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YOUR FINANCE **MATTERS**

Summer 2026

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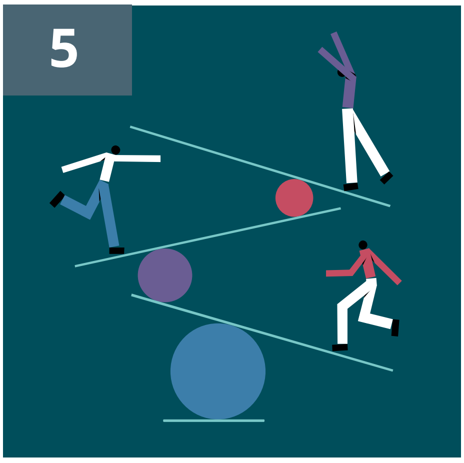

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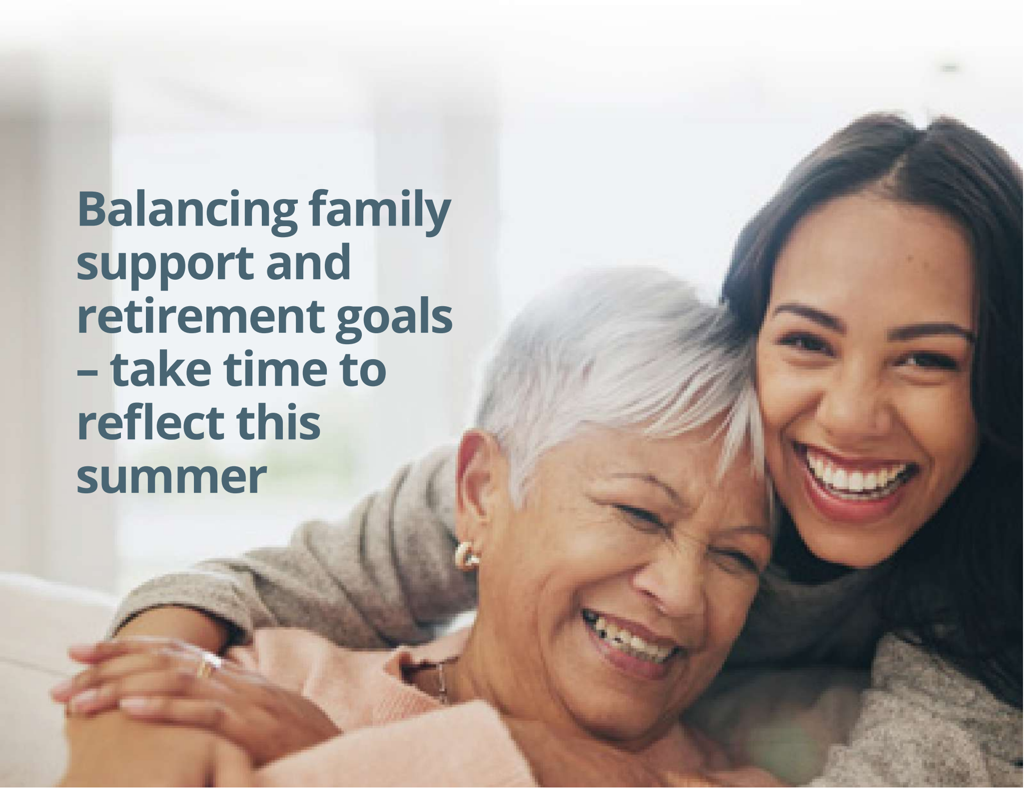

Balancing family support and retirement goals – take time to reflect this summer

As we settle into the summer, many of us finally find the breathing space to pause and reflect. The longer evenings and holiday mindset often encourage a wider perspective – not just on where we are today, but on the future we want to enjoy.

For many families, however, retirement planning can quietly slip down the priority list when adult children need support. Whether helping with rising living costs, a first property deposit, university fees or simply navigating a challenging economy, parents are increasingly stepping in financially long after their children reach adulthood.

The growing cost of supporting adult children
New research[1] has found that 61% of parents with children over 18 are providing financial support, with one in seven expecting this generosity to delay or reduce their retirement plans. Some are dipping into savings, others are reducing pension contributions and many acknowledge that supporting family has affected their own long-term financial goals.

