



WADE
WEALTH
PARTNERS

SEPTEMBER / OCTOBER 2025

How Chancellor Rachel Reeves could increase taxes

Discover what the Autumn Budget could
mean for workers and pensioners

PASSING ON WEALTH THROUGH TRUSTS

Is it the right moment to begin
safeguarding your wealth for the future?

EVOLUTION OF BONDS

Increasing awareness of
intergenerational wealth transfer

GOVERNMENT CONSIDERS INHERITANCE TAX REFORMS

Tightening gift-giving regulations is
among the measures being considered

Wade Wealth Partners, Mercury House, 117 Waterloo Road, London, SE1 8UL
Find us at www.wadewp.co.uk or contact your Financial Planner.

Registered address: Unit 29 JBJ Business Park, Northampton Road, Blisworth, Northampton, NN7 3DW. Registered in England & Wales Company No: 09554788.
Wade Wealth Partners is a trading name of CW Executive Finance Ltd, which is authorised and regulated by the Financial Conduct Authority (FCA No: 1008798).

Inside this issue

Welcome to our latest issue. The National Institute of Economic and Social Research (NIESR) has issued a stark warning. If no action is taken, the government is likely to miss its fiscal rule, which requires that day-to-day spending is covered by tax receipts of a significant £41.2 billion by 2029/30. To stay on track, Chancellor Rachel Reeves will need to implement further tax increases. This raises important questions about the policies being considered and who might face the greatest financial impact. From workers' wages to pension contributions, many groups could be most affected by these changes. Turn to page 07 to read the full article.

A UK trust is a legal arrangement in which one party holds and manages assets on behalf of another party, in accordance with the terms set by the trust's creator. Many individuals and families utilise them for future planning. On page 09, we explain how they often serve as a safeguard for wealth, ensuring that assets are passed on to the next generation according to the specific wishes of the owner. Trusts are essential in estate planning; however, due to their complexity, obtaining professional advice before setting one up is vital.

A significant proportion of people (47%) plan to pass on their wealth to future generations, with over a third (38%) intending to transfer assets directly to their children, according to a new report^[1]. However, many are unaware of how to do this in a tax-efficient way. With the increasing awareness of intergenerational wealth transfer following the significant changes announced in the 2024 Autumn Budget, on page 03, we examine two notable examples.

The UK Treasury is seeking new ways to reduce the growing deficit ahead of the much-anticipated Autumn Budget. Reports suggest that officials are exploring further potential changes to Inheritance Tax (IHT) rules. Tightening gifting regulations is just one of the measures being considered to increase revenue and stabilise the country's finances. Read the full article on page 08.

A complete list of the articles featured in this issue can be found on the right. ◀

Secure your financial success with confidence

No matter your financial goals, we're here to help you achieve them. Align your finances with what matters most to you. For more information, please contact us—we look forward to hearing from you!

Source data:

[1] Survey of 4,000 nationally representative UK adults conducted for LV= by Opinium in March 2025.

Contents



03

EVOLUTION OF BONDS

Increasing awareness of intergenerational wealth transfer

04

UNLOCKING FINANCIAL FREEDOM

Save, invest and grow your wealth for a secure future

06

IS IT TIME TO INVEST IN YOUR GRANDCHILDREN'S FUTURE?

Protect their future with strategic planning to leave a lasting legacy

07

HOW CHANCELLOR RACHEL REEVES COULD INCREASE TAXES

Discover what the Autumn Budget could mean for workers and pensioners

08

GOVERNMENT CONSIDERS INHERITANCE TAX REFORMS

Tightening gift-giving regulations is among the measures being considered

09

PASSING ON WEALTH THROUGH TRUSTS

Is it the right moment to begin safeguarding your wealth for the future?

10

WHY PROTECTION MATTERS

Do you have a safety net for you and your loved ones in case the unforeseen happens?

12

DO YOU HAVE MULTIPLE PENSION POTS TO KEEP TRACK OF?

When leaving a job, how to stay updated on your retirement savings

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.

The content of the articles featured in this publication is for your general information and use only and is not intended to address your particular requirements. Articles should not be relied upon in their entirety and shall not be deemed to be, or constitute, advice. Although endeavours have been made to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No individual or company should act upon such information without receiving appropriate professional advice after a thorough examination of their particular situation. We cannot accept responsibility for any loss as a result of acts or omissions taken in respect of any articles. Thresholds, percentage rates and tax legislation may change in subsequent Finance Acts. Levels and bases of, and reliefs from, taxation are subject to change and their value depends on the individual circumstances of the investor. The value of your investments can go down as well as up and you may get back less than you invested. Past performance is not a reliable indicator of future results. The Financial Conduct Authority does not regulate tax advice, Inheritance Tax planning, trusts, estate planning, Will writing or Cashflow Modelling.

