

# education caveat.

- The following content has been designed and relies upon the detailed explanation provided by the presenter at the time of the seminar and should be considered in conjunction with this and not in isolation.
- All copyright or other intellectual property rights in the material constituting this presentation which has been provided by Wealth at Work Limited remains the property of the Wealth at Work group of companies.
- The content of this presentation is provided for illustrative purposes only and is not intended to be used for individual investment or financial planning and does not constitute financial advice.
- Whilst every effort is made to ensure the accuracy of information contained in the presentation it cannot be guaranteed. In particular the rules relating to tax can frequently change. Wealth at Work Limited will not be held liable for any inaccuracies in this presentation due to a change in law after the date of delivery of this presentation.
- Any references to tax or the operation of tax or tax reliefs are illustrative only and the tax treatment in respect of any individual depends upon the circumstances of each individual.
- It is important to recognise that the value of investments related to the stock market (and any resulting benefits such as interest or dividends), can rise or fall and an investor may not get back the amount invested. Past performance data used is for illustrative purposes only and is not necessarily a guide to future performance.

WEALTH at work and my wealth are trading names of Wealth at Work Limited which is authorised and regulated by the Financial Conduct Authority and is a member of the Wealth at Work group of companies. Registered in England and Wales No.05225819. Registered Office: 5 Temple Square, Temple Street, Liverpool L2 5RH. Telephone calls may be recorded and monitored for training and record-keeping purposes.

---

---

welcome to:  
keep your plan in check.

---

---

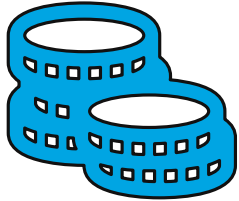
# about us.

We are a leading financial wellbeing and retirement specialist - helping those in the workplace to improve their financial future.

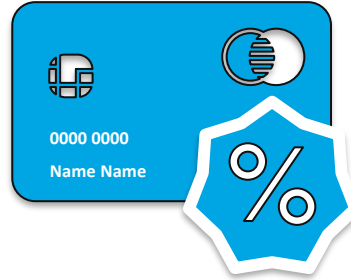
Established in 2005, we work with hundreds of organisations across both the private and public sector.

Our financial education services are delivered on a bespoke basis.

