are set to change from April 2027.

Pension scams are becoming increasingly sophisticated, putting years of retirement savings at risk. On page 08, we highlight the warning signs to watch out for, including unsolicited approaches, unrealistic returns and high-pressure tactics, and explain how to check whether an adviser or firm is authorised. Taking time to verify an opportunity could help protect your pension from fraud.

A complete list of the articles featured in this issue appears opposite and on page 03. ♦

### Helping you plan with confidence

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Life rarely follows a straight path. We can help you adapt your financial plans, pursue your ambitions and protect your family's future. To discuss your financial needs, please contact us. We look forward to hearing from you.

# Contents




**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.**

# Contents





# What will retirement look like for you?

Practical ideas for creating a purposeful and enjoyable next chapter

**Retirement is one of life's major milestones,** bringing greater freedom but also a significant change in routine. After decades of working, it can take time to adjust to having fewer commitments and more choice over how you spend each day.

**For some, leaving a career** can bring a sense of loss or uncertainty, particularly if work provided structure, social connections and clear goals. Finding new sources of purpose can help make retirement feel rewarding, while a clear understanding of your finances can give you the confidence to enjoy this next chapter.

### Reimagine your daily routine

A regular routine can help bring structure to retirement. This could include exercise, meeting friends, volunteering, gardening or setting aside time for hobbies. Having activities to look forward to can make your days feel more purposeful and support your wider wellbeing.

Learning something new can also create opportunities to meet people and develop interests you may not have had time for while working. Whether learning a language or a musical instrument, or taking a cookery course, retirement can provide the freedom to explore something different and perhaps discover interests you never knew you had.

### Find ways to stay connected

Volunteering can be a rewarding way to apply the skills and experience gained during your working life. Supporting a charity, community group or local organisation can provide social interaction while enabling you to make a positive contribution.

For some, continuing to work can provide both purpose and extra income. Part-time employment, consultancy or self-employment can offer greater flexibility and help maintain a sense of routine. However, it's important to consider the potential tax implications and how additional earnings could affect your wider finances.

### Make time for adventure

Retirement can offer an opportunity to pursue long-held ambitions, whether that's travelling, moving closer to family or relocating to a place you've always wanted to live. Spending more time with children and grandchildren can also be an important source of purpose and enjoyment.

However, major lifestyle decisions should be considered alongside your wider financial plans. Understanding how much income you will need can help you decide what is affordable and avoid putting unnecessary pressure on your savings.

### Plan around your priorities

Understanding your financial position is an important part of planning the retirement you want. Reviewing your pension arrangements, savings and investments can provide a clearer picture of what you have available to fund your lifestyle.

It can also be useful to consider how your spending may change throughout retirement. You may spend more on travel and activities in the early years, while your priorities may shift later. Building flexibility into your plans will help you adapt as circumstances change.

### Keep your plans flexible

Your retirement plans don't have to be set in stone. Your priorities may change as you get older, so regularly reviewing your finances and lifestyle goals can help ensure they continue to align.

Whether your ideal retirement involves travelling the world, spending more time with loved ones, volunteering, continuing to work or simply enjoying a slower pace of life, having a sense of purpose can make this new chapter more fulfilling. ♦

### Make your retirement plans work

Financial planning can help you understand how your pension and other assets could support your chosen lifestyle throughout retirement. Professional advice will also help you explore different income options and make informed decisions as your circumstances change.

If you would like to discuss your retirement plans or to understand how your finances could support the lifestyle you want, please contact us for more information and guidance.

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

# Inheritance Tax gift rule many families may be overlooking

72% of UK adults unaware gifts from surplus income are IHT-exempt

**For many families, gifting money to children or grandchildren is simply a way to help with everyday costs or to give them a financial head start.** However, new research suggests that almost three quarters (72%) of UK adults do not realise that regular gifts funded by spare or surplus income can be immediately exempt from Inheritance Tax (IHT)[1].

**The research**, based on a survey of 2,000 UK adults conducted between 17 and 20 February 2026, also found that 31% of gifts made by those over 55 in the past seven years were funded by surplus or spare regular income.

### A valuable exemption

Known as 'normal expenditure out of income', the exemption allows qualifying regular gifts to be made without waiting seven years for them to fall outside the IHT calculation. Unlike many other gifts, the donor need not survive seven years, provided the strict conditions are met.

With Inheritance Tax rules changing from April 2027, more families may be considering how best to pass on wealth during their lifetime. For those with income left over after covering their usual living expenses, regular gifting could provide a tax-efficient way to support loved ones.

### Three conditions to meet

There are three important tests. First, gifts must come from income rather than capital, such as savings or investments. This could include pension income, interest, dividends or rental income after tax.

Second, the gifting should form a recognisable pattern. This might be monthly payments or regular contributions for birthdays or Christmas. One-off gifts are less likely to qualify.

Third, gifts must not leave the donor unable to maintain their usual standard of living. If savings or other capital have to be used to cover normal living expenses, the exemption may not apply.

### Keep careful records

Start by calculating your regular net income and deducting your usual household spending. Any genuine surplus could potentially fund a regular gifting plan. Setting up standing orders can help establish a clear pattern of payments.

Good records are equally important because the exemption may need to be demonstrated by executors after death. Keep bank statements, correspondence and a schedule of gifts. HMRC's IHT403 form includes a section for recording gifts, which can help establish whether the exemption applies. ♦

### Get help if unsure

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This exemption can be valuable, but the rules are specific and each family's circumstances differ. If you are considering regular gifts from surplus income, it is essential to obtain professional advice to confirm that the conditions are met and that appropriate records are kept.

For further information, or to discuss how the rules may apply to your circumstances, please contact us. We look forward to hearing from you.

**Source data:**

*[1] Research for Canada Life was conducted among a nationally representative sample of 2,000 UK adults between 17–20 February 2026.*

This article does not constitute tax, legal or financial advice and should not be relied upon as such. Estate and tax planning are not regulated by the Financial Conduct Authority. For guidance, seek professional advice.

# Five questions to ask yourself before retirement

Are you doing enough today to give yourself the freedom and choices you want tomorrow?

**Retirement should be something to look forward to,** not a source of financial anxiety. For many people, retirement can seem comfortably distant until, suddenly, it is not. Years of working, saving and paying into pensions can create the sense that everything will somehow fall into place.

**The reality is that**, without a clear plan, you could reach retirement and realise that the lifestyle you imagined is more expensive than your savings can support.

The good news is that spotting a potential shortfall early gives you time to address it. Whether retirement is decades away or approaching quickly, asking yourself these five questions could help you take greater control of your financial future.

### 1. What does my dream retirement look like?

Start with the life you want to lead, not a pension figure. Do you dream of travelling more, spending time with family, taking up new hobbies or simply enjoying your days without financial worries?

Think about the costs involved, from essential household bills to holidays, leisure and support for loved ones. Your spending may also change over time, with higher expenditure in the early years before your priorities evolve.

### 2. Where will my income come from?

Your retirement income may need to come from several sources, including workplace and personal pensions, the State Pension, savings, investments or property. Knowing when each source becomes available is essential to building a sustainable income plan.

Check your State Pension forecast and National Insurance record, as gaps could affect your eventual entitlement. Understanding which income you can rely on can also help determine how much you need to generate from your private pension and other assets.

### 3. Am I saving enough?

Seeing a pension balance on a statement can be reassuring, but the figure alone does not tell you whether you are on track. What matters is how much income your savings could ultimately provide and whether it matches the life you want.

Consider your contributions, investment strategy, charges and the impact of inflation. If you discover a potential shortfall while you still have years before retirement, you have more time to increase contributions, review your investments or adjust your plans.

### 4. How will I turn savings into income?

Pension freedoms give you choices. You could use drawdown to take a flexible income while keeping your pension invested, buy an annuity to secure a guaranteed income, or combine approaches.

The decisions you make can have significant tax and investment implications. For example, taking large withdrawals in a single tax year could push you into a higher Income Tax band, while taking too much from drawdown could leave you with less money later in retirement.

### 5. What if life doesn't go to plan?

A retirement plan based solely on everything going right can unravel quickly. Investment markets can fall, inflation can erode spending power and unexpected costs can arise. You may also live considerably longer than expected.

Professional financial advice will help you stress-test your plans against different scenarios and consider investment risk, tax, longevity and the most appropriate way to use your assets. Most importantly, it can help turn a collection of pensions and investments into a coherent plan for the life you want. ♦

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### Have you given your future self more choices?

Retirement is one of the biggest financial transitions you are likely to face. The decisions you make today could determine whether your later years feel financially secure and liberating, or constrained by money worries.

If you would like to know whether you are on track for the retirement you want, please contact us. We can review your pensions, investments and wider finances, identify any gaps and help you build a plan tailored to the future you want to enjoy.

# Protecting your loved ones with a Will

Providing greater control over your assets and protection for those who matter

**A Will can help you put your financial affairs in order,** plan your inheritance and ensure your wishes are known. Despite this, many people delay making one, often assuming it can be dealt with later. Without a Will, the law determines how your estate is distributed.

T**his may not reflect** your wishes and could create further complications for those you leave behind. Writing a Will provides greater certainty, helps prevent potential family disputes and gives you peace of mind.

### Decide who inherits

One of the main reasons for making a Will is the ability to decide who receives your money, property and possessions. You can also leave specific gifts, including sentimental items such as jewellery, family photographs, family heirlooms and other treasured belongings.

For unmarried couples and those not in a registered civil partnership, having a Will can be particularly important. The rules of intestacy do not generally provide the same automatic inheritance rights to unmarried partners as to spouses and registered civil partners, potentially leaving a surviving partner in financial uncertainty.

### Protect your family

If you have children under 18, a Will allows you to nominate guardians to care for them if both parents die. You can also appoint executors to administer your estate and leave instructions for your preferred funeral arrangements.

Making a Will is also a time to review your wider financial arrangements. This may include reviewing life insurance, pension beneficiary nominations and other relevant protection policies, where appropriate, to ensure they remain suitable for your circumstances and to ensure they are written into an appropriate trust. Keeping these details up to date can make it easier for your loved ones to understand your arrangements.

### Consider tax and charitable gifts

Inheritance Tax can be an important consideration when planning how wealth will be passed on. Depending on the value and structure of your estate, your beneficiaries may face a tax liability. Professional advice is essential to ensure you understand the available allowances, exemptions and potential planning opportunities.

You can also leave money to charities in your Will. In certain circumstances, leaving at least 10% of your net estate to charity can reduce the Inheritance Tax rate on some assets from 40% to 36%, while providing valuable support for a cause you care about.

### Keep your Will up to date

Writing a Will isn't a one-off exercise. It should be reviewed regularly and whenever your circumstances change, such as after marriage or divorce, the birth of a child or a significant change in your finances. You may also want to reconsider your wishes if any beneficiaries or executors are no longer suitable.

While a Will can provide valuable protection, it must be properly drafted and kept up to date to ensure it continues to reflect your wishes. Seeking professional advice will help you understand the options available and avoid potential complications. ♦

### Give yourself peace of mind

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Making a Will puts you in control of important decisions about your estate and makes things easier for your loved ones at an already difficult time.