Evolution of bonds

Increasing awareness of intergenerational wealth transfer

A significant proportion of people (47%) plan to pass on their wealth to future generations, with over a third (38%) intending to transfer assets directly to their children, according to a new report^[1]. However, many are unaware of how to do this in a tax-efficient way.

The increasing awareness of intergenerational wealth transfer emphasises significant changes to Inheritance Tax (IHT) announced in the 2024 Autumn Budget. Notable examples include the new IHT rules applying to defined contribution pensions from April 2027 and the introduction of caps on business and agricultural reliefs. These changes have prompted many individuals to reassess their estates.

The report's findings reveal that over a third (36%) of people are worried about their financial future. With tax thresholds frozen and the potential for further increases, demand for professional financial advice is increasing. People are increasingly seeking to understand the implications of IHT and ways to ensure their wealth is passed on efficiently.

BONDS OFFER EFFICIENT ESTATE PLANNING TOOLS

One solution gaining popularity is the use of onshore bonds. Offering a unique blend of flexibility and tax efficiency, these investment tools enable savings to grow while helping to minimise future IHT liabilities. When incorporated into a well-designed estate planning strategy, bonds not only reduce tax exposure but also simplify the transfer of wealth across generations.

Onshore bonds are especially beneficial because they can be transferred to family members without generating a chargeable gain. The recipient is regarded as having held the bond since the start. This enables them to make the most of full top-slicing relief and any unused 5% tax-deferred allowances in future withdrawals.

TRUST STRUCTURES SUPPORT TAX MITIGATION

When used within a trust, onshore bonds offer an effective way to reduce IHT and simplify administration. Trustees can access a 5%

tax-deferred withdrawal allowance when taking funds for expenses, while avoiding the complications linked to income-producing assets.

Furthermore, bonds structured as clustered policies enable trustees to allocate specific portions to beneficiaries later. This flexibility not only diminishes future tax exposure but also ensures beneficiaries receive financial support at the appropriate time, aligning with the original trust objectives.

LONG-TERM FINANCIAL PLANNING OBJECTIVES

However, despite these advantages, research indicates that more than two-thirds (67%) of people are unaware of how bonds can assist with inheritance planning or lower tax burdens. This gap in understanding underscores the crucial role that professional financial advice plays in this area.

As awareness increases, more people are aiming to equip themselves with the tools needed to leave a lasting legacy. Bonds, with their distinctive features, provide an attractive option for those seeking to combine investment growth with long-term financial planning goals.

EDUCATION AND PROFESSIONAL ADVICE ARE ESSENTIAL

Given the complexities surrounding estate planning and the legislative changes to IHT, it has become essential to seek professional advice. We can help individuals and families make well-informed decisions by guiding them through the intricate landscape of tax-efficient investment options.

Onshore bonds, in particular, can serve as a valuable tool for individuals seeking to achieve capital growth while reducing tax exposure. By incorporating bonds into a broader financial strategy, clients position themselves to benefit future generations while remaining compliant with changing tax laws.

BONDS COMBINE SIMPLICITY WITH FLEXIBILITY

One of the main appeals of bonds is their straightforwardness. Unlike other financial

planning tools, they provide a transparent way to manage tax and inheritance matters. This simplicity not only makes bonds accessible to investors but also practical for trustees handling long-term wealth.

Another reason is the flexibility that bonds provide. With the ability to transfer ownership, manage withdrawals and adapt to changing circumstances, bonds can accommodate a wide range of estate planning scenarios. Ultimately, this flexibility ensures they remain a relevant and powerful tool for passing on wealth.

TAKE ACTION TO SECURE YOUR FINANCIAL LEGACY

Bonds remain a valuable and often overlooked resource for those seeking to grow their wealth while reducing Inheritance Tax. By combining tax efficiency with flexibility, they provide a practical solution to meet the increasing demand for intergenerational wealth transfer. ◀

Want to discuss securing a tax-efficient future for generations to come?

If you're considering your own inheritance or tax planning, don't wait. Speak with us to find out how bonds, alongside other tools, could help you achieve your long-term financial goals. Proactive planning today can provide a more secure and tax-efficient future for future generations.