# what we'll cover today.



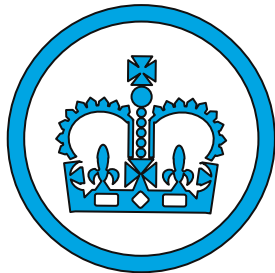
Your current financial position



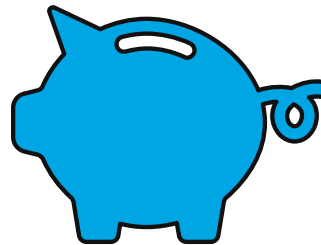
Managing debt & mortgages



Savings & investments



Tax efficiency



Your pensions



Next steps

---

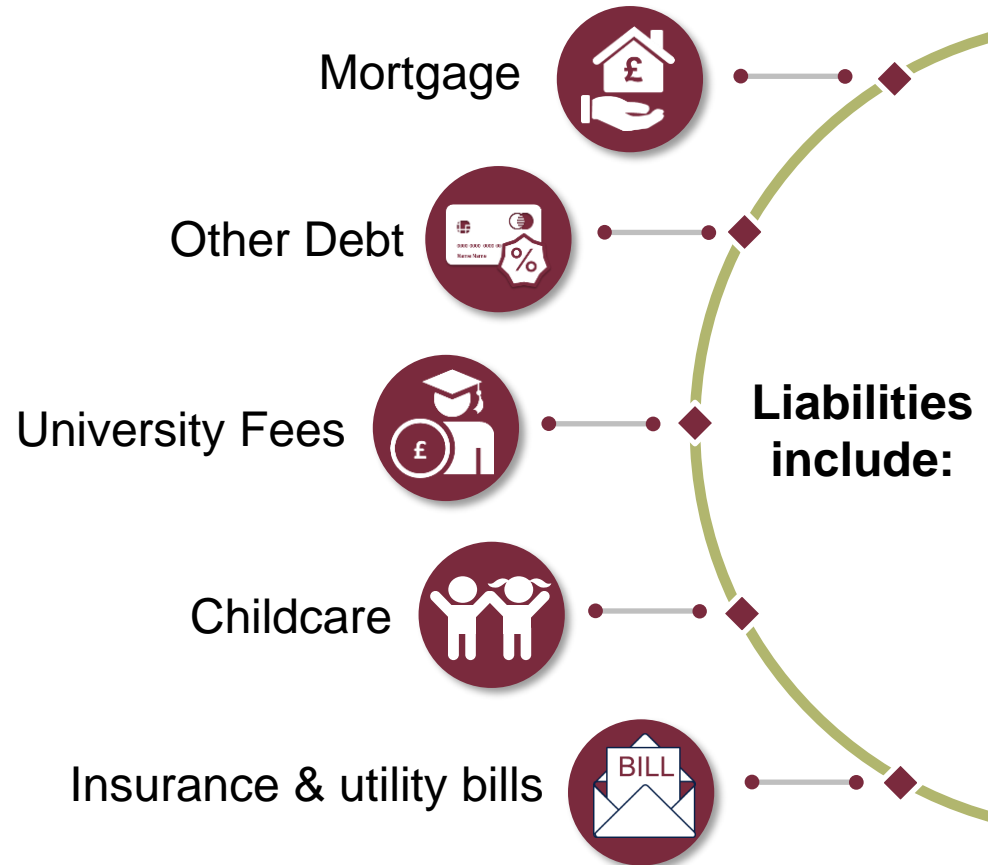
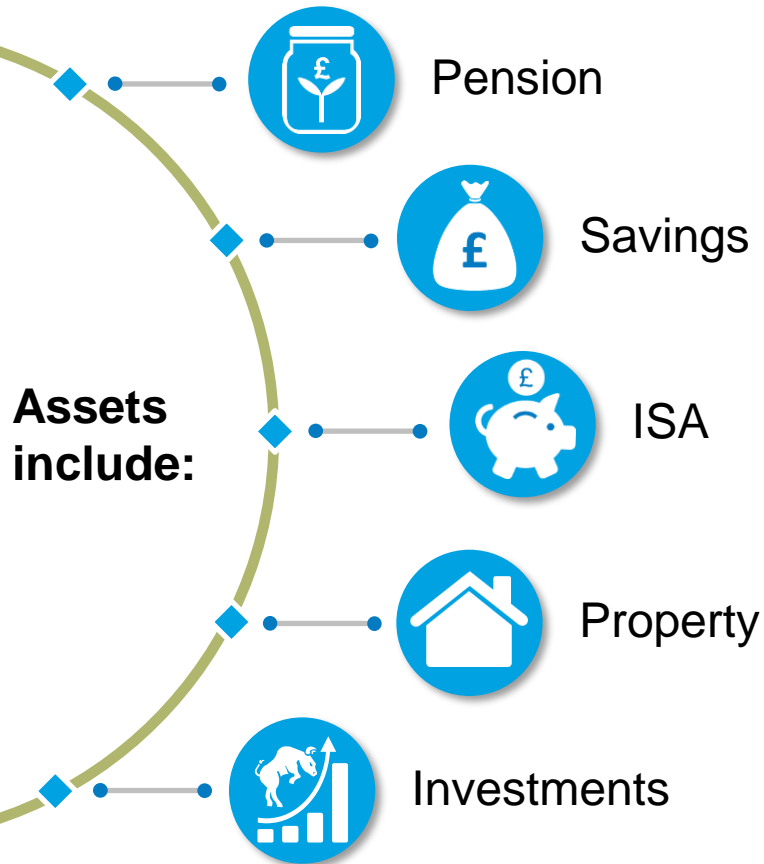
---

your current financial  
position.

---

---

# your assets and liabilities.



# your assets.



1

Are your retirement savings on track?

What are your plans for your other savings?

2



3

Are your savings held in a tax efficient way?

**WEALTH at work**

KNOWLEDGE | EXPERIENCE | OPPORTUNITY

# your liabilities.



1

When do you expect to clear your mortgage?

When will you clear any other debt you may have?