If you don't yet have a Will, would like to review your existing arrangements or would like to discuss your options, please contact us.

This article does not constitute tax, legal or financial advice and should not be relied upon as such. Estate, tax planning and will writing are not regulated by the Financial Conduct Authority. For guidance, seek professional advice.

# Safeguarding your retirement wealth

## From cold calls to fake investments, recognise the warning signs of pension scams

**Imagine losing your entire pension pot in the blink of an eye.** Years of hard-earned savings could vanish after a seemingly convincing investment opportunity turns out to be a scam. Pension fraudsters can be persuasive, using professional-looking websites, testimonials and promises of high or guaranteed returns to win your trust.

> Promises of huge or guaranteed returns with little or no risk are a major red flag. Scammers may promote overseas property, technology ventures or other investments that appear highly profitable but may be unregulated or simply not exist.

**Pension scams are becoming increasingly sophisticated**, with fraudsters often posing as legitimate advisers, investment experts or representatives of genuine organisations. They may know personal details about you, making their approach seem convincing, while their real aim is to persuade you to hand over information or transfer your pension savings.

### Be wary of unexpected approaches

Pension cold calling is subject to strict rules in the UK. If someone unexpectedly contacts you about your pension, the safest approach is to end the conversation and contact your existing pension provider using verified details. Unexpected emails, texts and investment offers should also be treated with caution.

Be especially wary of anyone offering a 'free pension review'. Fraudsters may use these offers to identify potential targets and then recommend transferring pension savings into unusual, high-risk or fraudulent investments. A genuine adviser should give you time to consider your options rather than pressuring you into an immediate decision.

### Know the warning signs

Promises of huge or guaranteed returns with little or no risk are a major red flag. Scammers may promote overseas property, technology ventures or other investments that appear highly profitable but may be unregulated or simply not exist.

High-pressure tactics should also prompt you to pause. If someone says an opportunity is available for a limited time or urges you to transfer your pension immediately, take a step back. Don't allow yourself to be rushed into a decision that could affect your financial security for decades.

### Check who you are dealing with

Before dealing with anyone about your pension, check that they are authorised by the Financial Conduct Authority (FCA) and have permission to provide the service on offer. The FCA's Financial Services Register can help you verify a firm's details and permissions.

Don't rely solely on information provided by the person who contacted you. Scammers can impersonate genuine firms, so use contact details from official sources rather than telephone numbers, links or websites provided during an unsolicited approach.

### Think before transferring

If you are considering changing your pension arrangements, professional financial advice is essential to help you understand your options and the associated risks. Take time to consider any recommendation carefully, and never feel obliged to proceed simply because someone has contacted you.

It can also be worth contacting your existing pension provider directly before taking any action. They may be able to confirm whether an approach or proposed transfer is genuine and explain your current pension arrangements. If you have any doubts, pause the process until you are satisfied that the person or firm involved is legitimate. ♦

### Protect your pension with confidence

Pension decisions you make will have long-term consequences, so taking time to understand your options can help you avoid costly mistakes and safeguard your retirement savings.

If you are considering transferring your pension or would like more information about your retirement savings, please contact us to discuss your options.

This article is for informational purposes only and does not constitute tax, legal or financial 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). The value of your investments (and any income from them) can go down as down, which would affect the level of pension benefits available.

# Autumn Budget 2026 tax watch

With the main taxes ruled out, attention is shifting to other revenue generators

**As Chancellor John Healey delivers his first Autumn Budget on 28 October 2026,** the government faces a difficult balancing act. Prime Minister Andy Burnham has committed to Labour's manifesto pledge not to raise the main rates of Income Tax, National Insurance or VAT. However, the government also faces significant spending pressures and limited scope under its fiscal rules.

**That does not necessarily mean** taxpayers will avoid higher taxes. The Chancellor could consider wealth, investments, property, pensions and other sources of revenue. Between now and Budget day, there is likely to be no shortage of predictions about what might happen. Much of the speculation, however, remains unconfirmed.

### Capital gains could come under scrutiny

Capital Gains Tax (CGT) is one area attracting particular attention. Possible changes could include raising CGT rates to bring them closer to Income Tax rates, or altering the reliefs and allowances available to investors and business owners. Such measures could affect people selling investments, second homes or businesses.

The annual CGT-exempt amount is already modest, so more investors could face tax on sales outside tax-efficient wrappers. Any further changes could make the timing of disposals and the use of Individual Savings Accounts (ISAs) and pensions increasingly important.

### Property and wealth in focus

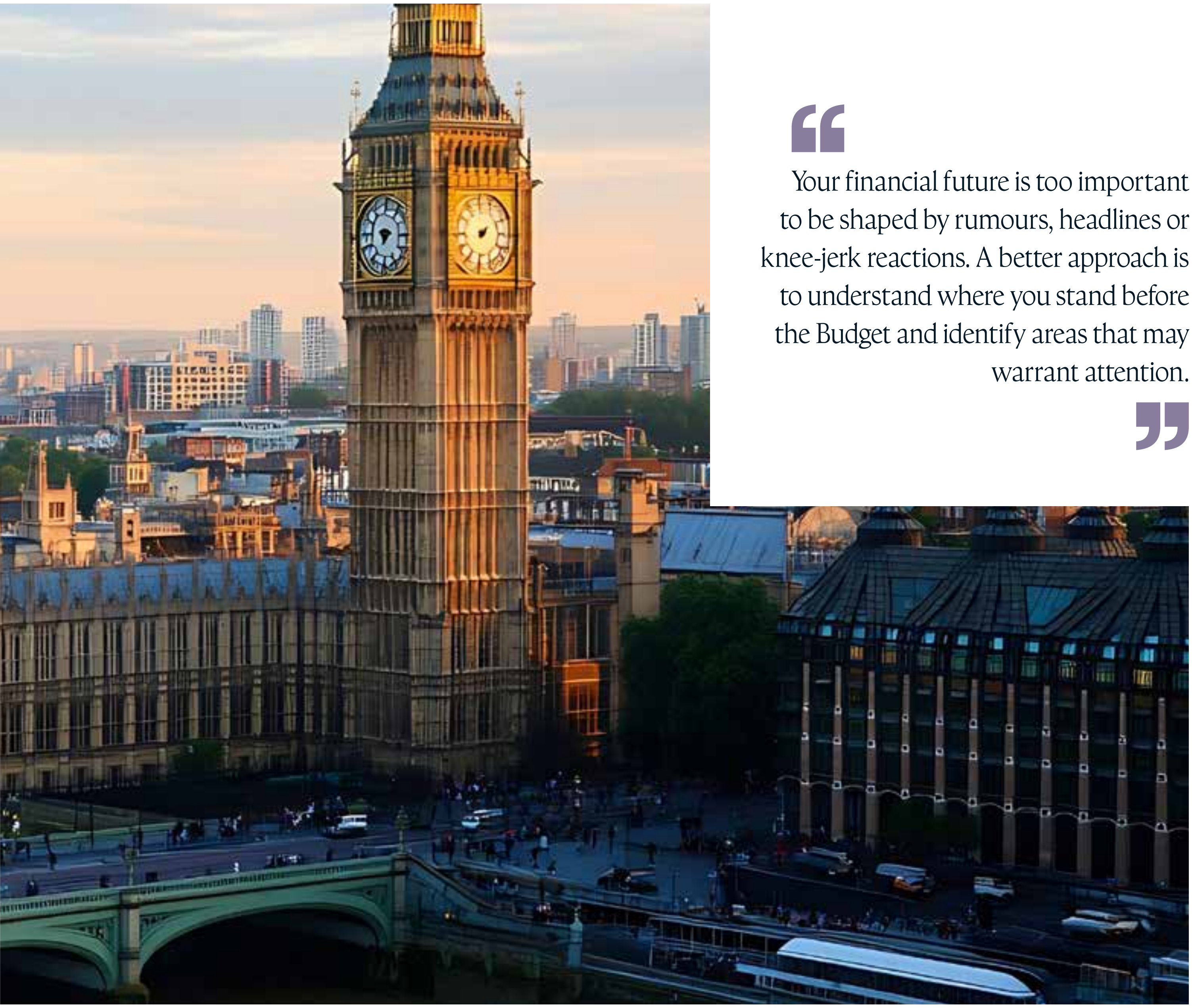
Property taxation could also feature in the Chancellor's thinking. Speculation has centred on changes affecting higher-value properties, although the government has denied reports that it plans to replace Council Tax and stamp duty with a land value tax in the immediate Budget.

A broader tax on wealth has also been discussed, although there is currently no confirmed proposal for a new wealth tax. Inheritance Tax (IHT) could remain another area to watch, particularly as most unused pension funds are due to come within the IHT regime from April 2027.

### Quiet impact of frozen thresholds

Tax rises do not necessarily require an increase in headline rates. Keeping allowances and thresholds frozen while wages and asset values rise can gradually increase the amount people pay through fiscal drag.

For 2026/27, the Personal Allowance remains at £12,570, while the higher rate threshold is £50,270 in England, Wales and Northern Ireland. As incomes



> Your financial future is too important to be shaped by rumours, headlines or knee-jerk reactions. A better approach is to understand where you stand before the Budget and identify areas that may warrant attention.

rise, more people may find themselves paying tax or moving into higher tax bands, even though the rates themselves do not change.

### Be prepared, not reactive

Your financial future is too important to be shaped by rumours, headlines or knee-jerk reactions. A better approach is to understand where you stand before the Budget and identify areas that may warrant attention.

Whether you are approaching retirement, building your investments, running a business or thinking about your family's future, potential Budget changes may make it worthwhile to review your financial position.

**We can consider the following areas:**

- Pension contributions and retirement planning
- ISA allowances and investment planning
- Capital Gains Tax and gains on investments or other assets
- Inheritance Tax, gifting and estate planning
- Business remuneration, dividends and extraction strategies
- The suitability of your investment strategy in changing market conditions

### Review before the Budget

You do not need to predict what the Chancellor will announce. You simply need to understand your current position and where potential changes could affect you.

By reviewing your circumstances ahead of 28 October, we can identify areas that may require further consideration. Once the Chancellor has announced the measures and the details of any subsequent legislation are known, we can assess whether action is appropriate for you.

That means less guesswork, fewer knee-jerk decisions and a financial plan tailored to your circumstances, not to the latest headline. ♦

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### How could the Budget affect your financial plans?

If you want to discuss how potential Budget changes could affect your finances, we can help you review your position and consider whether any aspects of your financial plan should be revisited.

To discuss your concerns or to find out more, please contact us for further information.

# Why investment diversification matters in an uncertain world

Geopolitical tensions, trade disputes and energy shocks can quickly affect markets

**Diversification enables investors to avoid putting too much of their financial future at risk. Investing always involves uncertainty,** but the geopolitical backdrop has become increasingly difficult to predict. Conflicts in the Middle East and Ukraine, tensions between major economies and changing trade policies can affect energy prices, inflation, currencies, company profits and financial markets around the world.