Source data:

[1] Survey of 4,000 nationally representative UK adults conducted for LV= by Opinium in March 2025.

This article does not constitute tax, legal or financial advice and should not be relied upon as such. Tax treatment depends on the individual circumstances of each client and may be subject to change in the future. For guidance, seek professional advice. The value of your investments can go down as well as up, and you may get back less than you invested. Tax planning & estate planning is not regulated by the Financial Conduct Authority.



Unlocking financial freedom

Save, invest and grow your wealth for a secure future

A Self-Invested Personal Pension (SIPP) is a type of personal pension that provides you with greater control over how and where your retirement savings are invested. While it operates similarly to a standard personal pension by allowing you to save, invest and grow your wealth, SIPPs stand out because of the flexibility they provide. They enable you to choose from a wider range of investment options, allowing you to tailor your investments to suit your personal goals and risk tolerance.

A key benefit of pensions generally, and SIPPs in particular, is tax relief. This can substantially boost your retirement savings. When you contribute to a SIPP, the government offers tax relief according to your Income Tax rate. For instance, if you're a basic rate taxpayer, a £100 contribution only costs you £80, as the government adds the remaining £20. Higher and additional rate taxpayers can claim even more through their tax returns. This tax-efficient setup enables your pension fund to grow more quickly.

INVESTMENT OPTIONS AND PORTFOLIO FLEXIBILITY

Unlike typical personal pensions, which may restrict you to a limited range of investment options, the top SIPPs provide access to a wide array of assets. From individual shares and investment funds to government bonds, commercial property and more, this flexibility enables you to create a personalised portfolio. Whether you prefer managing these investments yourself or working with a professional, SIPPs can be tailored to meet your specific requirements.

This level of customisation could appeal to experienced investors who want to actively manage their retirement fund. However, if you prefer to leave the detailed work to someone else, some providers offer managed account services or pre-selected portfolios.

HOW SIPPS WORK WITH ANNUAL ALLOWANCES

SIPPs operate within the tax rules that apply to all pension types. The annual allowance for pension contributions in the current 2025/26 tax year is £60,000. This includes both your personal contributions and those made by your employer. However, you cannot personally contribute more than 100% of your UK-earned income or £3,600 per annum, if more, as tax-relievable contributions. Additionally, if you are a very high earner, your annual allowance might be reduced to as little as £10,000 due to tapering rules. These complexities mean that professional advice could be essential for maximising your allowances effectively.

Another important rule is the 'carry forward' provision. This enables you to use unused annual allowances from the past three tax years. To qualify, you must have been a member of a registered pension scheme during each of those

years, and your earnings in the current tax year must be sufficient to support the contributions.

FLEXIBLE CONTRIBUTIONS AND EMPLOYER OPTIONS

SIPPs provide flexibility in how and when you make contributions. Deposits can be made as lump sums or monthly, usually via direct debit. Some employers might also offer the option to contribute to your SIPP. If you're already saving into a Workplace Pension, it's generally best to maximise your employer's contributions to that scheme first before considering additional savings in a SIPP.

It's important to recognise that pensions, including SIPPs, are long-term savings options; you cannot access your money until you reach retirement age. Currently, the minimum age for accessing pension savings is 55, but this will rise to 57 on 6 April 2028. Therefore, while flexibility is a key feature of SIPPs, planning ahead is crucial to ensure they fit with your wider financial plans.

OPTIONS FOR ACCESSING YOUR POT

Once you reach retirement age, you have several options for accessing your SIPP savings. Typically, the first 25% of your fund can be withdrawn tax-free, while the remaining amount is taxable under current regulations. You can choose to withdraw lump sums as needed, purchase a guaranteed lifetime income through an annuity or leave your money invested while using a drawdown facility to receive income gradually.

For those who favour financial security over investment risk, annuities offer peace of mind. They can be tailored to suit your circumstances, such as providing a spouse's pension after death or higher rates for individuals with certain health conditions. Equally important, it's prudent to compare the best annuity rates available.

SHOULD YOU CONSOLIDATE YOUR PENSIONS?

If you have held multiple jobs over the years, it's likely you've accumulated a variety of pension schemes. SIPPs can be an excellent way to consolidate these into a single, more modern and flexible account. Defined contribution pensions, such as personal pensions, can often be easily transferred into a SIPP. This simplifies management and offers better oversight of your retirement plans.

However, it is important to exercise caution when transferring pensions. Some schemes offer 'safeguarded benefits', such as defined benefit pensions or guaranteed annuity rates, which are usually best left unchanged. If you are considering making a transfer, regulated financial advice is generally required for pensions with such features.