2



3

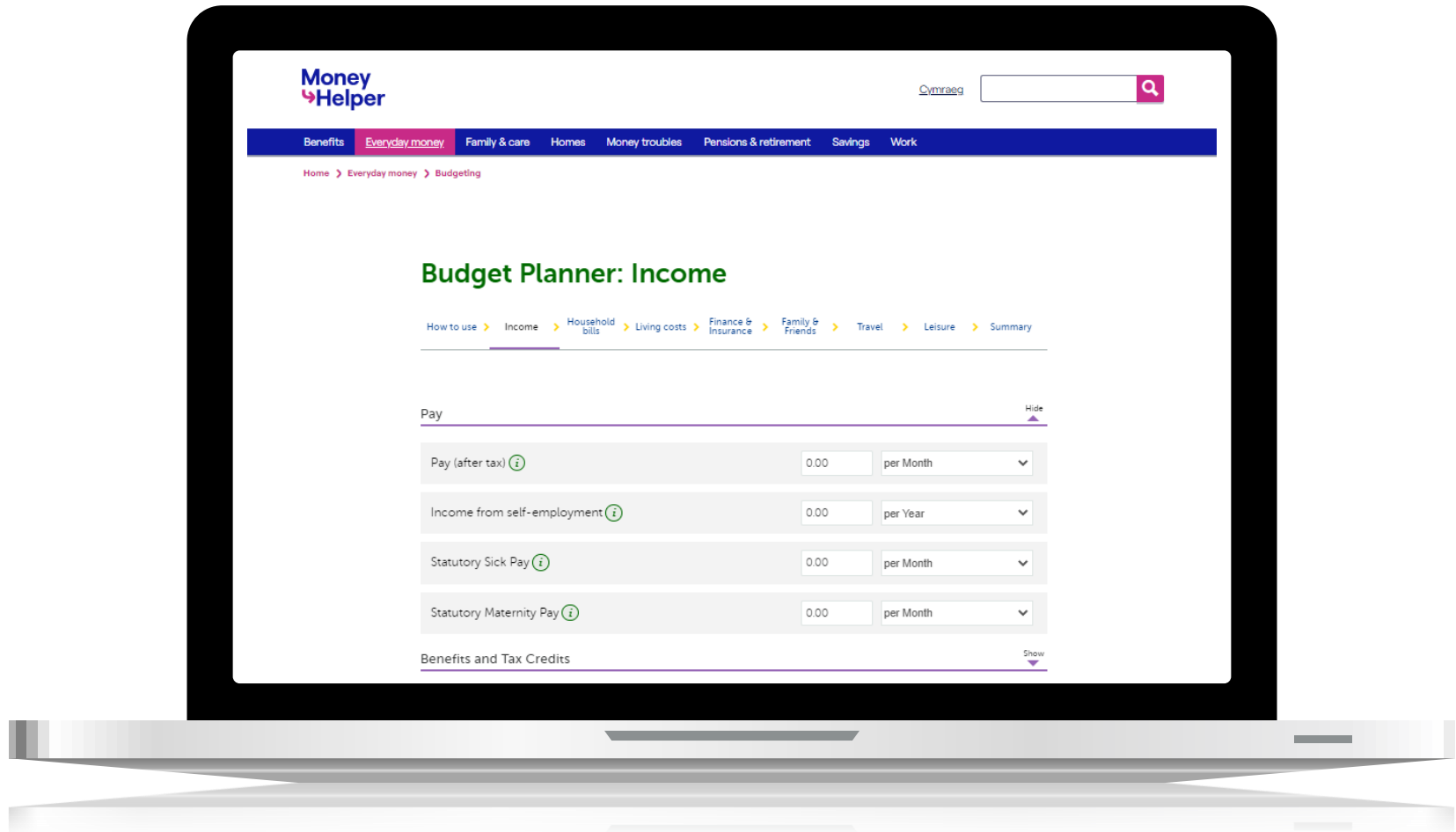
Do you expect your childcare costs to change?



# budgeting – 4 steps.



# budgeting tools.



Search: 'Money Helper Budget Planner'