M**any commentators expect** geopolitical and policy uncertainty to remain elevated through 2027. These developments can affect different investments in markedly different ways. Energy producers, for example, may benefit from higher commodity prices, while energy-intensive businesses could face rising costs. Similarly, companies reliant on international supply chains may be affected by tariffs or trade restrictions. This is where diversification can play an important role.

## Spread your investment risk

Diversification means spreading your money across different investments, asset classes, sectors and geographical regions rather than relying heavily on one area. A portfolio might include equities, bonds, property and cash, with exposure to both UK and international markets.

The objective is not to eliminate investment risk, which is impossible, but to reduce your dependence on any single investment or economic outcome. If one part of your portfolio performs poorly, other holdings may provide resilience.

## Look beyond your home market

Geographical diversification can be particularly valuable during periods of geopolitical uncertainty. Investing solely in the UK means your portfolio is closely tied to the performance of a single economy, currency and political environment.

International exposure can provide access to different economies and industries, whose performance may not move in step with UK investments. However, overseas investing introduces additional risks, including currency fluctuations, political instability and differing regulatory regimes.

## Prepare for unexpected shocks

Geopolitical events can affect portfolios through several channels. A conflict that disrupts energy supplies could push up oil and gas prices, increasing inflation and potentially affecting interest rates. Trade restrictions can raise costs for businesses and consumers, while disruptions to global supply chains can affect company earnings.

Ongoing conflicts could lead to continued commodity-price volatility, tighter financial conditions and a heightened risk of market repricing. A diversified portfolio cannot fully protect investors, but spreading exposure can help avoid excessive reliance on a particular region, industry or economic scenario.

## Diversification needs careful planning

Owning many investments does not automatically mean you have a diversified portfolio. Several funds could hold many of the same companies or be heavily weighted towards the same sectors, creating concentrations that may not be immediately obvious.

Your investment timeframe, objectives, attitude to risk and capacity for loss should determine how your portfolio is structured. Someone approaching retirement may have very different requirements from an investor with decades before they need their funds.

## Keep your strategy under review

Diversification is not a one-off exercise. Market movements can cause some investments to outperform others, gradually shifting the balance of your portfolio. Regular reviews can determine whether your investments remain aligned with your objectives and whether rebalancing may be appropriate.

Above all, diversification should support a long-term strategy rather than encourage investors to react to every geopolitical headline. Markets can recover from periods of uncertainty, and making sudden decisions driven by fear can turn temporary falls into permanent losses. ♦

### Could your portfolio be better positioned for an uncertain world?

If you would like to review your investment strategy, we can assess your current portfolio, financial goals and investment horizon, and help ensure your approach remains aligned with your circumstances.

To find out more or discuss your requirements, please get in touch to arrange a review.

This article is for informational purposes only and does not constitute tax, legal or financial advice. The value of your investments (and any income from them) can fluctuate. You may receive back less than you invested. For guidance, seek professional advice.

# What I wish I'd known before I retired

Nearly a third of retirees say their standard of living is worse than before retirement

**Retirement is often imagined as a chance to relax,** travel and spend more time with family and on hobbies. However, new research suggests the reality can be more financially demanding than expected. Nearly a third (31%) of retirees say their standard of living is now worse than before they retired, compared with 20% who say it has improved[1].

**The research also highlights** a gap between expectations and reality. Nearly one in five (17%) retirees underestimated how much money they would need, while 16% did not expect retirement to last as long as it has. With people living longer, retirement savings may need to stretch across several decades, making it important to consider not only how much you save but also how those savings will support you over time.

### Learning from retirement realities

Many retirees say they wish they had acted sooner. Three in ten (30%) regret not saving regularly during their working lives, while 29% wish they had started pension saving earlier. A further 16% wish they had planned more thoroughly, and 14% regret not making better use of pension tax benefits.

However, saving consistently is not always straightforward. Having children had the greatest impact on retirement savings for 15% of retirees, followed by divorce (10%) and redundancy (9%). Wider events, including inflation, market uncertainty and the pandemic, can also disrupt carefully laid plans and make it harder to maintain regular contributions.

### Making savings last

Building a pension is only part of the challenge. Around one in eight (12%) retirees wish they had better understood how to convert their pension savings into an income, while a similar proportion regret spending too much too early.

The transition from saving to spending can be particularly difficult. People may be accustomed to a regular salary, so deciding how much to withdraw from a pension pot while ensuring it can support them in the long term requires careful thought.

### Creating a sustainable income

Understanding what you have is an important first step. Reviewing pension arrangements, including any pots accumulated with previous employers, can help you establish which resources are available and how they could support your retirement. This can also highlight any gaps that may need addressing before you stop work.

It is also worth considering the lifestyle you want and what it may cost. Whether your priorities are covering essential bills, travelling, helping family or spending more time on hobbies, having a realistic picture of future spending can help shape your retirement income strategy.

### Planning for the long term

How pension savings are converted into income can be as important as how much has been saved. Combining flexible income with guaranteed income, such as an annuity, could provide greater certainty for essential spending, depending on your circumstances. Seeking professional advice will help you understand the options and their potential implications.

Retirement planning should also evolve over time. Regularly reviewing withdrawals, investments and personal circumstances can help ensure your plans remain appropriate. Unexpected costs, shifting priorities and market conditions can all affect how long savings need to last.

### Taking action before retirement

The lessons from today's retirees highlight the value of starting early, saving consistently and understanding how pension savings will be used. Even modest regular contributions can benefit from tax relief, employer contributions and potential long-term investment growth. Reviewing your plans at key life stages can also help you adapt as circumstances change.

While nobody can predict exactly how long retirement will last or what the future economy will look like, preparing for different scenarios can provide greater financial confidence. Understanding your pension, setting realistic expectations and seeking help where needed can all make the transition from work to retirement easier to navigate. ♦

### Are you planning for a more confident retirement?

Retirement planning can feel complex, particularly when it comes to deciding how much you need and how to make your savings last.

If you are approaching retirement or would like to review your pension and retirement plans, please contact us for further information and professional financial advice tailored to your circumstances.

**Source data:**

*[1] Research conducted by the Phoenix Group for Standard Life plc, alongside the launch of its 'For the life we live' campaign focused on retirement and financial planning. The supporting research comprises an Ipsos survey of 6,000 UK adults conducted in June 2025 and Opinium research among 4,000 UK adults conducted in January 2026, with both studies weighted to be nationally representative.*

This article does not constitute tax, legal or financial advice and should not be relied upon as such. It depends on the individual circumstances of each person and may be subject to change in the future. For guidance, seek professional advice.

# Are you and your partner ready for retirement?

Why couples should talk about pensions and retirement plans

**Many couples plan their holidays,** household budgets and major purchases together, yet pensions and retirement can be overlooked. Research suggests that fewer than one in five non-retired people have discussed their pensions or retirement plans with their partner, potentially leaving one person unaware of important financial decisions[1].

**Planning for retirement** together makes sound financial sense. After a lifetime of saving, a pension can be a significant asset, potentially comparable to the value of the family home. Understanding what you both have, how much it could provide and what may happen if one of you dies can help you make more informed decisions.

## Open up the conversation

A useful first step is to gather details of your pensions, savings and other investments. Understanding the value of each pension, how it could provide an income and what death benefits may be available can give both partners a clearer picture of their financial position.

It can also be worth considering whether pension contributions are balanced between you. For example, where one partner is a higher earner and approaching relevant pension allowances, there may be circumstances in which making additional contributions to their partner's pension could form part of a wider financial strategy.

## Look beyond retirement income

Couples should also understand what could happen to their pensions if one partner dies. The tax treatment of pension benefits can depend on several factors, including the deceased's age. From 6 April 2027, unused pension funds and certain death benefits will be included in Inheritance Tax calculations if an estate exceeds the relevant thresholds.

This makes it particularly important to discuss when and how pensions should be accessed alongside other savings and investments. Depending on individual circumstances, deciding which assets to draw on first could have implications for retirement income, tax and plans for passing wealth to beneficiaries.

## Avoid taking too much too soon

How much you withdraw from a pension can be just as important as how much you have saved. Withdrawing large amounts too quickly could result in unnecessary tax and leave less money available for later life.

Couples should consider their expected spending, other sources of income and how long their savings may need to last. It is also worth allowing for unexpected costs and the possibility that spending patterns will change throughout retirement.

## Make sure you both know

It is important that each partner knows where pension information is held and who to contact if the other partner dies. Even carefully considered financial arrangements can become difficult to manage if only one person knows the key details.

Reviewing your plans together can help identify potential gaps and provide a clearer picture of the lifestyle you can afford. Professional advice is particularly valuable for couples approaching retirement, helping them consider their pensions, income needs, tax position and longer-term objectives. ♦

### Could your retirement plans work better together?

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Planning for retirement as a couple will help you make informed decisions and prepare for the future with greater confidence.

If you and your partner would like to review your retirement plans or understand how your pensions could work together, please contact us. We look forward to hearing from you.

**Source data:**

*[1] LV= surveyed 4,000 nationally representative UK adults via an online omnibus conducted by Opinium in December 2024.*

This article does not constitute tax, legal or financial advice and should not be relied upon as such. Tax and estate planning are not regulated by the Financial Conduct Authority, depend on the individual circumstances of each client, and may be subject to change in the future. 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). The value of your investments (and any income from them) can go down as well as up, which would affect the level of pension benefits available. The tax implications of pension withdrawals will be based on your individual circumstances. Thresholds, percentage rates, and tax legislation may change in subsequent finance acts. Investments can fall as well as rise in value, and you may receive back less than you invest.

# Reconsidering how to use pension savings and pass wealth to the next generation

It is increasingly important to consider pensions alongside other assets when planning

**For families with substantial pension savings,** the rules are changing. From 6 April 2027, most unused pension funds and pension death benefits will form part of an estate's value for Inheritance Tax (IHT) purposes. The change could prompt people to reconsider how they use their pension savings and pass wealth to the next generation.

**While most estates** aWhile most estates are still expected to have no Inheritance Tax liability, the reforms mean some families could face a higher tax bill. This makes it increasingly important to consider pensions alongside other assets when planning for long-term financial and estate matters.

## Consider gifting during your lifetime

One potential approach is to consider whether some wealth could be passed on during your lifetime rather than retained within your estate. This could include making contributions to a loved one's pension, helping them build their own retirement savings while potentially reducing the value of your estate.

However, a payment into someone else's pension is generally treated as a gift for Inheritance Tax purposes, so the rules on lifetime gifts need careful consideration. The £3,000 annual exemption can be used for qualifying gifts, and regular gifts from surplus income may also be exempt if certain conditions are met.

## Understand the seven-year rule

Larger gifts that do not qualify for an exemption may fall outside your estate if you survive for seven years after making them. These are known as 'potentially exempt transfers'. If you die within seven years, the gift may be relevant for Inheritance Tax calculations, depending on the circumstances and the value of other gifts made.