Of course, most parents want to provide security and opportunity for their children, but there is an important balance to strike. Supporting loved ones should not come at the expense of your own financial future.

Revisiting retirement priorities
Retirement planning is rarely static. Priorities evolve over time, and so should financial plans. Revisiting retirement goals, reviewing pension contributions, understanding future income needs and adjusting investment strategies can all help ensure plans remain aligned with changing family needs and circumstances.

Importantly, retirement today is no longer viewed as a single end point. Many people are planning for phased retirements, flexible lifestyles and longer, more active later years. That makes ongoing financial clarity even more valuable.

Finding the right balance
Summer can be the ideal moment to step back and reassess. With the right advice and careful planning, it is entirely possible to support children when needed while still protecting the retirement lifestyle you may already have or are working hard to build. The key is ensuring generosity and long-term security sit side by side.

A few positive steps to consider

- **Review your retirement goals regularly** – even small adjustments to pensions or investments can make a meaningful long-term difference
- **Set clear boundaries around family support** – helping children financially works best when it sits within an agreed and sustainable plan
- **Let's talk it through** – a fresh perspective can help balance generosity today with security tomorrow.

[1]Standard Life 2026

Investors stay focused on long-term growth

UK investors remained committed to growing their wealth during the first half of the year, despite continued geopolitical and economic uncertainty. Research[2] found that 30% of investors increased contributions to their portfolios during Q1, while a further 30% planned to raise investment levels during Q2.

Average planned investment levels for Q2 were £2,920, with only 14% expecting to reduce the amount they invested. The findings suggest that investor confidence remained resilient through the first half of the year, with many continuing to prioritise long-term financial goals over short-term market volatility.

Wealth building and retirement remain key drivers
The strongest motivation for increasing investments was the desire to build long-term wealth, cited by 44% of respondents. Nearly three in ten (29%) believed it was a good time to invest, while 24% said UK economic conditions had influenced their decision-making.

Longer-term financial planning continued to shape investor behaviour overall. Growing wealth (43%) and strengthening retirement savings (42%) were the leading reasons for investing, alongside building emergency savings (28%) and funding future lifestyle goals, such as holidays (17%).

Investment habits varied, with one-off contributions proving popular (26%), although many investors continued to favour flexible ad hoc lump sums (18%) or 'set and forget' regular contributions (20%).

[2]Scottish Widows 2026

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In the news

Salary sacrifice confusion

Although two thirds of UK employees now use salary sacrifice schemes, 63% are unaware of the government's planned 2029 cap, according to new research[3]. The findings come as the National Insurance Contributions Bill officially becomes law, prompting concerns that workers may not fully understand how future changes could affect pensions and workplace benefits.

One in three adults unprepared for later life financial planning

Research[4] reveals a major gap between awareness and action on later life financial planning. While 83% of UK adults say financial preparation for death is important, 32% admit they have taken no steps at all. Only 38% have written a Will, 26% have communicated their wishes and only 18% have organised their financial documents including pension information, account records or insurance details, leaving many families at risk of avoidable stress and financial complications later on. It seems emotional barriers are also at play, with 74% agreeing that emotional preparation is important, 13% say the topic is too uncomfortable or emotional.

[3]Barnett Waddingham 2026,
[4]Aegon 2026

If any of these topics resonate – please get in touch, we can help provide support and clarity

Freeze the higher rate tax burden

While workers were raising a glass to a pay rise, the government's decision not to raise tax thresholds means more will have become higher rate taxpayers. Research suggests 4.8 million more people will be paying higher rate tax by 2031 than in 2022 when the freeze began. If you're one of them, what steps can you take to avoid putting the party on ice?

Salary sacrifice (while you can)
One of the most efficient ways to reduce your tax take is to increase your pension contributions. That's because, with salary sacrifice, contributions will be made from your gross salary. The government plans to change salary sacrifice rules from April 2029, so use it while you can!

Check pension tax relief
When moving into a higher rate, check you are receiving higher rate tax relief because this isn't always applied automatically. You may need to claim the extra relief through Self-Assessment or by contacting HMRC directly.