**WEALTH at work**

KNOWLEDGE | EXPERIENCE | OPPORTUNITY

---

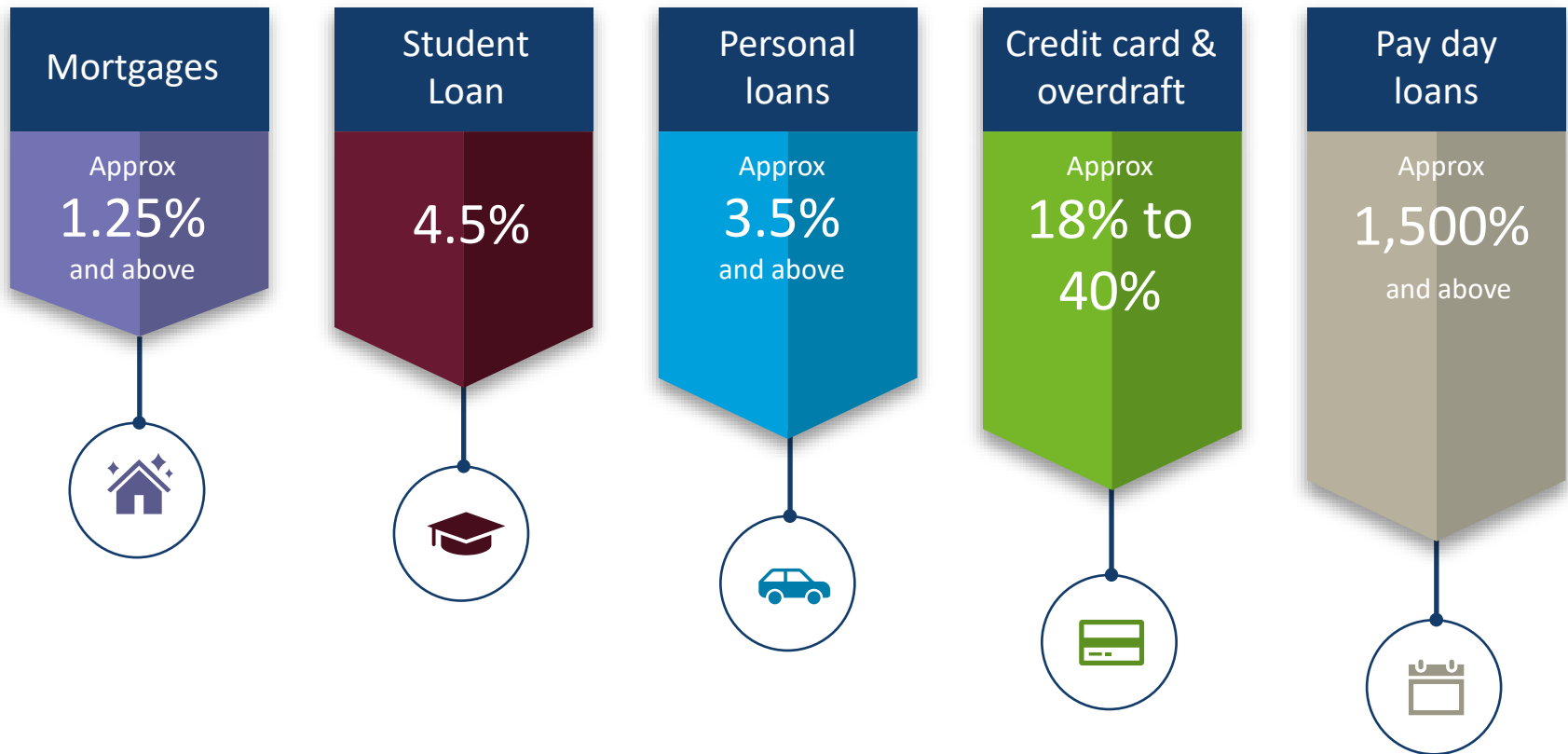
---

managing debt &  
mortgages.

---

---

# types of debt.



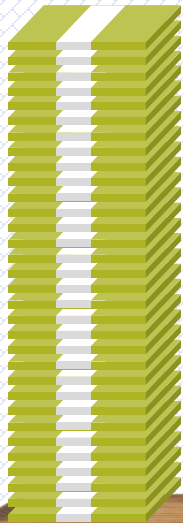
\*All Rates are examples only. Student Loan rate shown is for a post 2012 loan for an individual who has finished studying

# credit card overpayments.

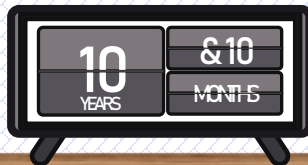
Based on a credit card debt of £3,000 and 18% APR.

Repay £50 per month

**£3,495**  
interest

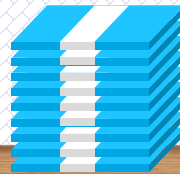


Term



Repay £100 per month

**£908**  
interest



Term

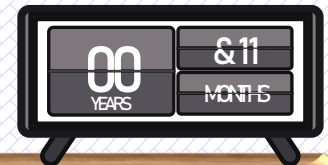