This means gifting can be a long-term strategy rather than a quick way to reduce a potential tax bill. You also need to consider whether you can afford to give money away without compromising your retirement income or financial security.

## Review how your pension is used

The forthcoming changes could also prompt some people to reconsider whether to leave significant pension wealth untouched. Depending on your circumstances, drawing an appropriate level of income in retirement and using other assets strategically could affect the eventual value of your estate.

However, withdrawing money solely to avoid Inheritance Tax may not always be the right decision. Pension withdrawals can have Income Tax implications, and taking too much too soon could reduce the funds available to support you later in life.

## Plan for the next generation

For some families, contributing to a child's or grandchild's pension could be a way to provide financial support while encouraging long-term saving. Even relatively modest early contributions can benefit from many years of potential investment growth.

There are limits and rules governing pension contributions; however, it is important to understand how they apply to both the person making the gift and the pension recipient. The most suitable approach will depend on your circumstances, objectives and wider estate.

## Take advice before acting

The interaction between pensions, lifetime gifts, Inheritance Tax and retirement income can be complex. The rules are also changing, with further HM Revenue & Customs guidance and supporting material expected ahead of April 2027.

Rather than making large withdrawals or gifts simply because of the forthcoming changes, consider reviewing your overall financial position first. A coordinated approach could help you balance your financial security with your desire to pass more wealth to those you care about. ♦

### Could gifting to a loved one's pension help reduce your IHT bill?

With Inheritance Tax rules for pensions changing from 6 April 2027, now is the time to consider how these changes could affect your estate and your family's financial plans.

If you are considering gifting money to a loved one's pension or would like to understand how the April 2027 changes could affect your estate, please contact us.



# Ten years to go: is your retirement plan on track?

How to prepare your finances and make the most of the decade before retirement

**With retirement costs rising and people potentially spending several decades in later life,** the decade before retirement is an important time to review your financial plans. Having around ten years to go gives you the opportunity to identify any gaps and make adjustments while there is still time to act.

**Retirement can look very different** from one person to another. You may want to travel, spend more time with family, pursue hobbies or simply enjoy greater financial freedom. Understanding what you want from retirement is therefore a useful starting point for working out how much you may need.

## Picture your future

Think about when you would like to retire and the lifestyle you hope to enjoy. Consider expected spending on essentials such as housing, food and utilities, as well as discretionary costs such as holidays, hobbies and helping family members.

It is also worth considering how your spending could change over time. You may spend more on travel and activities in the early years of retirement, while healthcare or other costs could become more significant later on. Don't forget to allow for unexpected expenses and rising living costs.

## Take stock of your pensions

Review your current pensions and obtain up-to-date information on their value and projected benefits. If you have worked for several employers, you may have accumulated multiple pension pots, so make sure you know where they are and understand how each one works.

Check whether you are making the most of available employer contributions and pension tax benefits. With around ten years to go, increasing contributions where affordable could make a meaningful difference to your eventual retirement income. It may also be worth reviewing your State Pension forecast and National Insurance record.

## Review your wider finances

Your pension is unlikely to be your sole financial resource. Review your savings, investments, property and other assets alongside your expected State Pension entitlement. Consider any outstanding debts and whether you want to reduce or clear them before retirement.

Think about your emergency savings too. Accessible funds for unexpected costs can reduce the need to draw on your pension at an inconvenient time. Inflation is another important consideration, as the income you need in retirement may be higher than it appears today.

## Plan how you will take income

It is important to consider not only how much you have saved, but also how you will turn those savings into income. Depending on your circumstances, you may have options, including flexible withdrawals or securing income through an annuity.

Taking too much too soon could leave you with less money later in retirement, while being overly cautious could mean you don't enjoy the lifestyle you have worked towards. Understanding the balance between income, investment risk and the length of time your money may need to last is therefore essential.

## Use the next decade wisely

Ten years before retirement is a valuable opportunity to take stock rather than waiting until your final few years of work. Reviewing your plans regularly can help you respond to changes in your income, investments, family circumstances and retirement goals.

It is also worth considering your wider plans, including when you might stop working, whether you would consider part-time employment and what you want to do with your time. A clear picture of your financial and lifestyle goals can make retirement planning more meaningful.

## Get ready with confidence

Professional financial advice will help you assess whether your current strategy is likely to meet your objectives and identify potential changes that could improve your position. A review can also help you understand the potential tax implications of your decisions and how different assets could work together.

The decade before retirement can pass quickly, but it also offers valuable time to prepare. Taking action now can help you understand your options, address potential shortfalls and build greater confidence for the years ahead.. ♦

### Are you ready for the next stage?

Plan ahead with confidence. With around a decade to go before retirement, reviewing your pension, savings and wider financial plans will help you prepare for the future.

For further information and professional advice tailored to your circumstances, please contact us to discuss your options.

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# Britons face Inheritance Tax confusion

## How the gifting rules are leaving some families in the dark

**Inheritance Tax (IHT) can feel like a financial maze,** and new research suggests many families struggle to understand the rules. Almost three in five (59%) UK adults admit they find IHT confusing, while only 6% describe their understanding as very clear, according to research[1].

**That lack of confidence** could have costly consequences. With tax thresholds frozen and recent policy changes expected to bring more families into the IHT net, understanding the available allowances and exemptions is increasingly important.

### Gifting rules leave many uncertain

Understanding how much can be gifted without triggering Inheritance Tax remains a challenge for many households. Just 15% of people feel confident about the amount they can give away each year without it being counted towards IHT, while 74% have either heard of gifting allowances and exemptions but do not know the details, or have no knowledge of them.

Only 26% of UK adults correctly identified the annual tax-free gift allowance as £3,000. Known as the 'annual exemption', it can be given to one person or split among several. Any unused allowance from the previous tax year can also be carried forward, provided the current tax year's allowance is fully used.

### Understanding the seven-year rule

More than half (57%) are either unaware of the seven-year rule or do not understand how it operates. Gifts not covered by an exemption can fall outside an estate for IHT purposes if the donor survives for seven years. If the donor dies sooner, the gift will use up some or all of the donor's nil rate band. If the gift (alone or cumulatively) exceeds the nil rate band, tax on the excess will be payable by the gift recipient, with the full 40% rate potentially applying if death occurs within three years.

Only 27% say they fully understand the rule. For families considering gifting property or significant sums of money, getting the timing and tax treatment right can be crucial.

### Planning is becoming more important

Rising property values, frozen IHT thresholds until 2031 and the inclusion of pensions in IHT calculations from April 2027 mean more families may need to reconsider their financial planning. Some households that never expected to pay IHT could find themselves affected.

Confusion can lead to missed allowances, unnecessary tax bills and added stress at an already difficult time. Understanding the rules early can give families a greater opportunity to make use of available exemptions, plan gifts carefully and ensure their assets are passed on as efficiently as possible. ♦

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### Avoid costly mistakes and unexpected liabilities

With the rules becoming increasingly relevant to more households, seeking professional guidance will help families avoid costly mistakes and unexpected liabilities.

If you need further information about Inheritance Tax, gifting or estate planning, please contact us, and we'll assess your individual circumstances and help you plan effectively.

**Source data:**

*[1] Research conducted by Canada Life among a nationally representative sample of 2,000 UK adults between 17–20 February 2026*

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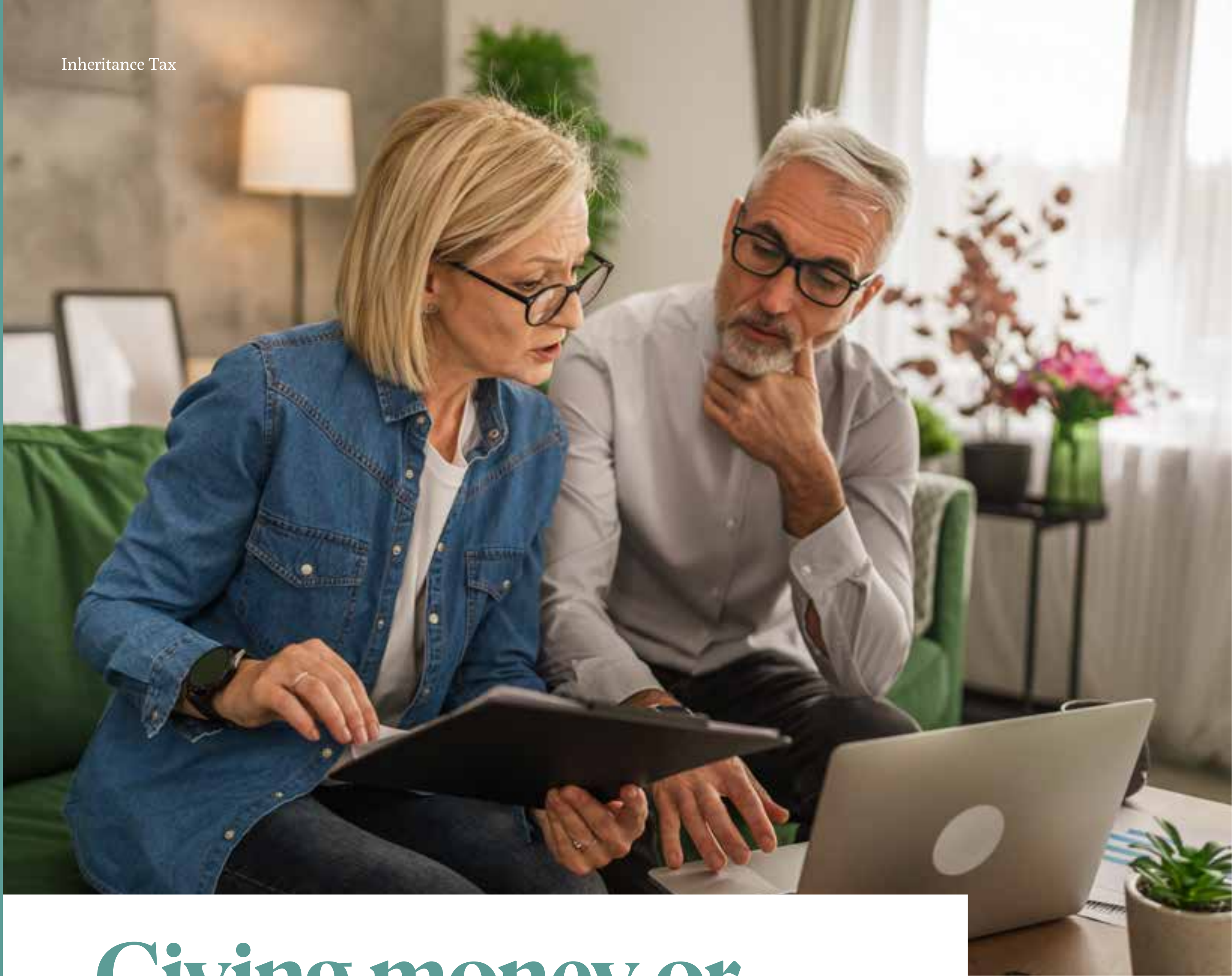

# Giving money or valuable possessions to loved ones

54% of over-55s have no record of gifts given in the previous seven years

**Giving money or valuable possessions to loved ones can be a generous way to provide support,** but failing to keep track of those gifts could leave families facing an Inheritance Tax (IHT) headache later. New research shows that 54% of over-55s who have given a financial gift in the past seven years have kept no record of it[1].