Know the PSA limits
Personal Savings Allowance (PSA) limits are lower for higher rate earners: you are only able to earn £500 interest on savings outside Individual Savings Accounts (ISAs) before paying tax.

Think about Marriage Allowance and Child Benefit
If you or your partner are a higher rate earner, you can no longer benefit from Marriage Allowance. This could mean losing a tax saving worth up to £252 a year. Keep an eye on Child Benefit too, as support is withdrawn through the High Income Child Benefit Charge (HICBC).

Get in touch – we can talk it through

Tax treatment depends on individual circumstances and may change in future. The value of investments can go down as well as up and you may not get back the full amount you invested. The past is not a guide to future performance and past performance may not necessarily be repeated.

Wealth in an age of uncertainty – how investors are adapting to a changing world

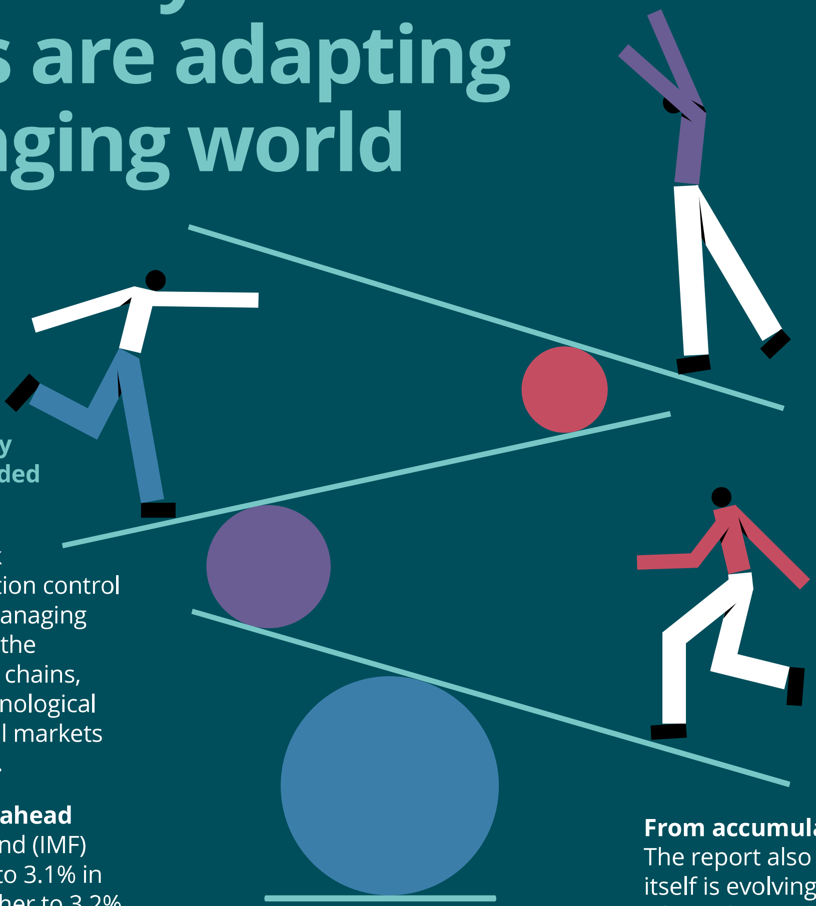
For investors, structural weaknesses exposed by the pandemic, geopolitical conflict and persistent inflation have created a more unpredictable environment where volatility appears increasingly embedded in the global economy.

Central banks continue to walk a difficult line – balancing inflation control with economic growth while managing historically high debt levels. At the same time, fragmented supply chains, fiscal pressures and rapid technological disruption are reshaping global markets and consumer behaviour alike.

IMF warns of slower growth ahead
The International Monetary Fund (IMF) expects global growth to slow to 3.1% in 2026 before edging slightly higher to 3.2% in 2027, while inflation is projected to rise modestly next year before easing again. Emerging and developing economies are expected to feel the greatest strain from slower growth and higher prices.

IMF believes downside risks continue to dominate the outlook. Escalating geopolitical tensions, prolonged conflict, renewed trade disputes and uncertainty around artificial intelligence-led productivity gains, all have the potential to unsettle markets further.