Repay £300 per month

**£252**  
interest



Term



[www.moneyhelper.org.uk/en/everyday-money/credit-and-purchases/credit-card-calculator](http://www.moneyhelper.org.uk/en/everyday-money/credit-and-purchases/credit-card-calculator)

**WEALTH at work**

KNOWLEDGE | EXPERIENCE | OPPORTUNITY

# comparing mortgage costs.



Interest rate



Fee



Offer period



Initial Monthly cost

1.9% fixed	£2,000	5 years	£772
2.0% fixed	£1,000	2 years	£767
2.1% tracker	£0	3 years	£772



What will I owe at the end of the offer period?



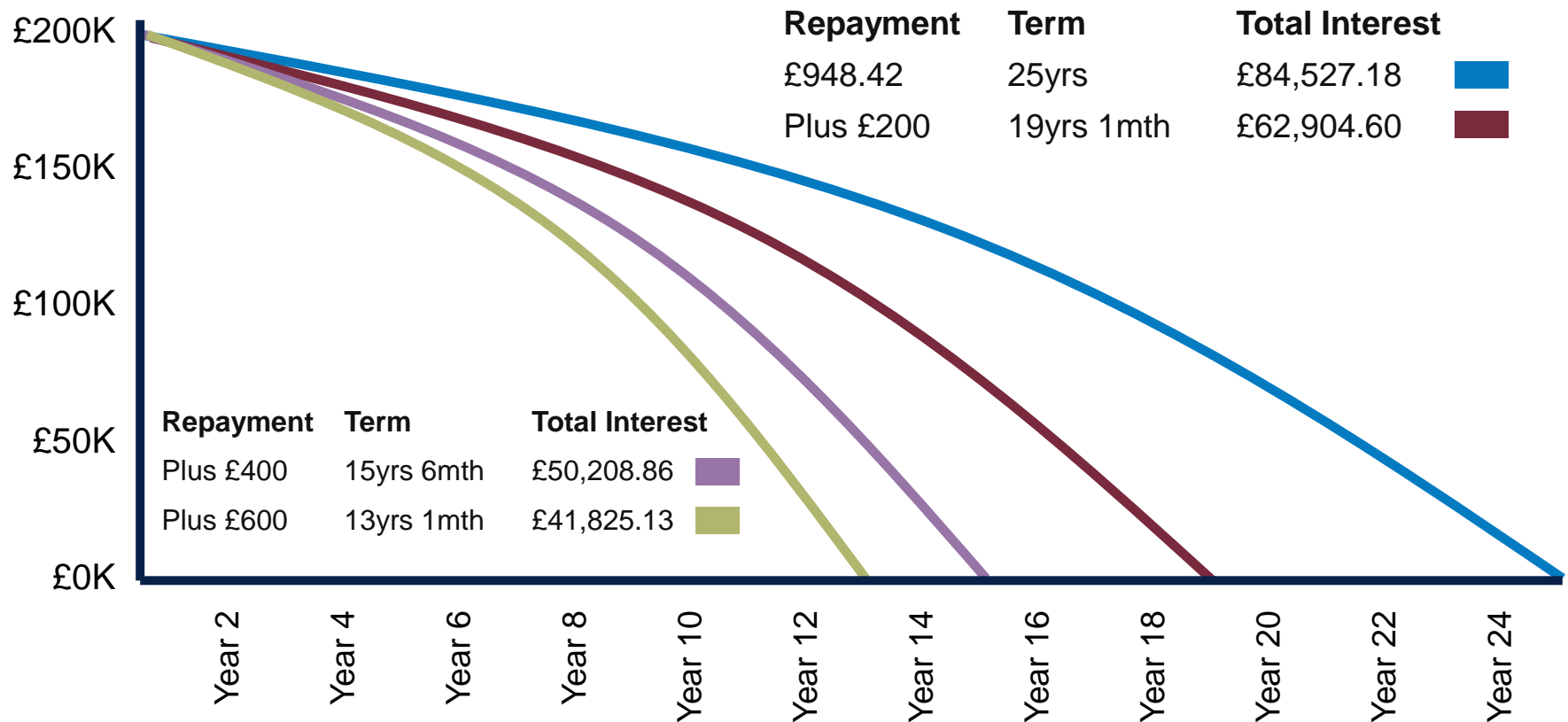
Will a longer deal be better value?