SMART INVESTMENT STRATEGIES

When planning for retirement, your strategy should be guided by your timeline and risk appetite. If you're still some way from retiring, adopting a more growth-oriented approach, often involving equities, might be advantageous. Regular contributions to your fund can also benefit from pound-cost averaging, a method that helps to reduce the impact of price fluctuations over time.

Conversely, if you are nearing access to your SIPP, it is sensible to adopt a more cautious approach. Market fluctuations can considerably affect your savings if you intend to withdraw lump sums or purchase an annuity soon. Choosing lower-risk investment options can help maintain the value of your fund as you reach this critical stage. ◀

Ready to take control of your retirement?

If you'd like to learn how a SIPP could complement your retirement plan or you need help managing your investments, please get in touch with us and take the next step towards securing your financial future. We look forward to hearing from you.

This article does not constitute tax, legal or financial advice and should not be relied upon as such. Tax treatment depends on the individual circumstances of each client and may be subject to change in the future.

For guidance, seek professional advice. The value of your investments can go down as well as up, and you may get back less than you invested.

A pension is a long-term investment not normally accessible until age 55 (57 from April 2028 unless the plan has a protected pension age). The value of your investments (and any income from them) can go down as well as up, which would have an impact on the level of pension benefits available.

Is it time to invest in your grandchildren's future?

Protect their future with strategic planning to leave a lasting legacy

Investing for your grandchildren isn't just about giving wealth; it's about creating opportunities and stability for their futures. Whether it helps fund further education, a home deposit or even retirement, strategic planning enables you to leave a lasting legacy.



As a grandparent, providing financial support can be more tax-efficient than helping through the child's parents due to potential tax implications. By exploring optimal savings and investment options, you could maximise the impact of your generosity.

BUILDING A FOUNDATION WITH A JUNIOR ISA

A Junior Individual Savings Account (Junior ISA or JISA) is often the first step in securing financial stability for grandchildren. These accounts provide tax-free growth, meaning that any interest or gains are not liable for Capital Gains Tax (CGT).

Contributions of up to an annual limit of £9,000 are allowed (2025/26), and the funds become accessible once your grandchild turns 18. It is important to note that children born before 3 January 2011 with child trust funds (CTF) can't have a JISA opened unless the CTF funds are transferred to a JISA, and the CTF is closed.

PLANNING FOR THE LONG TERM WITH A JUNIOR SIPP

For grandparents looking to help secure a grandchild's long-term financial future, a Junior

Self-Invested Personal Pension (Junior SIPP) could be a suitable choice. Designed explicitly as a retirement savings scheme, it allows you to invest up to £2,880 each year (2025/26), with the government offering 20% tax relief, increasing the total contribution to £3,600.

Although funds in a Junior SIPP are locked in until at least the age of 57, starting early enables decades for potential compound growth. This foresight could lead to a substantial retirement fund, offering your grandchild the financial security they might need later in life.

HELPING THEM SAVE FOR LIFE'S MILESTONES

When your grandchild turns 18, a Lifetime ISA (LISA) is an option to assist them in saving for their first home or planning for retirement. Each year, they can currently contribute up to £4,000, with the government providing a 25% bonus on these deposits, which can amount to up to £1,000 annually.

LISAs are particularly helpful for first-time home buyers, as funds can be accessed before age 60 for property purchases (a 25% charge applies if withdrawn before 60 for any other reason). If the savings remain untouched until

age 60, the account becomes a tax-free boost for retirement. Offering this option provides flexibility for your grandchild's medium- or long-term financial needs.

MINIMISING INHERITANCE TAX THROUGH GIFTING

One of the most effective ways to support your grandchildren is by minimising your estate's exposure to IHT. Using your current annual gifting allowance of up to £3,000, or arranging regular gifts from surplus income, ensures these gifts stay exempt from IHT. Alternatively, to maintain control and safeguard the funds, grandparents might consider setting up trusts. ◀

Is it time to get professional advice tailored to your family?

Investing in the future of the next generation is one of the most meaningful decisions you can make. Ensure it is done wisely, securely and with their best interests at heart. If you would like to explore options or require professional advice on managing investments for your grandchildren, please contact us.

This article does not constitute tax, legal or financial advice and should not be relied upon as such. Tax treatment depends on the individual circumstances of each client and may be subject to change in the future.

For guidance, seek professional advice. The value of your investments can go down as well as up, and you may get back less than you invested.