> Among those who knew the exact amount or could estimate it, the average value of gifts over seven years was £42,056. A fifth (21%) had given £50,000 or more, highlighting why keeping detailed records can be particularly important.

**The research found** that only 13% have recorded their gifts in a secure, backed-up place, such as a spreadsheet, accounting software or a secure notes app, while 15% have made informal notes on paper or on their phone. This lack of documentation could make it harder for executors to establish what was given, when and to whom.

### Why keeping records matters

When someone dies, executors may need to complete HM Revenue & Customs' IHT400 form to report the estate's value, alongside IHT403 to disclose relevant lifetime gifts. Without accurate records, completing the paperwork can be more difficult and may lead to delays or additional queries from HMRC.

Many people have also lost track of how much they have given. Just 31% of over-55s who have made a financial gift in the past seven years know the exact amount, while 45% can only provide a rough estimate and 24% have no idea.

### Gifts can be worth more than expected

Among those who knew the exact amount or could estimate it, the average value of gifts over seven years was £42,056. A fifth (21%) had given £50,000 or more, highlighting why keeping detailed records can be particularly important.

Nearly half (48%) said they did not keep records because their gifts were not large enough to warrant keeping them, while 47% did not realise records were necessary. A further 21% relied on their memory.

### What counts as a financial gift?

There is also widespread confusion about what constitutes a gift for IHT purposes. Three in five (59%) over-55s did not know that furniture, jewellery and antiques can count, while 55% were unaware that shares listed on the London Stock Exchange may also be included. Meanwhile, 32% were unaware that giving away a house, land or buildings can be relevant.

Keeping a clear record of the amount, date, recipient and relationship can help executors provide the information required by HMRC. Records should be securely backed up and stored where the executor can access them.

### Protecting loved ones from future stress

Gifting can provide valuable support to family and friends, but poor record-keeping can create unnecessary complications, potentially delaying probate and payments to beneficiaries. Allowances or exemptions may also be missed if gifts cannot be evidenced.

Keeping a clear, up-to-date record of gifts can give executors a clearer picture of an estate and help ensure the correct information is provided to HMRC. This can make the administration process smoother and reduce the risk of additional stress for loved ones at an already difficult time. ♦

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### Have you given away significant sums or assets, or are you considering doing so?

Maintaining good records of your gifting arrangements will help reduce the risk of complications for your loved ones in the future. Professional guidance also provides reassurance that your records and wider estate planning are in order.

Obtaining professional advice will ensure your gifting records are accurate, securely stored and up to date. To find out more, please contact us.

**Source data:**

[1] Research conducted by Canada Life among a nationally representative sample of 2000 UK adults between 17–20 February 2026. The sample includes 998 adults aged 55 and over.

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# The true cost of raising a child in 2026

From childcare and essentials to education and everyday expenses

**Raising a child is a major financial commitment,** with costs beginning long before school age. The latest figures from the Child Poverty Action Group (CPAG) estimate the cost of raising a child from birth to 18 at £250,000 for a couple and £290,000 for a lone parent[1].

> Childcare can then become one of the largest regular expenses. In England, eligible working parents can claim 30 hours of funded childcare per week for 38 weeks of the year for children aged nine months to four years, subject to eligibility requirements.

**Its 2025 'Cost of a Child' report** also found that families are further from achieving a decent standard of living than at any point since its research began. Understanding the potential costs can help parents plan ahead and prepare for future financial commitments.

### Getting started with a baby

The first year can be particularly expensive, with Smart Cells estimating costs could reach £8,460 in 2026. Essentials such as car seats, prams, cots, clothing and nappies can quickly add up, with an infant car seat averaging £175 and a pushchair or travel system around £525.

Childcare can then become one of the largest regular expenses. In England, eligible working parents can claim 30 hours of funded childcare per week for 38 weeks of the year for children aged nine months to four years, subject to eligibility requirements.

### The cost of childcare

For families not eligible for funding, the cost can be substantial. DayNurseries.co.uk reports the average cost of a part-time nursery place for a child under two in England at £188.75 a week, while full-time care for three- to four-year-olds averages £331.79 a week.

Coram's 2026 'Childcare Survey' found that childcare costs for three- to four-year-olds have risen by almost 5% across Great Britain. For families who do not qualify for funded support, part-time childcare for a child under two can account for a quarter of household income.

### Everyday household expenses

The cost of raising a child also needs to be considered alongside everyday household spending. NimbleFins estimates that the average UK household spends £662 a week, or £2,870 a month, on living expenses, including housing, food, clothing and transport.

Food is another significant expense, with the average household spending an estimated £5,296 a year on groceries, restaurants and takeaways. Utility bills also account for around 7% of household spending, though individual costs vary considerably.

### Looking towards education

State education means many families do not pay tuition fees during their child's school years, although costs such as uniforms, equipment, school trips and clubs can still add up. Some families may also qualify for free school meals, depending on their circumstances.

University can be another significant financial commitment. For courses starting in 2026/27, the maximum tuition fees in England are £9,790 per year for full-time students. Students can apply for Tuition Fee and Maintenance Loans to help cover tuition and living costs.

### Planning for the years ahead

With childcare, household expenses and education all contributing to the overall cost, planning early can make it easier to manage the financial demands of raising a family. Understanding your likely outgoings and setting realistic financial goals can help you prepare for both regular expenses and higher costs as your child grows.

Building savings and reviewing your wider financial plans can also provide greater flexibility in the years ahead. Putting money aside regularly, planning for future education costs and reviewing your financial priorities can help you feel better prepared for your family's changing needs. ♦

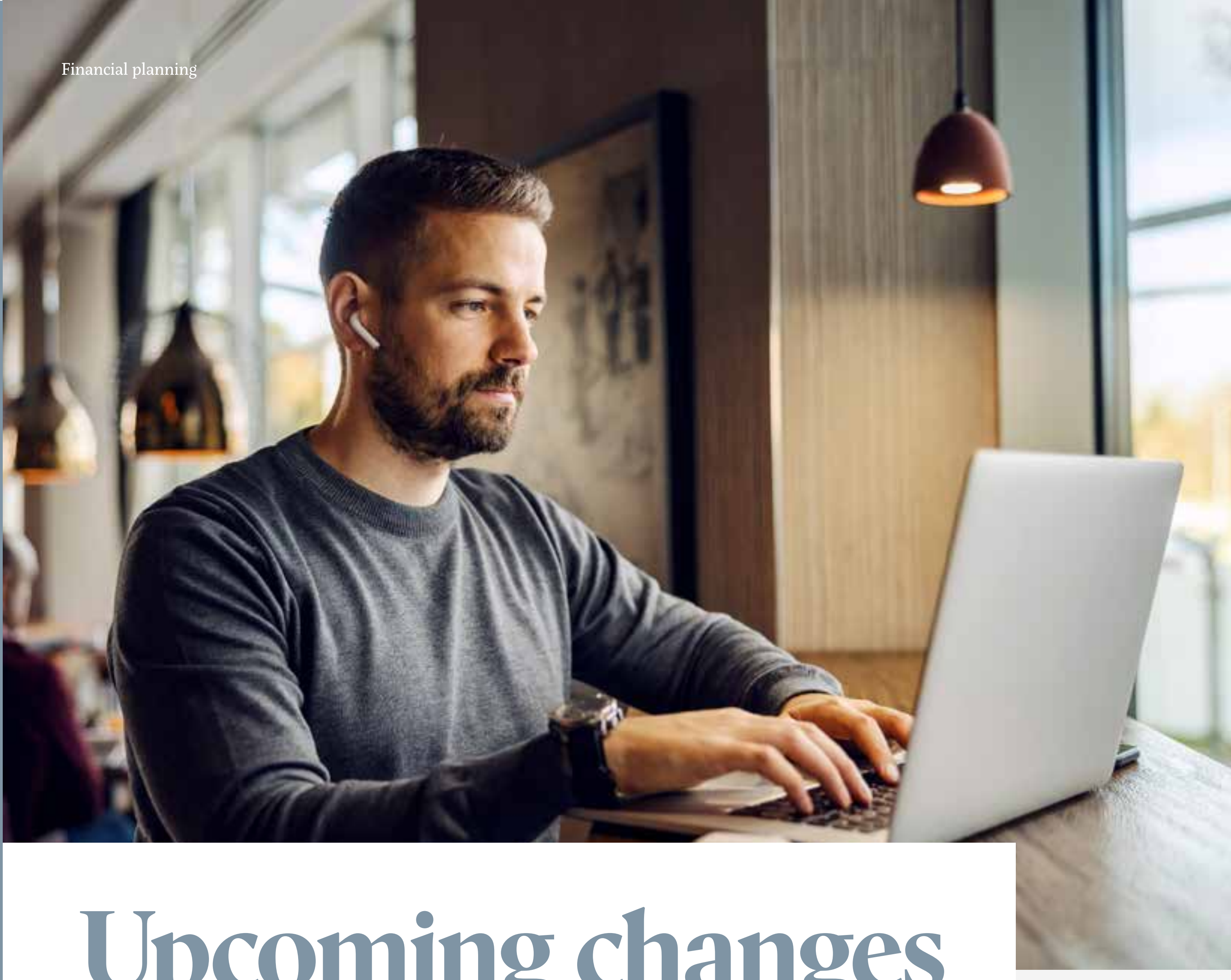
### Ready to start planning for your family's future?

The cost of raising a child or grandchild can vary significantly as they grow, making early financial planning an essential part of preparing for the years ahead.

If you would like further information on planning for the costs of raising a child, please contact us for professional guidance tailored to your circumstances.

**Source data:**

*[1] CPAG's annual 'Cost of a Child' report, calculated using the Minimum Income Standard (MIS) research carried out by the Centre for Research in Social Policy at Loughborough University for the Joseph Rowntree Foundation – 23 October 2025.*



# Upcoming changes raise concerns among savers

## More than one in five adults report a decline in pension confidence

**The upcoming changes to how pensions are treated for Inheritance Tax (IHT) from 6 April 2027** appear to be having a wider impact on pension confidence, despite most adults being unaffected. New research finds that 49% of adults say their confidence is unchanged, while 22% say it has fallen since the rules were announced in the 2024 Autumn Budget[1].

The changes come as families already face a challenging Inheritance Tax landscape, with the nil rate band frozen until April 2031 and asset values continuing to rise. The research highlights that Inheritance Tax receipts are projected to rise from £8.7bn in 2025/26 to £14.5bn in 2030/31, potentially bringing more estates into the tax net over time.

### Understanding the pension changes

For those whose confidence has fallen, concerns about passing on a higher Inheritance Tax bill are the primary issue. This is followed by uncertainty about the new rules and the wider complexity of pensions, highlighting how difficult some people find it to understand how their retirement savings may be affected.