[citizensadvice.org.uk/housing/moving-and-improving-your-home/mortgage-calculator/](https://citizensadvice.org.uk/housing/moving-and-improving-your-home/mortgage-calculator/)

# mortgage overpayments.

Based on a £200,000 repayment mortgage with 25 year term & 3% interest rate



Graph shown for illustrative purposes only. Data provided by Nationwide Building Society. Any early repayment charges or changes in interest rates are not reflected in the figures shown

---

---

savings and investments.

---

---



# your saving and investments.

## Emergencies

Have an  
emergency  
fund

**Cash**  
Instant Access



## Avoid Debt

Save for  
goals rather  
than borrow

**Cash or  
equities?**  
Can you afford  
to take risk?



## Security

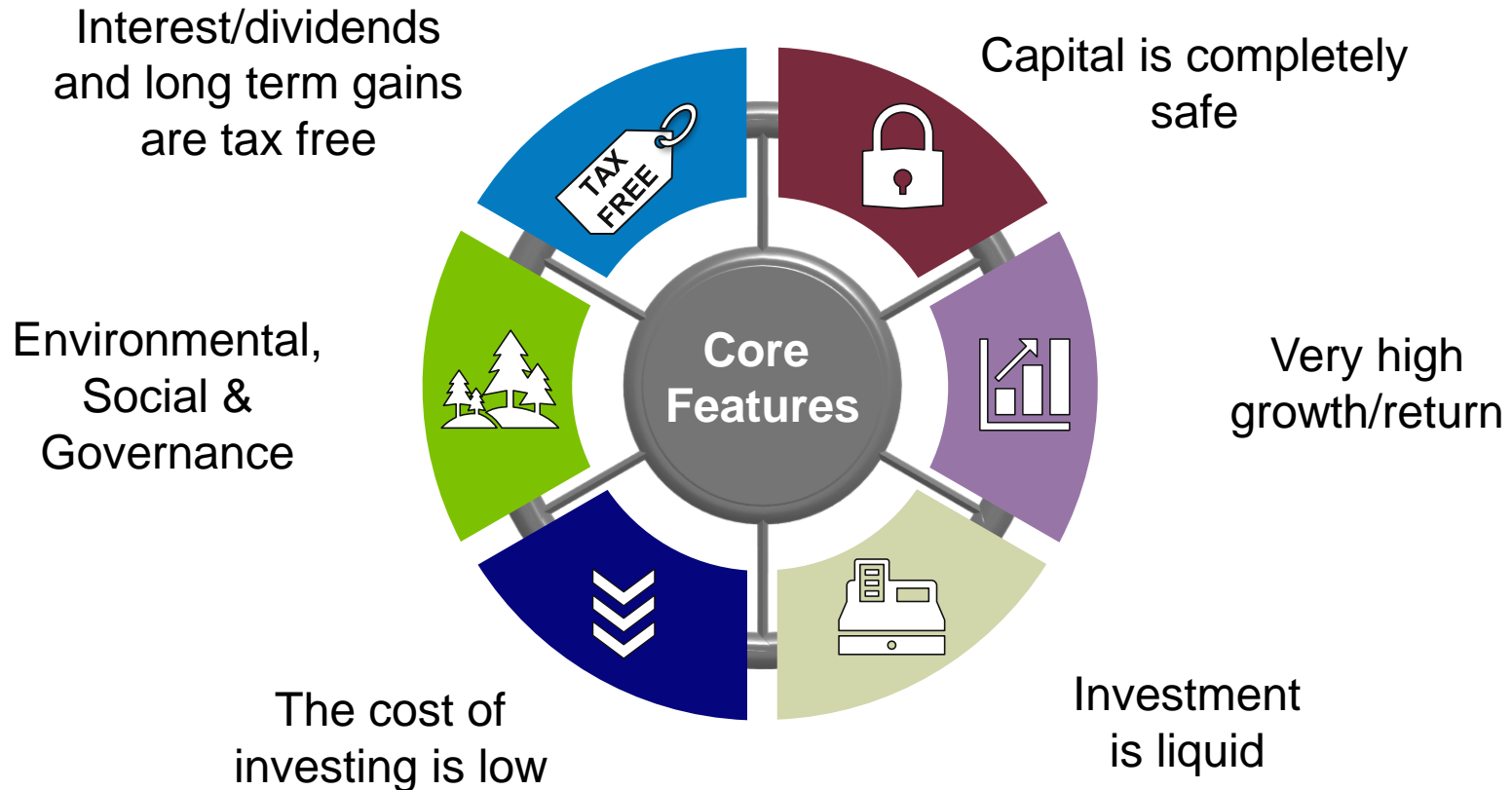
Meet your  
longer term  
goals

**Retirement  
savings**

Are you on  
track?

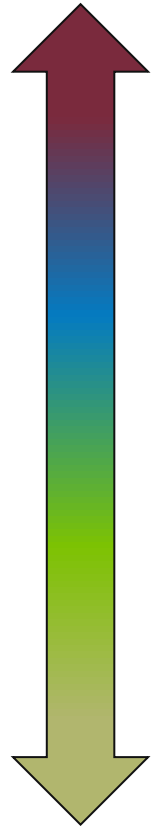
What type of  
pension do you  
have?