A pension is a long-term investment not normally accessible until age 55 (57 from April 2028 unless the plan has a protected pension age). The value of your investments (and any income from them) can go down as well as up, which would have an impact on the level of pension benefits available.

How Chancellor Rachel Reeves could increase taxes



Discover what the Autumn Budget could mean for workers and pensioners

The National Institute of Economic and Social Research (NIESR) has issued a stark warning. If no action is taken, the government is likely to miss its fiscal rule, which requires that day-to-day spending is covered by tax receipts of a significant £41.2 billion by 2029/30. To stay on track, Chancellor Rachel Reeves will need to implement further tax increases.

This raises important questions about the policies being considered and who might face the greatest financial impact.

COULD FREEZING TAX THRESHOLDS TIGHTEN YOUR FINANCES?

Freezing Income Tax thresholds has become one of the most effective, yet hidden, methods of collecting taxes. While Reeves previously stated in the Spring Budget that this freeze would end in 2028, she has since avoided reaffirming that promise.

Extending the freeze until 2030 would exacerbate fiscal drag, a process in which wage increases push taxpayers into higher tax brackets without providing a meaningful boost to their purchasing power.

WILL PENSION TAX PERKS COME UNDER SCRUTINY?

For decades, pensions have benefited from generous tax incentives, including relief from Income Tax and National Insurance to promote saving for retirement. However, these benefits may soon be subject to review.

Reeves could consider limiting the 25% tax-free lump sum that retirees can withdraw or replacing the current system with a flat rate of tax relief regardless of an individual's earnings. Such changes would have a significant impact on pensioners, particularly those who rely on lump sums for secure retirements, as well as workers using salary sacrifice schemes for long-term savings.

ARE NATIONAL INSURANCE CHANGES ON RENTAL INCOME COMING?

Beyond Income Tax, landlords may also come under scrutiny. While they already pay Income Tax on rental profits, this does not include National Insurance contributions or VAT on lettings. Reeves could introduce new taxes on property earnings or change the rules for rental income entirely.

This could raise tax liabilities for small landlords and potentially lead to rent increases. Renters might then bear the financial burden as landlords attempt to pass on these costs.

IS THE NATIONAL INSURANCE THRESHOLD SAFE?

Although Labour's current manifesto commits not to increase National Insurance rates, both employee and employer contributions could still be subtly adjusted.

One option might be to lower the National Insurance threshold, which is currently set at £1,048 per month. A lowered threshold could lead to increased payroll expenses for both employers and employees.

WILL RACHEL REEVES RETHINK VAT, DIVIDENDS OR WEALTH TAXES?

Reeves might focus on increasing revenue by adjusting existing tax policies instead of introducing new ones. For instance, expanding VAT to more goods and services currently exempt or increasing the additional rate of

Income Tax, which starts from £125,140, are potential options.

Furthermore, Inheritance Tax could also be amended. The current tax-free allowance of £325,000 (for 2025/26), unchanged since 2009, might be reviewed for a possible reduction. Meanwhile, exemptions could decrease for agricultural assets or gifts made outside the seven-year rule, potentially increasing liabilities for families aiming to pass down wealth. ◀

Do you need to evaluate your options to help secure your financial future?

Understanding these potential changes is essential for financial preparation. If you are unsure how these policies might impact you, please contact us to discuss your circumstances.

This article does not constitute tax, legal or financial advice and should not be relied upon as such. Tax treatment depends 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 have an impact on the level of pension benefits available.

The Financial Conduct Authority does not regulate estate planning, tax advice or trusts.



Government considers Inheritance Tax reforms

Tightening gift-giving regulations is among the measures being considered

The UK Treasury is seeking further new ways to reduce the growing deficit ahead of the much-anticipated Autumn Budget. With a financial shortfall exceeding £40 billion, reports suggest that officials, under the guidance of Chancellor Rachel Reeves, are exploring potential changes to Inheritance Tax (IHT) rules. Tightening gifting regulations is just one of the measures being considered to increase revenue and stabilise the country's finances.

Current market conditions, sluggish economic growth, persistent inflation and rising unemployment have put significant pressure on public spending. Although there have been calls for a wealth tax, the government is reportedly considering the less politically sensitive option of reforming IHT thresholds.

POTENTIAL GIFTING CAPS UNDER CONSIDERATION

One option being considered is the introduction of a lifetime cap on tax-free gifts. Currently, individuals can pass on assets without tax if these gifts are made at least seven years before their death. Gifts made between three and seven years prior that are above the donor's nil rate band are taxed on a sliding scale on the excess above the nil rate band, with rates decreasing annually from 32% to 8% in what's known as 'taper relief'.