Forecasts in the research suggest that around 213,000 estates will include unused pension funds in 2027/28, representing almost one in three deaths in the UK. However, more than three-quarters of these estates, around 164,000, are still expected to pass on pension savings free of Inheritance Tax.

### Who could feel the impact?

Most estates with unused pension funds are expected to fall below the available Inheritance Tax thresholds, including the nil rate band and the residence nil rate band. Pension assets may also pass to a surviving spouse or registered civil partner, who are typically exempt from Inheritance Tax.

For married couples and registered civil partners, in the current 2026/27 tax year, combined Inheritance Tax allowances can allow up to £1m to pass tax-free when a main residence is included. However, as thresholds remain frozen and asset values rise, more estates could gradually become liable to Inheritance Tax.

### Reviewing retirement strategies

The changes may be most significant for those who had deliberately planned to preserve their pension assets for future generations rather than use them to fund their retirement. This could mean some savers need to reconsider how they balance retirement income with their plans to pass wealth on.

Where appropriate, effective retirement saving and decumulation strategies could help people make informed decisions about when and how to access their pension savings. Reviewing plans as tax rules and personal circumstances change can also help ensure that retirement wealth is used in line with longer-term goals.

### Planning for the future

Although not everyone is expected to be directly affected by the pension Inheritance Tax changes, the uncertainty surrounding them underscores the importance of understanding how pensions fit into broader financial and estate planning.

Reviewing your pension arrangements now will help you understand how the changes could affect your retirement income and your plans to pass on wealth. As individual circumstances differ, taking time to consider your options can help ensure your pension remains aligned with your retirement needs and longer-term financial goals. ♦

### Is it time to review your pension and estate plans?

Changes to how pensions may be treated for Inheritance Tax could affect how some people approach retirement and how they pass wealth on to loved ones. Understanding your options now will help you plan with greater confidence.

If you are concerned about the impact of the pension Inheritance Tax changes, or would like to review your retirement and estate planning strategy, please contact us for further information and tailored professional financial advice for your circumstances.

> Forecasts in the research suggest that around 213,000 estates will include unused pension funds in 2027/28, representing almost one in three deaths in the UK.

**Source data:**

*[1] Standard Life's February 2026 research surveyed 2,000 UK adults, with findings weighted to be nationally representative. Government estimates suggest around 213,000 estates will have inheritable pension wealth in 2027/28; around 10,500 could face Inheritance Tax for the first time, while approximately 38,500 are expected to pay more.*

# Could looking after grandchildren add to your State Pension?

## A little-known National Insurance credit could reward you and give you a financial boost

**Providing regular childcare for grandchildren could do more than help your family.** It could also help protect your State Pension entitlement through National Insurance credits. Grandparents who spend their time caring for grandchildren may be able to claim Specified Adult Childcare credits.

> Grandparents can qualify if they are over 16 but below State Pension age when providing care, and the child's parent or main carer receives Child Benefit but does not need the associated National Insurance credit. The parent or main carer must agree to transfer the credit.

**These are Class 3 National Insurance credits** that can fill gaps in your National Insurance record and, in turn, build entitlement to the State Pension. The scheme applies to eligible family members who care for a child under 12.

The potential value can be significant over the long term. A full qualifying year can increase State Pension entitlement, though the exact benefit depends on your individual National Insurance record and circumstances. The often-quoted figure of around £7,000 represents the potential lifetime value of several years' additional State Pension income, not a cash payment.

### Who can claim the credits?

Grandparents can qualify if they are over 16 but below State Pension age when providing care, and the child's parent or main carer receives Child Benefit but does not need the associated National Insurance credit. The parent or main carer must agree to transfer the credit.

The rules are not limited to grandparents. Other eligible family members can also qualify, including great-grandparents, aunts, uncles and siblings, provided the relevant conditions are met. The credit is available for each week, or part-week, in which eligible care is provided.

### How does the system work?

When someone claims Child Benefit for a child under 12, they normally receive a National Insurance credit. If they already have a qualifying year from work or other credits, they may be able to transfer that credit to an eligible family member who provides childcare.

There is only one credit available for each Child Benefit claim, regardless of how many children are included in that claim. However, if different children have different Child Benefit recipients, more than one credit could be transferred.

### What could it mean for your State Pension?

National Insurance credits can help fill gaps in your record. Under the current system, the full new State Pension is £241.30 per week in 2026/27, though the amount you receive depends on your National Insurance history.

This means that claiming available credits could be particularly valuable for grandparents with gaps in their record, such as those who have reduced their working hours or stopped work to provide care. It is important to check your record first, as you should not apply if you already have a qualifying year for the period concerned.

### How can you apply?

Applications are made using HMRC's CA9176 form. You must wait until 31 October after the end of the tax year for which you are claiming, and both you and the Child Benefit recipient must provide the required information and declarations. Credits can be claimed retrospectively from 6 April 2011, provided the eligibility conditions are met.

Before applying, it is sensible to check your National Insurance record and ask the child's parent or main carer to check theirs. This can establish whether a credit is available to transfer and whether doing so could improve your eventual State Pension entitlement.

### Don't miss out on valuable credits

Grandparents often provide invaluable support to their families, yet the financial implications of that care can easily be overlooked. National Insurance credits could offer a way to convert some of that unpaid childcare into additional State Pension entitlement. ♦

### Could you be entitled to a State Pension boost?

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If you provide regular childcare for your grand-children, you may be able to claim National Insurance credits, which could increase your future State Pension entitlement. We can help you review your position and understand how this could fit into your wider retirement plans.

If you would like to find out whether you could benefit from these credits, please get in touch.

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

# Bringing your pensions together

A long-awaited way to view your pension savings in one place is finally taking shape

**For years,** savers have been promised a simpler way to track their pension savings. The concept is straightforward: instead of searching through old paperwork, logging in to multiple providers or trying to remember where a former employer's pension scheme is held, you could eventually see your pension information securely in one place.

"One of the biggest potential benefits is pension tracing. It is common for people to accumulate several pension pots throughout their working lives, particularly when changing jobs. Over time, it can become surprisingly difficult to remember which providers hold those savings."

**That is the purpose** of the pensions dashboard initiative. It is designed to enable people to view information about their workplace and personal pensions online, helping them reconnect with lost or forgotten pension pots and build a clearer picture of their retirement savings.

### A clearer view of your pensions

The government-backed MoneyHelper Pensions Dashboard is being developed by the Money and Pensions Service (MaPS). It is intended to be free to use and will complement the wider guidance and support.

Rather than providing financial advice, the dashboard is designed to give savers a consolidated view of their pension information. This could make it easier to understand what they have accumulated and to identify where further action may be needed.

### Finding forgotten pension pots

One of the biggest potential benefits is pension tracing. It is common for people to accumulate several pension pots throughout their working lives, particularly when changing jobs. Over time, it can become surprisingly difficult to remember which providers hold those savings.

The dashboard should make this process easier by enabling users to search for their pension records and view information in one place. For someone with multiple pension pots, this could provide a much clearer picture of their overall retirement position and highlight pensions they may have forgotten about.

### Why has it taken so long?

Although the concept sounds simple, building the infrastructure behind the dashboard has been a major undertaking. Pension providers and schemes have had to connect their systems, improve the quality and accuracy of their data and ensure that sensitive financial information can be exchanged securely.

The timetable has also changed. The Pensions Dashboards (Amendment) Regulations 2023 replaced the previous staged approach with a single legal deadline, requiring relevant pension schemes and providers to connect to the ecosystem.

### The countdown is underway

That deadline is approaching. Pension schemes and providers within scope must be connected to the pensions dashboards ecosystem and able to respond to information requests by 31 October 2026 at the latest.

For consumers, however, this does not mean the dashboard will automatically be available from that date. Connecting pension schemes is an important milestone, but the public launch depends on the wider system being ready.

### When will you be able to use it?

This is where some uncertainty remains. There is currently no confirmed public launch date for the MoneyHelper Pensions Dashboard. The latest plans indicate it is expected to become available in the 2027/28 financial year.

Before the dashboard can launch, the service needs to demonstrate that the underlying ecosystem is safe, secure, reliable and sufficiently comprehensive. Consumer testing is also ongoing, helping to identify potential issues with the user experience before the service becomes available more widely.

### What should savers do now?

There is no need to wait for the dashboard before taking control of your pension savings. If you have changed jobs over the years, now could be a good time to check that you know where your pension pots are held and that your providers have your current contact details.

It is also worth reviewing your expected retirement income and assessing whether your current pension contributions are on track to meet your objectives. The dashboard should eventually make this process easier, but it will provide information rather than personalised financial advice.

### Making your pensions work together

Once available, the pensions dashboard could be a valuable tool for anyone with multiple pension pots. A clearer picture of your savings may help you make more informed decisions about your retirement and identify areas that need further attention.

However, simply seeing your pensions in one place does not necessarily mean that combining or changing them is the right option. Different pensions can offer valuable benefits, guarantees or investment arrangements that could be lost if you transfer them. ♦

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### Is it time to get your pensions on track?

We can help you understand your existing pension arrangements and consider whether there are steps you could take now to strengthen your retirement planning.

If you would like further information about the pensions dashboard, tracing old pension savings or reviewing your retirement plans, please get in touch.

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). The value of your investments (and any income from them) can go up or down, which would affect the level of pension benefits available. Investments can rise or fall in value, and you may receive back less than you invested.

# How pensions could help parents avoid the £100k childcare cliff edge

## Half of people are unaware that pension contributions can reduce adjusted net income

**Pensions are designed to help fund retirement,** but they can also play a valuable role in wider financial planning. This could be particularly important for parents balancing the high cost of childcare, with holiday clubs alone costing families an average of £179 per week.

> Forecasts in the research suggest that around 213,000 estates will include unused pension funds in 2027/28, representing almost one in three deaths in the UK. However, more than three-quarters of these estates, around 164,000, are still expected to pass on pension savings free of Inheritance Tax.

**Yet 52% of people do not realise** that pension contributions can reduce adjusted net income, according to a recent nationwide survey[1]. Adjusted net income is used to assess eligibility for several forms of childcare support, so some parents could benefit from understanding how their pension fits into their wider finances and how contributions could affect their overall tax position.

### £100k threshold explained

For eligible working parents in England, the Government's 30 hours of funded childcare is available to children aged nine months to four years, subject to eligibility. However, if either parent's expected adjusted net income exceeds £100,000, they are ineligible for the working-parent offer.

This can create a significant financial cliff edge for families whose income is close to the threshold. The £100,000 limit applies to individuals rather than to household income, so if one parent exceeds it, the family's eligibility for the funded working-parent hours may be affected. A relatively small increase in income could therefore have a disproportionately large impact on household childcare costs.

### How pensions could help

For some parents close to the threshold, increasing pension contributions could reduce adjusted net income while boosting retirement savings. This may be particularly relevant for those whose income has risen through a pay rise or bonus and who are concerned about moving above the childcare threshold.