# investment principles.



# investment risk and returns.

High



Low



## Equities

Volatility, Timing,  
Concentration



## Property

Liquidity, Negative equity,  
Taxation, Tenants



## Bonds

Default, Credit,  
Inflation

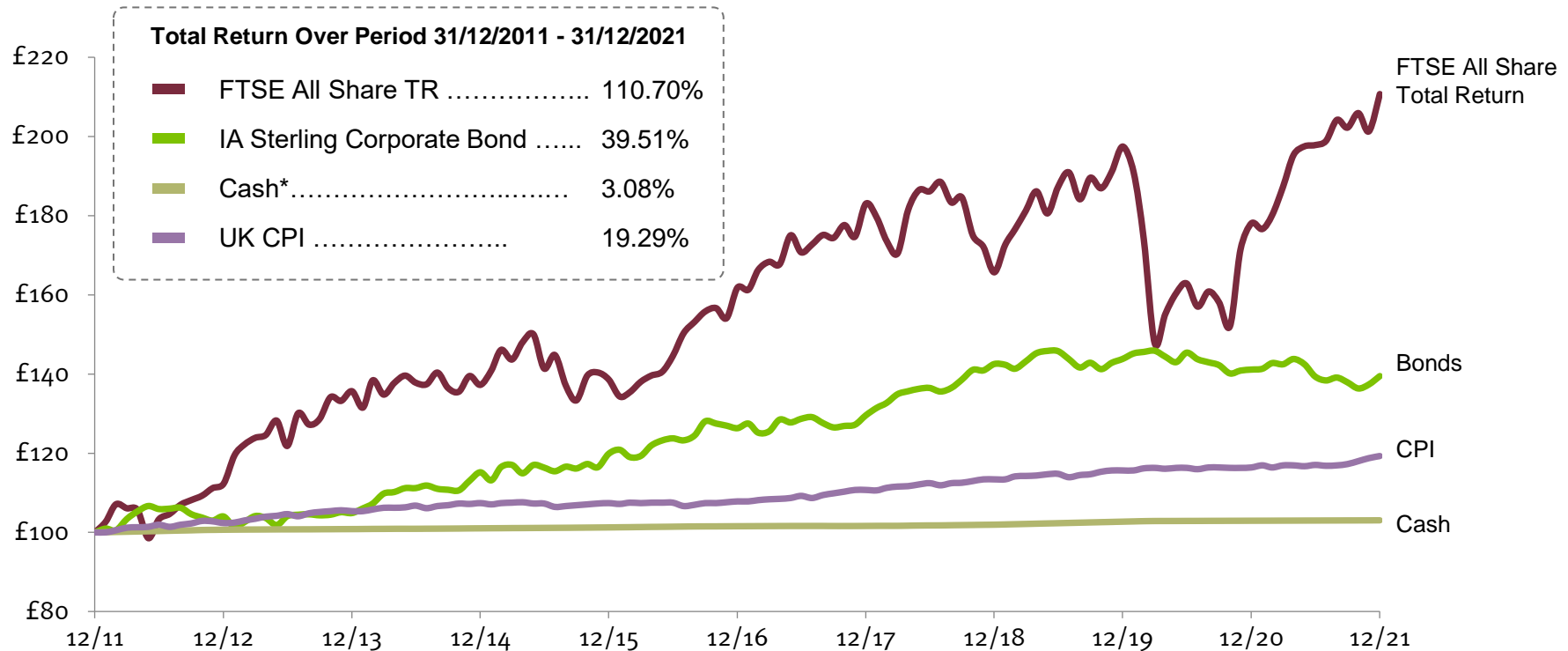


## Cash

Inflation, Interest Rates,  
Currency Exposure

# risk and returns: the real world.

The value of £100 originally invested 31/12/2011 by 31/12/2021



**This chart shows past performance which is not a reliable guide to the future**

Source: Financial Express & Bloomberg

\*Cash is calculated using: FE FER Cash Proxy from 31/12/2011 to 31/12/2018 and the UK Bank of England Base rate from 31/12/2018 to 30/12/2021.

**WEALTH at work**

KNOWLEDGE | EXPERIENCE | OPPORTUNITY

---

---

tax efficiency.

---

---

# rates of income tax 2022/23.

## Personal Allowance

on the first  
£12,570\*



£12,570\*

## Basic Rate Tax

on the next  
£37,700



£50,270

## Higher Rate Tax

on the next  
£99,730



£150,000

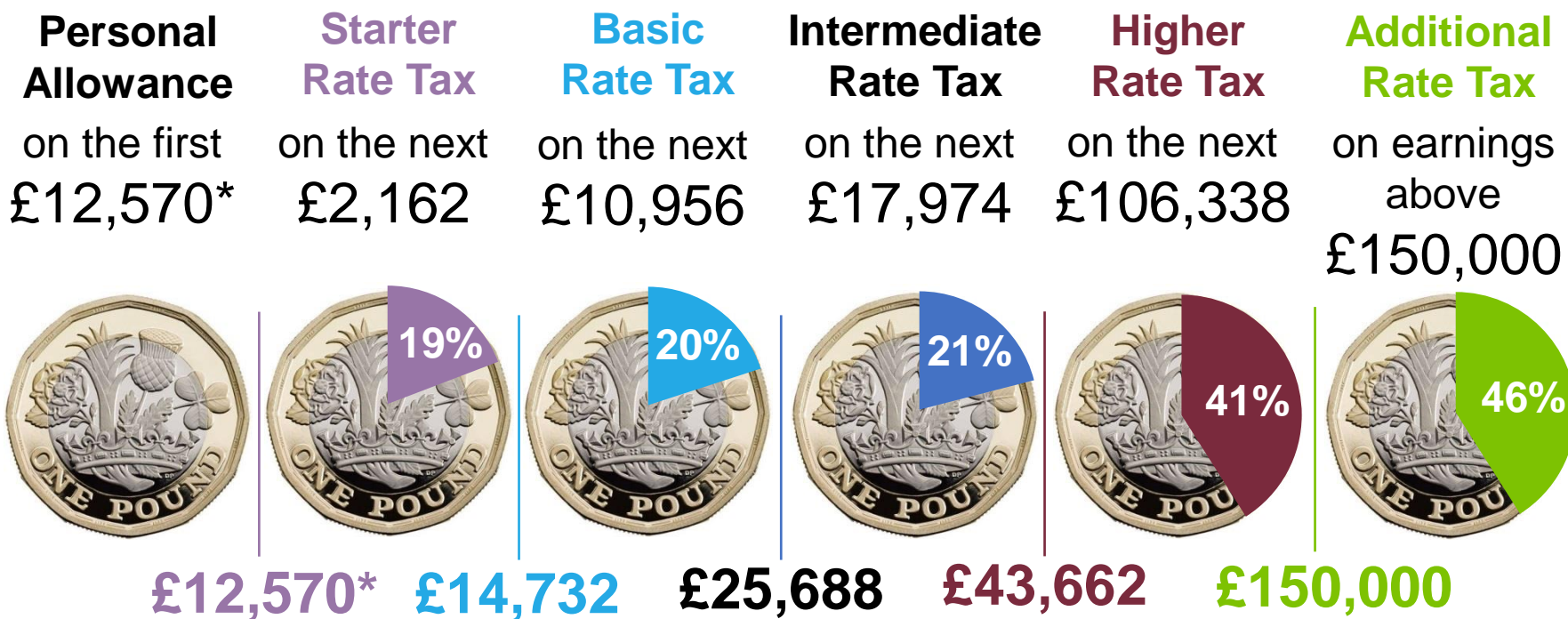
## Additional Rate Tax

on earnings above  
£150,000



\*The Personal Allowance reduces by £1 for every £2 of income above £100,000.