By implementing a cap, the government could restrict the total value of assets or monetary gifts exempt from IHT rules, regardless of when they are given. This would represent a significant shift

in policy and could impact taxpayers involved in long-term estate planning. Other aspects of the gifting framework, including the taper rate itself, are also reportedly being reviewed.

BABY BOOMERS' WEALTH TRANSFERS UNDER SCRUTINY

Alongside organisational reforms, focus is shifting to the vast intergenerational wealth expected to pass from baby boomers. Increasing property prices, substantial pension pots and accumulated wealth have created a financial landscape the Treasury doesn't want to overlook.

Last year signalled an early indication of the government's plans to align pensions with IHT. From April 2027, unused pension funds and most death benefits will be incorporated into the IHT regime, ensuring these assets contribute to government revenue during the largest generational transfer of wealth in history.

PUBLIC SENTIMENT AND NEXT STEPS

If such reforms are implemented, they are likely to spark debate across the political spectrum.

While they may succeed in bolstering public finances, concerns over fairness and the potential impact on middle-income families loom large. Conversely, measures specifically targeting ultra-wealthy estates and large-scale gifts could potentially gain broader public acceptance.

The Treasury has not yet confirmed any decision, but it is clear that no revenue-raising strategy is being ruled out. With the Autumn Budget just around the corner, taxpayers would do well to stay informed about potential changes that may impact their estate planning efforts. ◀

Do you need to act now to secure your financial future and maximise your assets?

If you would like further guidance or professional advice on how potential Inheritance Tax changes could affect your finances or estate planning, please contact us sooner rather than later.

This article does not constitute tax, legal or financial advice and should not be relied upon as such. Tax treatment depends on the individual circumstances of each client and may be subject to change in the future. For guidance, seek professional advice. The value of your investments can go down as well as up, and you may get back less than you invested. The Financial Conduct Authority does not regulate estate planning, tax advice or trusts.

Passing on wealth through trusts

Is it the right moment to begin safeguarding your wealth for the future?

A UK trust is a legal arrangement in which one party holds and manages assets on behalf of another party, in accordance with the terms set by the trust's creator.



Trusts often serve as a safeguard for wealth, ensuring that assets are passed on to the next generation according to specific wishes. Trusts are essential in estate planning; however, due to their complexity, obtaining professional advice before setting one up is vital.

WHY CONSIDER A TRUST?

Imagine you want to leave your estate to your grandchildren, but they are still young adults. Would they handle sudden financial freedom responsibly, or might they lack foresight and spend it unwisely? Alternatively, you may have nieces and nephews, but you're unsure how to distribute your wealth fairly.

A trust helps address concerns like these by allowing you to decide how and when your beneficiaries access their inheritance. Whether it's providing for education, managing wealth for those who cannot handle large sums or supporting future generations, trusts offer customisable solutions to suit individual circumstances.

THE MANY FORMS AND PURPOSES OF TRUSTS

Trusts have been utilised for centuries and serve various functions. They can distribute gifts gradually

over time or safeguard wealth for beneficiaries who may face difficulties, such as being too young, lacking financial knowledge or encountering external risks like unstable personal relationships.

For some, using a trust reflects broader family strategies, such as safeguarding assets against specific risks like gambling issues or external influences. Additionally, in jurisdictions where tax laws differ, trusts can have varying tax implications, making expert advice essential for effective planning.

DEFINING A TRUST

At its core, a trust creates a legal relationship among three parties. The 'settlor' transfers their assets into a trust and specifies their wishes. The 'trustee', often a professional like a lawyer, manages the trust according to these instructions. Lastly, there is the 'beneficiary', who receives the trust's assets at the appropriate time and for its intended purpose.

Choosing a trustee is a crucial decision because they must act in the best interests of the beneficiaries. This often involves overseeing complex financial matters and managing practical responsibilities. Professional trustees bring neutrality and expertise to the role, ensuring the trust operates smoothly and accurately reflects the settlor's intentions.

WHEN OUTRIGHT GIFTS AREN'T THE RIGHT FIT

Sometimes, giving money directly isn't the best option. A trust enables you to retain control over your assets even after transferring them. You may prefer to distribute funds gradually or tie the disbursement to specific milestones, such as paying university fees or contributing to a house deposit.