IMF Managing Director Kristalina Georgieva warned that *"all roads now lead to higher prices and slower growth,"* describing the current environment as *"a world of elevated uncertainty,"* shaped by geopolitical tensions, climate shocks, technological change and demographic shifts. *"All of this means that after we recover from this shock, we need to keep our eyes open for the next one,"* she concluded.



All roads now lead to higher prices and slower growth

Global wealth continues to expand
Despite these headwinds, global wealth creation continues at remarkable speed. One leading wealth report[5] found that 89 individuals crossed the US$30m wealth threshold every day over the past five years, taking the global ultra-high-net-worth (UHNW) population to more than 713,000 in 2026. The US remains the dominant engine of wealth creation, accounting for 41% of new UHNW individuals, while India and China continue to drive significant expansion and reshape the global balance of wealth.

From accumulation to transformation
The report also highlights how wealth itself is evolving. While 'plutonomy' – where the wealthy command an outsized share of global capital – remains firmly intact, spending patterns are shifting. Luxury is becoming less about ownership and more about experience, wellness and personal transformation. For investors, the focus is increasingly not only on growing wealth but preserving and positioning capital intelligently in a more complex world.

An environment defined by change
The global economy is constantly evolving, fragmented and unpredictable – uncertainty is nothing new for investors. Wealth holders are placing greater value on strategic advice, long-term thinking and understanding where resilience, innovation and long-term opportunity exist. In a more complex investment landscape, informed advice and a disciplined approach remain central to preserving and growing wealth over time.

[5]Knight Frank 2026

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Give your money intention

When you work hard for your money, sacrificed for it, worried about it and perhaps lived through periods where there wasn't much spare, your instinct is often to protect it. To keep it safe. To avoid making a wrong move. That is completely understandable, but sometimes money that is overprotected becomes money that underperforms.

Many people choose to keep large amounts in cash because cash feels reassuring. It doesn't fluctuate daily. It doesn't create headlines. It feels stable in a way investing might not, but cash has a problem: over time, it quietly loses ground. Inflation gradually reduces what cash can buy, meaning money left sitting without purpose may slowly lose value in real terms. What feels like the 'safe' option can sometimes do the most damage over the long term.

Consider your options

Investing is emotionally harder because it asks people to tolerate movement. Markets rise and fall, headlines create uncertainty and it requires long-term thinking in a world that constantly encourages short-term reactions. That is not easy, but not every pound should be invested. Cash still matters and emergency reserves matter. The right balance will always depend on your goals, timescale and attitude to risk.

> ?
>
> ***You don't need to have all the answers***
>
> *You do not need to become an investment expert overnight. You simply need to consider your options. For many people, that begins with a conversation. We can help turn uncertainty into a plan and help your money work with purpose to support your long-term future*

Making your cash more purposeful

The key question is not 'cash or investing?' – it's whether your money has intention. Money without a purpose can become 'dead money' – cash sitting idle, earning little, doing very little to support your future. Living money, by contrast, is money with a job. It may provide security, growth, flexibility or future opportunities. It works alongside your wider life goals rather than simply sitting still.

The confidence gap

Research[6] has found that 30% of UK adults say they lack the knowledge, confidence or time to invest, highlighting a significant confidence gap. The concern is particularly strong among working-age adults aged 30 to 44. Yet avoiding investing altogether can come at a cost to long-term wealth and future financial resilience.

Conversations around investing are important. The recent government-backed 'Take the next step' campaign aims to raise awareness of the role investing can play in improving long-term financial wellbeing and supporting future prosperity.

[6]Rathbones 2026

> Inflation gradually reduces what cash can buy, meaning money left sitting without purpose may slowly lose value in real terms

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Pensions and IHT – the shake-up many are missing

From April 2027, a significant change to Inheritance Tax (IHT) will take effect. Unused pension funds will no longer sit outside a person's estate. Instead, they will be included when calculating IHT, potentially exposing them to a 40% charge where thresholds are exceeded.

The end of a tax-efficient era
For many years, pensions have been seen as one of the most tax-efficient ways to pass on wealth, often left untouched while other assets were used first. This long-standing approach is now being overturned, forcing a major rethink of retirement and estate planning.

The awareness gap
Despite the scale of the change, awareness remains low. Research[7] suggests that nearly nine in 10 UK adults are unaware that pensions will fall within the IHT net from 2027.