Salary sacrifice may also be an option where offered by an employer. Under such an arrangement, an employee gives up part of their salary in return for an employer pension contribution, which can reduce adjusted net income. However, the impact varies with individual circumstances and workplace arrangements, so parents should understand the implications before making changes.

### Making the most of support

Parents approaching the threshold should look beyond their headline salary and consider bonuses, pension contributions and other taxable income when assessing their adjusted net income. It is also worth checking eligibility for Tax-Free Childcare, which has its own £100,000 adjusted net income limit.

Childcare eligibility needs to be reconfirmed periodically, which serves as a useful prompt to review household finances, savings and pension contributions. Keeping track of income changes throughout the year can also help parents avoid unexpected changes to their childcare support.

### Planning for today and tomorrow

Family finances often require balancing immediate costs with longer-term goals. Understanding how pension contributions interact with tax and childcare rules could help some parents make more informed decisions, particularly when their income is near a key threshold.

Significant financial changes should always be considered carefully, as pension contributions can affect take-home pay and other aspects of your financial position. A broader review can help ensure that any decision supports both your family's current needs and your longer-term retirement plans. ♦

### Time to get support with your financial planning?

Understanding how pension contributions could affect your income and childcare eligibility can help you make more informed financial decisions.

If you are approaching the £100,000 income threshold or would like to understand how pension contributions could fit into your wider financial plans, please contact us for further information and tailored professional guidance.

**Source data:**

*[1] Opinium surveyed 2,000 UK adults nationwide between 9–16 June 2026. Quotas and post-weighting were applied to the sample to ensure it was representative of the UK adult population. The average price of holiday childcare in Great Britain is £179 per week per child, up 4% on 2024. Coram Family & Childcare's 2025 'Holiday Childcare' survey: https: www.coramfamilyandchildcare.org.uk/research/holiday-childcare-survey-2025*

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# How much pension do you need to retire at 50?

## Achieving an early, comfortable retirement requires careful planning

**For many people,** retiring at 50 sounds like the ultimate financial goal. Instead of waiting until their 60s, they could have decades to travel, pursue hobbies or simply enjoy a slower pace of life. The catch is that your money may need to support you for several decades, making careful planning particularly important.

**The amount you need** will depend on the lifestyle you want, your other assets and sources of income and when you can start accessing your pensions. It is not simply a matter of reaching a particular pension pot size: your investments, tax position, spending needs and other income all need to be considered together.

### What does a comfortable retirement cost?

A comfortable retirement is about more than covering essential household bills. It could include regular holidays, dining out, hobbies, entertainment and the freedom to enjoy your time without worrying about every expense.

If you want to add a touch of luxury, your spending could be considerably higher. Long-haul travel, expensive hobbies, financial support for children or maintaining a larger home can all increase the amount you need to set aside.

### Funding the early years

One of the biggest challenges of retiring at 50 is funding the period before you can access your pension savings. If you stop working before your pensions become available, you may need to rely on cash savings, investments, property income or other assets.

This is why early retirement often requires a combination of pension and non-pension investments. Having money outside your pension can provide the flexibility needed to bridge the gap, while allowing your pension savings more time to remain invested.

### How big should your pot be?

There is no universal figure that guarantees a comfortable early retirement. Your target will depend on your expected spending, investment returns, inflation, tax position and the length of time your money needs to last.

It is also important to consider how your spending could change throughout retirement. You might spend more on travel and leisure in the early years, before your priorities and expenditure shift later in life.

### Don't forget your State Pension

The State Pension can eventually provide a valuable source of retirement income, but it is unlikely to solve the funding challenge for someone retiring at 50. There could be many years between stopping work and receiving it.

Checking your State Pension forecast and National Insurance record can therefore be an important part of your planning. It can help you understand what income you might eventually receive and how much you will need to provide from your own resources.

### Why professional advice matters

Planning for early retirement is far more complex than simply working out how much you have saved. You need to consider investment risk, tax, pension rules, inflation, longevity and the order in which different assets should be used.

Professional financial advice will help you build a personalised retirement strategy and stress-test it under different circumstances. An adviser can also help you understand your pension options, assess whether your investments are suitable for your objectives and ensure that important decisions are considered in the context of your wider financial position.

This can be particularly valuable when retiring early, as mistakes made at the start of a long retirement could have consequences for your financial security many years later.

### Start planning early

If retiring at 50 is your ambition, planning well before you reach that age gives you more opportunities to adjust your strategy. Increasing pension contributions, building investments outside pensions and reducing debt could all help improve your financial flexibility.

It is equally important to stress-test your plans against less favourable scenarios. Investment markets can fall, inflation can remain high and unexpected costs can arise. A robust retirement plan should allow for these uncertainties.

### Could you afford to retire at 50?

Retiring early is achievable, but it requires more than simply building a large pension pot. You need to consider how your income will be generated throughout retirement, how long your savings may need to last and how your lifestyle could evolve. ♦

### Want to discuss how to retire early?

If you are considering early retirement and would like professional guidance on your options, we can help you review your pension and other investments.

Please contact us to explore different retirement scenarios and develop a strategy tailored to your goals and circumstances.

This article does not constitute tax, legal or financial advice and should not be relied upon as such. Estate, tax and cashflow planning are not regulated by the Financial Conduct Authority. For guidance, seek professional advice.

# Securing income in retirement

## Building financial security for later life

**Retirement no longer has to mean simply buying an annuity and receiving a fixed income for life.** Since pension freedoms were introduced, people have had greater control over how and when they access their pension savings.

However, greater choice can complicate retirement planning. If you want the security of knowing that essential bills will be covered, establishing a reliable income strategy should be a key part of your planning.

### Annuities offer certainty

An annuity is one of the most straightforward ways to secure a guaranteed retirement income. In exchange for some or all of your pension savings, an insurer pays you a regular income, typically for the rest of your life.

The rate offered depends on factors such as your age, pension size, prevailing interest rates and, in some cases, your health and lifestyle. You can usually take your pension commencement lump sum separately, subject to the relevant tax rules.

### Types of annuity

There are several types of annuity to consider. A level annuity pays a fixed income, while an escalating or inflation-linked annuity is designed to increase over time to help protect your spending power.

You may also be able to choose a joint-life annuity, which continues to pay an income to your spouse or partner after your death. These additional protections can provide greater security for your family, but they will generally reduce the initial income.

### Don't overlook your State Pension

The State Pension can provide an important foundation for retirement income. For 2026/27, the full new State Pension is £241.30 per week, equivalent to around £12,548 per year. The amount you receive depends on your National Insurance record. The State Pension age is currently 66 and a number of months, as it gradually rises from age 66 to 67 between April 2026 and April 2028. It may increase to 68 by 2046 or potentially earlier.

Checking your State Pension forecast can help you determine how much guaranteed income you can expect and when it will start. This can then be factored into your wider retirement income strategy.

### Drawdown offers flexibility

Pension drawdown lets you keep your pension invested while taking an income as and when required. This can be useful if your spending varies throughout retirement, but unlike an annuity, the income is not guaranteed. Your pension remains exposed to investment markets, so poor performance combined with high withdrawals could increase the risk of your savings running down too quickly.

Withdrawals are generally subject to Income Tax, although you can usually take up to 25% of your pension as tax-free cash, subject to the relevant limits. In England, Wales and Northern Ireland, the standard Personal Allowance for 2026/27 is £12,570, and income is generally taxed at 20%, 40% or 45%, depending on your total taxable income. The Personal Allowance begins to taper once adjusted net income exceeds £100,000.

### A blended approach

You do not necessarily have to choose between an annuity and a drawdown. Combining the two can provide a balance between certainty and flexibility.

For example, you could use part of your pension to secure sufficient guaranteed income to cover essential spending, while keeping the remainder invested to fund discretionary spending or cover unexpected costs.

### Consider your wider finances

Your pension is only one part of the picture. Savings, investments and rental income may also contribute to your retirement income, but they do not necessarily offer the same guarantees as an annuity or the State Pension.

Tax planning is also important. For 2026/27, the standard pension annual allowance is £60,000, or 100% of earnings, whichever is lower. For high earners, this can be reduced by £1 for every £2 of adjusted income above £260,000, subject to the applicable thresholds and the minimum allowance. The Money Purchase Annual Allowance is £10,000 for those who have flexibly accessed a defined contribution pension.

### Get advice before making a decision

Deciding how to turn pension savings into retirement income can affect your financial security for many years. An annuity can provide a guaranteed income for life but is generally irreversible once purchased, making it important to understand the available options before committing.

Drawdown offers greater control but requires careful management of investment risk and withdrawals. Professional financial advice will help you assess the different approaches, consider the tax implications and develop a strategy appropriate to your circumstances and retirement goals. ♦

### Is it time to talk pensions?

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We can help you assess your pension arrangements, understand your retirement income options and develop a strategy tailored to your circumstances and goals.

If you would like to explore your options for securing a reliable retirement income, please get in touch.

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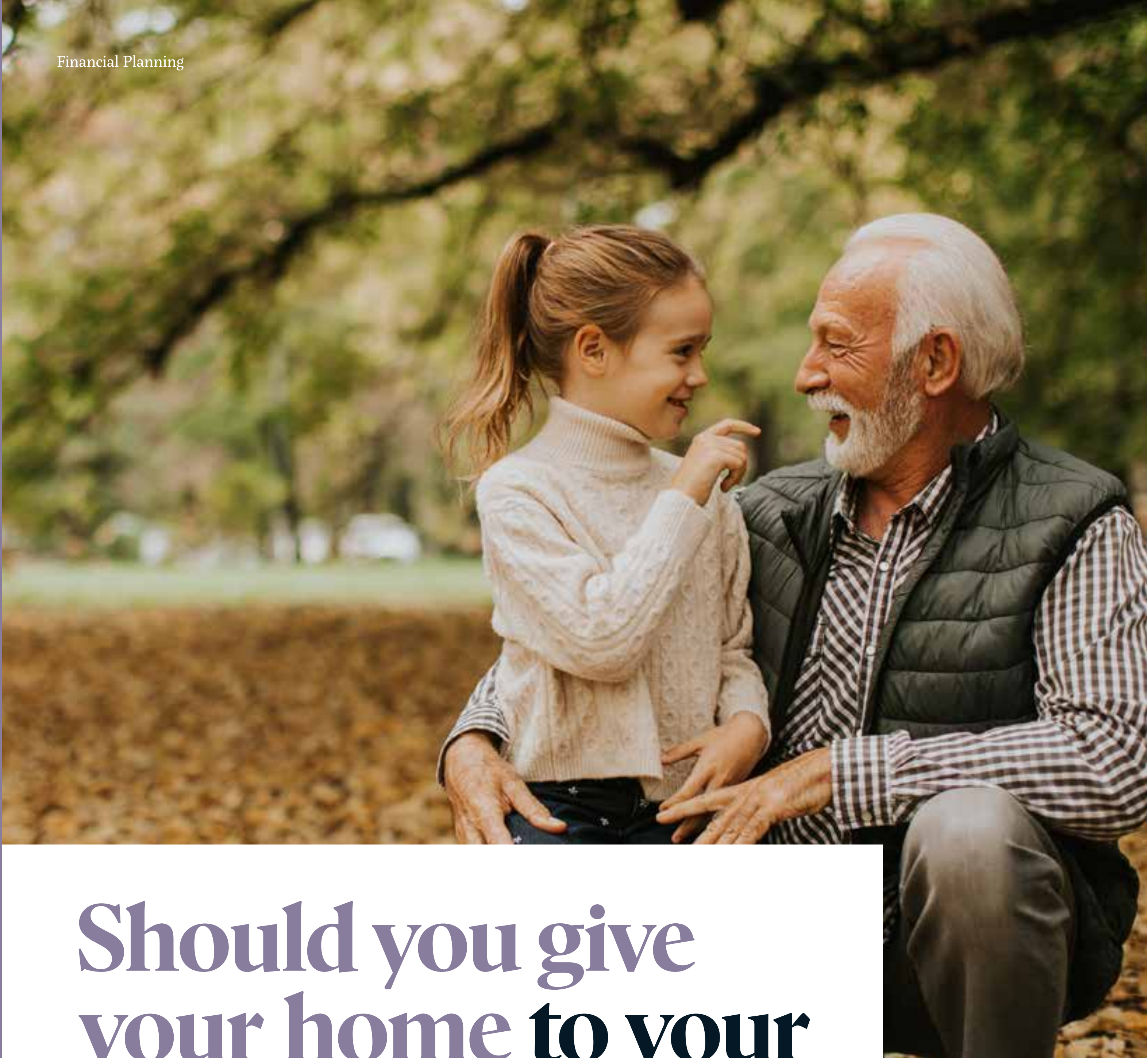
Annuities are long-term, complex financial instruments that may not be suitable for all investors. The information in this material is for informational purposes only and does not constitute financial advice. All investments carry risk, and annuities are no exception. The performance of an annuity is not guaranteed and can be affected by market conditions and other factors. It is essential to carefully consider your financial situation, investment objectives, and the product's fees and restrictions before purchasing an annuity.