Some families also use trusts when one or more beneficiaries might struggle to manage money due to personal challenges or incapacities. By structuring the trust carefully, it's possible to ensure that funds are protected and distributed to support the intended recipient at the right time.

A MEANS TO PROTECT WEALTH

Family dynamics and external influences can sometimes jeopardise financial security. For instance, a beneficiary might lead a high-risk lifestyle or be swayed by an unreliable partner. A trust acts as a safeguard, imposing conditions on how and when wealth can be accessed whilst providing protection through agreements set out by the settlor.

Charitable trusts are another option for those wishing to leave a lasting legacy. They ensure that funds benefit chosen causes for many years to come, rather than just a one-time donation. ◀

Time to trust in your future?

If you're considering a trust as part of your estate planning, professional advice is essential to help you make informed decisions and set up your trust properly. For expert guidance and additional support, contact us today and start safeguarding your wealth for the future.

This article does not constitute tax, legal or financial advice and should not be relied upon as such. Tax treatment depends on the individual circumstances of each client and may be subject to change in the future. For guidance, seek professional advice. The Financial Conduct Authority does not regulate estate planning, tax advice or trusts.

Why protection matters

Do you have a safety net for you and your loved ones in case the unforeseen happens?

Most people prefer not to consider unexpected misfortune when thinking about the future. However, being prepared for life's uncertainties is essential to protect your family's way of life. Financial security provides a safety net for your loved ones if you face illness, injury or an untimely death. But understanding the right cover to meet your needs can be complicated and daunting.



Without a plan, the financial impact on your family could be considerable if a steady income stream is interrupted.

This is especially true for those who are self-employed or retired, as employer-provided protection often no longer applies. To safeguard your family's lifestyle, preparation and the right financial solutions are essential.

DETERMINE YOUR ESSENTIALS BEFORE ANYTHING ELSE

Consider your family's daily living costs, including mortgage payments, council tax, utilities and groceries. Ensuring these essentials are covered guarantees they will be cared for,

even in the worst-case scenario. Beyond this, think about the extras your family enjoys. From holidays and social outings to memberships and events, these lifestyle elements can also be protected with the right plans.

Once your essentials are taken care of, you can begin exploring personalised plans for debt repayment, future family priorities or educational goals. The approaches vary depending on individual circumstances, but the constant is the peace of mind that financial protection provides.

EXPLORE HEALTHCARE WITH PRIVATE MEDICAL INSURANCE COVER

Health issues can occur unexpectedly, and NHS waiting times are at an all-time high. This has led

many to consider private medical insurance (PMI). Figures from the Association of British Insurers (ABI) reveal a record 6.2 million people now have access to prompt diagnoses and quality treatment for acute health conditions through insurers.

PMI provides access to private healthcare facilities and specialists, which can significantly reduce waiting times and speed up treatments. Beyond healthcare, it offers a sense of security and ensures that health concerns do not jeopardise your family's financial wellbeing.

ADDRESSING MAJOR MEDICAL CHALLENGES WITH CRITICAL ILLNESS COVER

Critical illness cover pays a lump sum or regular payments upon diagnosis of a specified covered



“
**INCOME PROTECTION
 ACTS AS A SAFETY NET
 DURING ILLNESS OR INJURY,
 PROVIDING REGULAR
 PAYMENTS TO COMPENSATE
 FOR LOST EARNINGS WHILE
 YOU RECOVER.**
 ”

condition. This financial support can help cover medical treatment, replace lost income and provide additional resources during recovery.

Some policies even permit add-ons, such as children's critical illness cover, providing a financial safety net if your child is diagnosed with a serious condition. These funds could enable a parent to take unpaid leave, ensuring they remain with the child and are better able to provide care and support.

INCOME PROTECTION SAFEGUARDS THE STABILITY OF LIFESTYLE

Income protection acts as a safety net during illness or injury, providing regular payments to compensate for lost earnings while you recover. Policies can be customised for short-term or long-term needs, with options to defer payments and manage premiums.

Typically, you can cover between 50% and 67% of your income, ensuring your family continues to meet financial obligations despite unexpected work interruptions. This option is especially useful for individuals without other income safety nets.

LIFE INSURANCE OFFERS TAILORED SECURITY FOR YOUR FAMILY

Life insurance is a basic part of financial security for any family. It provides either a lump sum

or regular payments when the policyholder passes away, ensuring financial stability during a challenging transition.

This type of insurance is especially useful for covering major expenses like mortgages or school fees. Payments can be customised to align with life milestones, such as supporting children until a specific age or giving a spouse enough time to adjust.