This knowledge gap is already influencing behaviour. An increasing number of people are choosing to access their pensions earlier than planned, with over 116,000 individuals withdrawing funds at age 55 in the past year, a five-year high[8]. In many cases, this reflects a desire to reduce future tax liabilities or pass on wealth sooner. However, acting too quickly can have consequences, particularly if it could leave you short of income later in retirement.

When change creates opportunity... for scammers
There are also wider risks emerging as periods of uncertainty, combined with pressure to act, can leave individuals more vulnerable to scams. Fraudsters are already exploiting confusion around the new rules, offering so-called solutions to avoid IHT that can put retirement savings at risk.

The key message is clear: while the 2027 reforms will reshape how pensions are treated on death, they do not mean immediate action is always the right course. Careful planning, informed decisions and taking professional advice remain essential to ensure that both retirement security and legacy goals are protected.

The changes from April 2027 are proposed and subject to legislation.

[7]Standard Life 2026, [8]Lubbock Fine 2026

IHT gifting reminder: your questions answered

Why is gifting back in the spotlight?
Rising Inheritance Tax (IHT) receipts and ongoing reforms mean more families are being drawn into the net. Frozen thresholds and planned changes, including bringing unused pension funds into IHT from April 2027, are prompting many to review how they pass on wealth.

How can gifting help reduce IHT?
Making gifts during your lifetime can reduce the value of your estate. These are known as 'potentially exempt transfers' and fall completely outside your estate for IHT purposes if you survive for seven years after making them. Alongside this, annual exemptions still play a key role. For example, the £3,000 yearly allowance and small gifts of £250 per person per tax year, which help individuals pass on wealth gradually.

What's driving increased interest?
There is growing demand for gifting strategies as families respond to tightening rules. With pensions historically used to pass on wealth tax-efficiently, their inclusion in IHT calculations from 2027 is accelerating the shift towards lifetime gifting.

Are there any risks to making gifts outright?
Yes. Once a gift is made, you no longer control the asset and it cannot usually be reversed. This can create issues if circumstances change or if beneficiaries receive funds before they are ready.

Also, gifts with continued benefit, for example, giving away your home but still living in it rent-free, may still be counted as part of your estate.

Is there a way to retain control?
Increasingly, families are exploring how to gift with control, such as placing assets into trusts. These structures can allow wealth to be distributed gradually while maintaining oversight, offering both flexibility and protection.

What should you do next?
Gifting can be a powerful IHT planning tool, but it needs careful consideration. Seeking professional advice can help ensure your strategy aligns with your long-term goals.

Gifting and trust strategies can have tax implications and may not be suitable for everyone. The value of investments can go down as well as up and you may not get back the full amount you invested. The past is not a guide to future performance and past performance may not necessarily be repeated. The Financial Conduct Authority does not regulate Will writing, tax and trust advice and certain forms of estate planning.

Financial habits stuck in the past? Life moves on – have your finances?

A lot can change in ten years. Promotions, pay rises, buying a home, starting a family or simply taking on new responsibilities, can all dramatically shift your financial needs. While life rarely stands still, many people's money habits do.

New research[9] reveals that despite experiencing major life changes over the past decade, nearly a third (32%) of UK adults have failed to update their savings, pensions or protection plans accordingly – that's around 18 million people.

The cost of financial inertia

The findings point to a growing disconnect between people's current lives and how they manage their money. Despite rising incomes, a third of adults say they are saving no more than they did ten years ago, while 28% admit they are saving even less.

Pensions are another area where people are falling behind. Almost four in ten (39%) have not increased their pension contributions in line with pay rises, while 32% continue to rely on default contribution levels.

This lack of action could have long-term consequences. Over half (57%) worry they've missed opportunities to grow their wealth, while more than a third (34%) say their emergency savings would not cover three months of expenses.

Why people fall behind

Cost-of-living pressures, the pandemic and wider economic uncertainty have all put pressure on household finances. Even where incomes have increased, they have not always kept pace with everyday expenses, but procrastination can mean missing out on valuable tax relief, allowances, stronger investment growth, financial security in the long-term and the right level of financial protection.