The tax implications of pension withdrawals will depend on your individual circumstances. Tax thresholds, percentage rates, and tax legislation may change in subsequent finance acts.



# Should you give your home to your grandchildren?

Gifting your home could help your grandchildren, but may carry tax and financial risks

**For grandparents with substantial property wealth,** gifting their home may seem an attractive way to give younger family members a helping hand. It could provide grandchildren with a valuable asset or help them secure a home at a time when getting onto the property ladder can be difficult.

> One of the biggest traps is continuing to live in a property after giving it away. If you gift your home but continue living there without paying the new owner full market rent, HM Revenue & Customs may treat it as a gift with reservation of benefit.

**However, giving away your home** is very different from leaving it to someone in your Will. Once ownership passes to your grandchild, you no longer have the same control over the property. Inheritance Tax, Capital Gains Tax, potential care costs and the practical consequences of no longer owning your home all need to be considered.

### Understand the seven-year rule

An outright gift may fall outside your estate for Inheritance Tax purposes if you survive for seven years after making it. If you die within seven years, however, the gift may be brought into account when calculating any Inheritance Tax due.

For 2026/27, the standard Inheritance Tax nil rate band is £325,000. A residence nil rate band of up to £175,000 may also be available when a qualifying home is passed to direct descendants, including grandchildren, on death provided the relevant conditions and the £2 million estate threshold are met.

### Beware of gifting and staying put

One of the biggest traps is continuing to live in a property after giving it away. If you gift your home but continue living there without paying the new owner full market rent, HM Revenue & Customs may treat it as a gift with reservation of benefit.

In that situation, the property can still form part of your estate for Inheritance Tax purposes when you die, even if more than seven years have passed since the original gift. Simply putting the property into a grandchild's name does not necessarily remove it from your estate.

### Think about your own security

Giving away your home could leave you financially exposed. If you later need to move, downsize or pay for care, you may no longer have the same asset to help cover those costs.

There is also the question of control. Your grandchild could decide to sell the property, remortgage it or otherwise deal with it as its legal owner. Their financial circumstances could also change, potentially putting the property at risk.

### Don't overlook other taxes

Inheritance Tax is not the only consideration. Depending on the circumstances, transferring a property could have Capital Gains Tax implications. The recipient's future tax position may also be affected if they eventually sell the property.

There can also be legal and practical considerations, particularly when several family members are involved. A gift made without careful planning could lead to disagreements or leave other beneficiaries feeling disadvantaged.

### Could there be an alternative?

You do not necessarily need to give away your home to help your grandchildren. Depending on your circumstances, you might instead consider gifting cash towards a deposit, helping with other costs or leaving the property to them in your Will.

The right approach will depend on your objectives, assets, income requirements and family circumstances. What seems like a simple way to reduce Inheritance Tax could ultimately create financial difficulties or fail to achieve the intended tax outcome. We can help you understand the potential tax implications and consider an estate-planning strategy that supports your family while protecting your financial security. ♦

## Get professional advice first

Giving away your home is a major financial and estate-planning decision. Once ownership has transferred, reversing the arrangement may be difficult and the tax treatment can depend on the precise circumstances of the gift.

If you are considering gifting your home or other assets to your grandchildren, please contact us to discuss your situation.

# Understanding pension drawdown

Taking control of your pension income means considering the tax consequences

**Pension drawdown enables you to take money from a defined contribution pension while keeping the rest invested.** Rather than receiving a fixed income, you decide how much to withdraw and when, giving you flexibility to adjust your income as your circumstances change.

**There are several ways** to access a defined contribution pension. You could take your tax-free lump sum and leave the rest invested in drawdown, take smaller withdrawals as needed or use part of your pension to buy an annuity that provides a guaranteed income. You could also take your entire pension as cash, although this can create a significant tax bill and leave you without a long-term retirement income.

### How does drawdown work?

You can normally access a private pension from age 55, although the normal minimum pension age is due to rise to 57 from 6 April 2028, subject to certain exceptions. Once eligible, you can usually move some or all of your pension into flexi-access drawdown and take income as needed.

For example, someone might take 25% of their pension as tax-free cash, leave the remaining 75% invested, and then withdraw a regular monthly income. Alternatively, they could take occasional lump sums when larger expenses arise. This flexibility can be useful, but withdrawals need to be managed carefully to avoid the pension running out prematurely.

### What tax will you pay?

You can usually take up to 25% of your pension as tax-free cash, subject to the relevant allowances. The standard lump sum allowance for 2026/27 is £268,275, although some people may have a higher protected allowance.

The remainder of your drawdown withdrawals are generally taxable as income and are added to your other taxable income for the year. For 2026/27, the standard Personal Allowance is £12,570, and Income Tax is generally charged at 20%, 40% or 45% in England, Wales and Northern Ireland, depending on your taxable income.

### Different ways to access your pension

Drawdown is just one option. Flexi-access drawdown allows you to take taxable income while keeping the remaining pension invested. Annuities can convert some or all of your pension into a guaranteed income, usually for life.

You can also take uncrystallised funds pension lump sums (UFPLS), with each withdrawal typically comprising 25% of the fund, which is paid tax-free (if it is within the individual's Lump Sum Allowance), and 75% taxable income. Taking your entire pension as a lump sum is another option, but the taxable portion could push you into a higher Income Tax band.

### Why timing matters

Taking a large withdrawal in a single tax year could increase your Income Tax bill by pushing more of your income into a higher tax band. Spreading withdrawals across tax years may therefore be more tax-efficient, depending on your circumstances.

It is also important to consider other income, including salary, the State Pension, investment income and rental income. These can all affect your overall tax position and the amount of pension income you can take without moving into a higher tax band.

### Watch the contribution rules

If you continue contributing to a defined contribution pension after accessing any defined contribution pension flexibly, the Money Purchase Annual Allowance (MPAA) applies. For 2026/27, the MPAA is £10,000, which may limit the amount you can contribute efficiently.

The standard annual pension allowance is £60,000, though this can be reduced for some higher earners. Understanding these rules is particularly important if you plan to take pension benefits while still working. ♦

### Get advice before withdrawing

Choosing how and when to access your pension can have long-term consequences. The right approach will depend on your income needs, tax position, investment strategy, health, other assets and how long you expect your money to last.

If you are considering pension drawdown and would like to understand the tax implications or compare the ways to access your pension, please get in touch.

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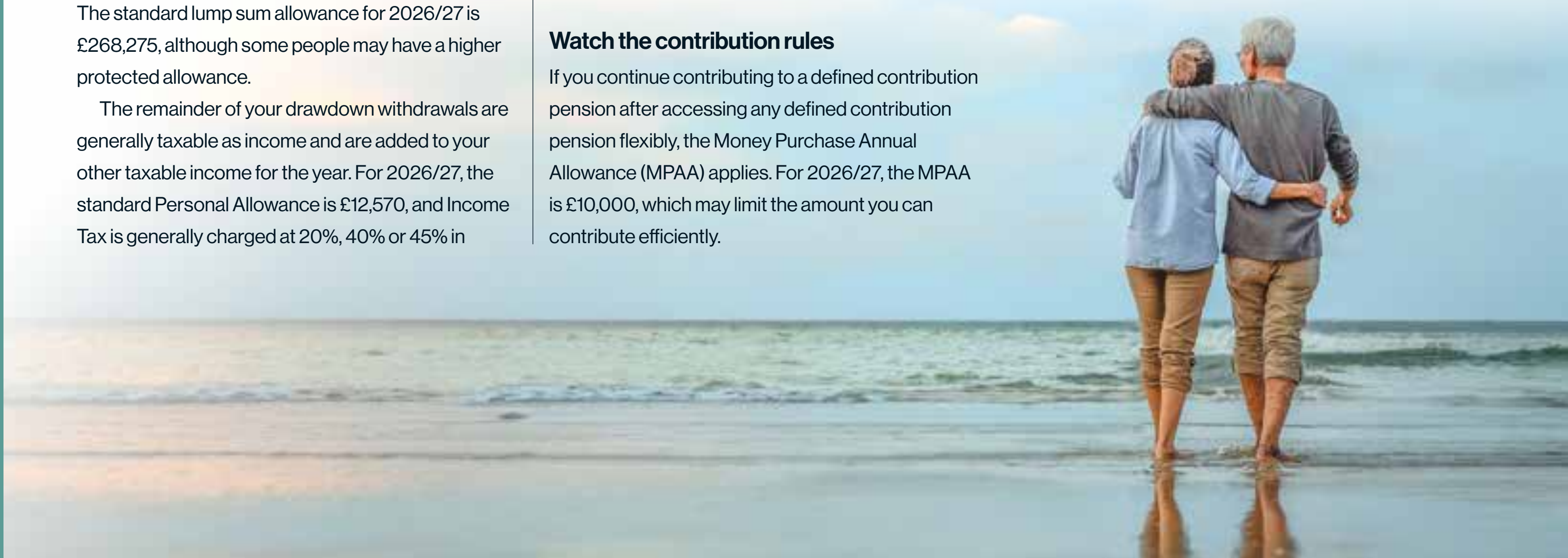

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