LEAVE AN INHERITANCE WITHOUT UNNECESSARY FINANCIAL STRAIN

Inheritance planning often involves tax implications that can be easily overlooked. Without proper preparation, families may face difficulties such as selling the family home to pay tax liabilities. Establishing a suitable trust could address this proactively.

Trusts offer many benefits, including quick access to funds after death without the need to go through probate. Moreover, money placed into a trust remains outside your estate as long as you survive for at least seven years after establishing it, entirely avoiding Inheritance Tax. Trusts also give you full control over how and when your dependents receive their funds.

BRINGING EVERYTHING TOGETHER

Protecting your family's lifestyle requires careful planning and a personalised approach. Each

layer of cover, from healthcare to income replacement and inheritance strategies, helps strengthen financial resilience.

We understand that navigating these options can feel overwhelming, but it doesn't have to be. Taking proactive steps today provides confidence and peace of mind, knowing that your loved ones will thrive, no matter what happens. With the right protection in place, you can safeguard the lifestyle you've built together. ◀

Need guidance on protecting you and your family's lifestyle?

If you would like further guidance on protecting you and your family's lifestyle, we're here to help. We're here to assist you in creating a customised financial protection plan tailored to your needs. Contact us for comprehensive advice and personalised solutions. We look forward to hearing from you.

This article does not constitute tax, legal or financial advice and should not be relied upon as such. The Financial Conduct Authority does not regulate estate planning, tax advice or trusts.



Do you have multiple pension pots to keep track of?

When leaving a job, how to stay updated on your retirement savings

Changing jobs often signals the start of an exciting new chapter, bringing fresh opportunities, new challenges and often a higher salary. However, amidst all this change, it's easy to overlook certain details, such as your old pension, especially since new employers usually auto-enrol you into a new pension scheme.

With over 3.3 million pension pots, each averaging £9,470^[1], believed to be 'lost' in the UK, and nearly a quarter of UK workers (23%) planning to leave their jobs in 2025^[2], it is crucial to stay informed about your retirement savings and understand the steps to take after changing employment.

WHAT HAPPENS TO YOUR PENSION WHEN YOU LEAVE A JOB?

When you leave a job, your investments stay in place. However, both your contributions and those from your employer cease. While your savings can still grow through investment, ongoing charges on the account may gradually decrease its value if not monitored.

It's important to notify your pension provider of any changes to your personal email or home address, particularly if your work emails are deactivated. Updating your contact details regularly helps you stay informed about your savings and prevents losing contact with your funds.

TRACKING DOWN OLD PENSIONS

If you've had several jobs, it can be difficult to keep track of your different pension pots. You may not immediately know where all your savings are held, but tools are available to assist you. A pension tracing service can help locate any lost pensions using details from previous employers.

Once you identify these old pots, consolidation could simplify the management of your retirement savings by reducing administrative tasks and allowing you to focus on a single account. However, the decision depends on individual circumstances, and important benefits might be lost during the transfer process.

SHOULD YOU CONSOLIDATE YOUR PENSIONS?

Before consolidating pensions, assess both the advantages and possible drawbacks. On the positive side, merging pensions could lower fees, make retirement savings simpler, and provide clearer insight into your progress towards retirement goals.

However, some older pension schemes provide unique benefits, such as guaranteed income options, higher growth rates or early retirement terms. These could be lost if transferred, so research your specific plans carefully to ensure that consolidation is the right decision for you.

WHAT TO DO IF YOU'RE IN BETWEEN PENSIONS

If you're taking a career break, changing jobs or working in a role that doesn't offer an immediate workplace pension, it's still important to manage your retirement savings. You might still be able to contribute to your existing pension, depending on your provider.

For those without such an option, considering a personal pension plan could be a practical solution. By remaining consistent with contributions, even during transitional periods, you will ensure your retirement savings stay on course. ◀

Is it time you built a clearer financial roadmap for your retirement?

It is essential to keep track of your pensions to optimise savings for a comfortable retirement. Need guidance? Contact us to explore your options and create a clear financial plan.

Source data:

[1] <https://www.plsa.co.uk/News/Article/Brits-missing-31-1bn-in-unclaimed-pension-pots>

[2] <https://www.personneltoday.com/hr/attrition-rates-2025-uk-culture-amp/>

This article does not constitute tax, legal or financial advice and should not be relied upon as such. Tax treatment depends 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 have an impact on the level of pension benefits available.