Small updates now can strengthen your finances

Time for a summer financial reset

Managing your money as if it were 2016 could leave you underprepared for the life you're living today and for the future you hope to live. Financial inertia can wreak havoc with your finances. Even in the face of financial challenges, small refinements now could help your money work harder for your future.

A summer financial reset doesn't have to mean a complete overhaul. Reviewing your pension, savings, protection and updating us on any changes to your circumstances and financial situation can make a meaningful difference over time. Get your money working as hard for you as possible.

[9]L&G 2026

Summer financial reset checklist

Check your ISA allowance usage

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Review savings rates and goals

•

Increase pension contributions / consolidate pensions

•

Reassess your emergency fund (3–6 months' expenses)

•

Update life insurance and protection policies after major life changes

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Young people are the most proactive pension savers

There is a widening generational divide in pension engagement, new consumer research[10] has revealed, though perhaps not in the way many might expect.

Younger savers are emerging as the most informed and proactive group, the research shows. A total of 31% of people aged 18 to 34 say they know what their pension is invested in, compared with 21% of those aged 35 to 54.

Similarly, a higher proportion of young people are interested in domestic investments (22%), even if returns are lower, compared with only 13% among older groups.

Younger savers are also more likely to say they have made changes to their investment options. One in five 18 to 34-year-olds has done so compared with just 12% of middle aged savers.

These findings could bode well for the next generation's retirement preparedness. Whatever your age, everyone has knowledge gaps and that's where advice is crucial.

For young people, getting the right advice early can set you on the right path throughout your career.

[10] Pensions UK 2026

Why is life insurance back in focus?

Changes to Inheritance Tax (IHT) are leading more people to rethink how they pass on wealth. In particular, the tax efficiency of pensions needs to be considered as they will start to fall within the IHT net from April 2027.

At the same time, frozen tax thresholds and rising asset values mean more estates are subject to IHT. This has led to a clear increase in demand for life insurance as a practical planning tool.

How life insurance can help
Life insurance can play a valuable role in IHT planning by providing a lump sum on death to help cover the tax bill. This means beneficiaries may not need to sell assets such as property or investments to meet the liability.

When written in trust, the payout typically sits outside the estate and can be paid quickly to beneficiaries, helping avoid delays and additional tax exposure. At a time when options to mitigate IHT are becoming more limited, life insurance remains one of the more accessible solutions available.

Why acting early matters
It pays not to procrastinate as delaying decisions can be costly. Leaving planning too late reduces the available options and may lead to higher premiums or even limited insurability later in life.

A practical next step
Reviewing your position sooner rather than later can help ensure that any cover is affordable, structured correctly and aligned with your wider estate plan.

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Start early, save smarter

Whilst many younger adults are proactive on pensions, saving for retirement may slip down the priority list for some, squeezed out by accommodation costs and other everyday bills. Research[11] highlights a crucial truth – delaying pension contributions can be far more expensive than most people realise.

The analysis shows that if you begin saving at 20, contributing around £264 a month could build a £1m pension pot by age 65 (assuming generous 7% annual growth after charges). However, if you delay until 40, you would need to contribute roughly £1,235 a month to achieve the same outcome, that's nearly five times as much.

Why time matters more than money
The difference comes down to compound growth. Starting early gives your investments decades to grow, meaning much of your retirement pot comes from returns rather than your own contributions. In the example (illustration purposes only), someone starting at 20 would contribute £142,560 in total, while a later starter at 40 would need to pay in around £370,500.

This illustrates a simple but powerful principle; time in the market is often more valuable than the amount you invest. Even small, consistent contributions early on can outperform larger amounts contributed later.

How can I build good habits?
We understand that balancing pensions with everyday expenses isn't easy, particularly early in your career when incomes are lower. Contributing what you can, even modest amounts, sets the foundation for long-term growth. Depending on investment performance, starting early often reduces financial pressure later and allows you to harness the full power of compounding.

The figures quoted in this article are for illustration purposes only.

[11]AJ Bell 2026

In other news

UK dividends show signs of recovery

UK dividend payouts made a stronger-than-expected start to 2026, with companies distributing £16.4bn during the first quarter – up 21.1% year-on-year[12]. The increase was boosted by a rise in special dividends, while regular payouts also exceeded forecasts and steadier underlying growth. Mid-cap firms outperformed many larger companies. Analysts have since upgraded full-year dividend forecasts and projected UK equity yields of 3.5%.

Investment scams continue to rise

Investment scams are continuing to rise as fraudsters use increasingly sophisticated tactics to target savers and investors online. Last year, over 34,000 people reported investment fraud, up 31% from the year before, with average losses of £25,612 – encompassing people's pension pots and other long-term investments[13]. Experts say scammers are increasingly exploiting social media, messaging platforms and artificial intelligence to appear more convincing.

To protect yourself, the FCA recommend taking financial advice before making any big financial decisions.

Millions still earning minimal interest on savings

The number of savings balances earning 1% interest or less rose sharply in 2025, by 2,340%, an increase of over £67bn[14], highlighting how many consumers have yet to move money into more competitive products. The trend has renewed focus on cash management as inflation continues to erode the real value of savings held in underperforming accounts.

[12]Computershare 2026, [13]Data from the City of London Police 2026, [14]Spring 2026

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Retirement planning for the self-employed

Around 40% of self-employed workers are actively saving for retirement, according to research[15]. This leaves three in five who could be missing out on crucial peace of mind and tax benefits.

Compared to employees, who have the certainty of employer pension contributions, self-employed workers, contractors, freelancers and business owners face a unique set of challenges. Here's how to look after number one and make your retirement savings a priority.

Pay yourself first
The reality for self-employed workers is that retirement planning requires more personal ownership and discipline. Irregular or fluctuating earnings can make long-term saving feel less urgent or harder to prioritise.

To combat this tendency, it is a good idea to treat pension or retirement contributions like a regular business expense. Making regular contributions can be more achievable and build a bigger retirement pot than waiting for 'surplus' income.

Make it simple
When running your own business, you might have a thousand things that seem like a higher priority than paying into your pension. To ensure your future self doesn't miss out on the retirement you deserve, make it as simple as possible for yourself now. One way to do that is to automate contributions, so money goes into your retirement pot each month – and you don't have something else on your to-do list!

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Let's talk tax efficiency
Income, business performance and personal goals change over time, so it's a good idea to have regular reviews. Your retirement plan can include pensions, ISAs, investments or business sale considerations.

Retirement saving can be more complex for self-employed workers. It's never too early or too late to improve retirement readiness. Time to review your current retirement strategy and refine your long-term plan?

[15]Aviva 2026

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Enjoying your happy and healthy retirement

With a clear sense of purpose, your retirement opens a world of possibilities. Getting your finances in order is a crucial step, but it is only one part of a wider plan. Here are some key considerations for a happy and healthy retirement.

Wellbeing and wealth
After all those years of work, retirement is a chance to live exactly how you want. As people are living longer, retirement planning increasingly spans multiple decades, giving you a large window to chase your dreams.

Two building blocks of a happy retirement are wellbeing and wealth.

Wellbeing means something different to each of us. Living your healthiest life will allow you to stay active and independent for longer, whether you're planning to run ultramarathons or simply want to feel at your most energetic. Mental wellbeing means keeping your mind sharp and prioritising social connection.

Retirement planning is not a now-or-never moment

Likewise, wealth is not a one-size-fits-all indicator. From having the means to travel far and wide to supporting loved ones, your wealth goals can secure the retirement you want. Whatever financial security means to you, retirement planning can provide confidence and peace of mind.

Laying the foundations – and continuing to build
Retirement planning is not a now-or-never moment. Rather, your plans should be built gradually and remain in constant development. Over time, priorities, health or spending needs evolve, so plans should be reviewed periodically to ensure they still meet your lifestyle.

One key concept to keep in mind is income sustainability. This means balancing present spending with preserving wealth for later-life needs and legacy goals. A dynamic retirement plan that can adapt quickly to changes helps you strike the right balance.

Planning beyond the numbers
Retirement planning is about much more than money. A well-planned retirement should support your broader life goals, including your lifestyle, travel, family, hobbies and personal growth.

A fulfilling retirement comes with purpose and flexibility. Indeed, the most successful retirements are often those that combine clarity and openness. You have a strong plan – now it's time to put it into action!