# Scottish rates of income tax 2022/23.

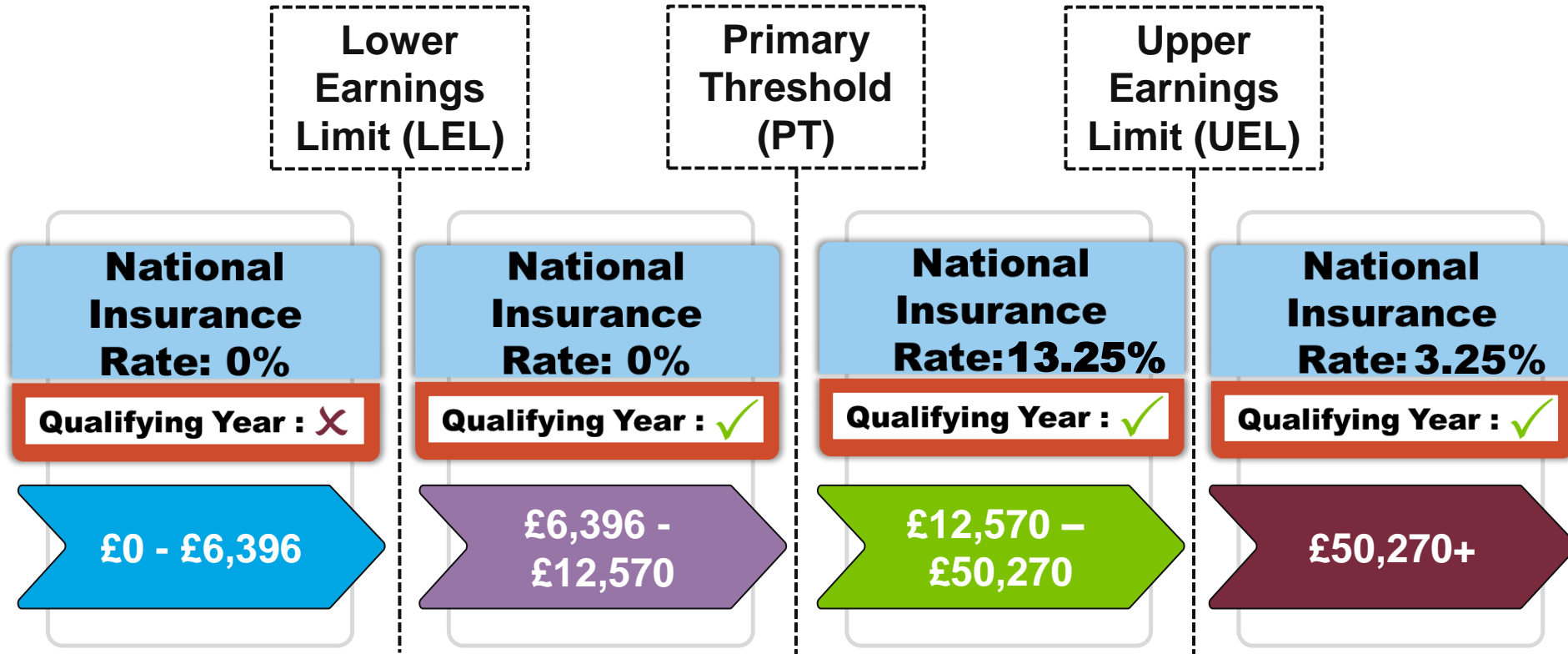


Scottish rates apply to: ✓ Earnings ✓ Pension income ✓ Rental income

They do not apply to: ✗ Savings ✗ Dividends ✗ Capital gains tax

\*The Personal Allowance reduces by £1 for every £2 of income above £100,000.

# National Insurance 2022/23.





# personal savings allowance.



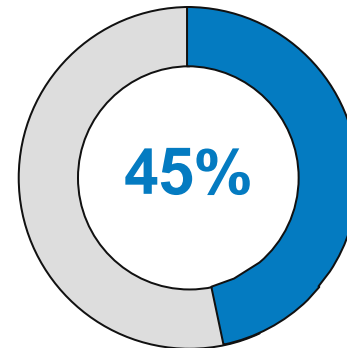
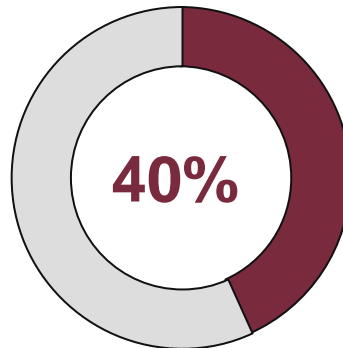
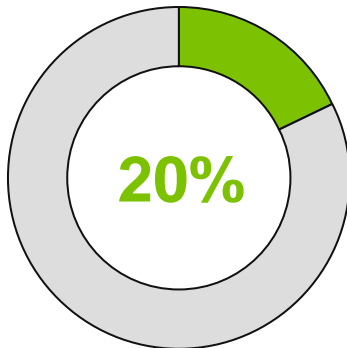
Basic Rate



Higher Rate

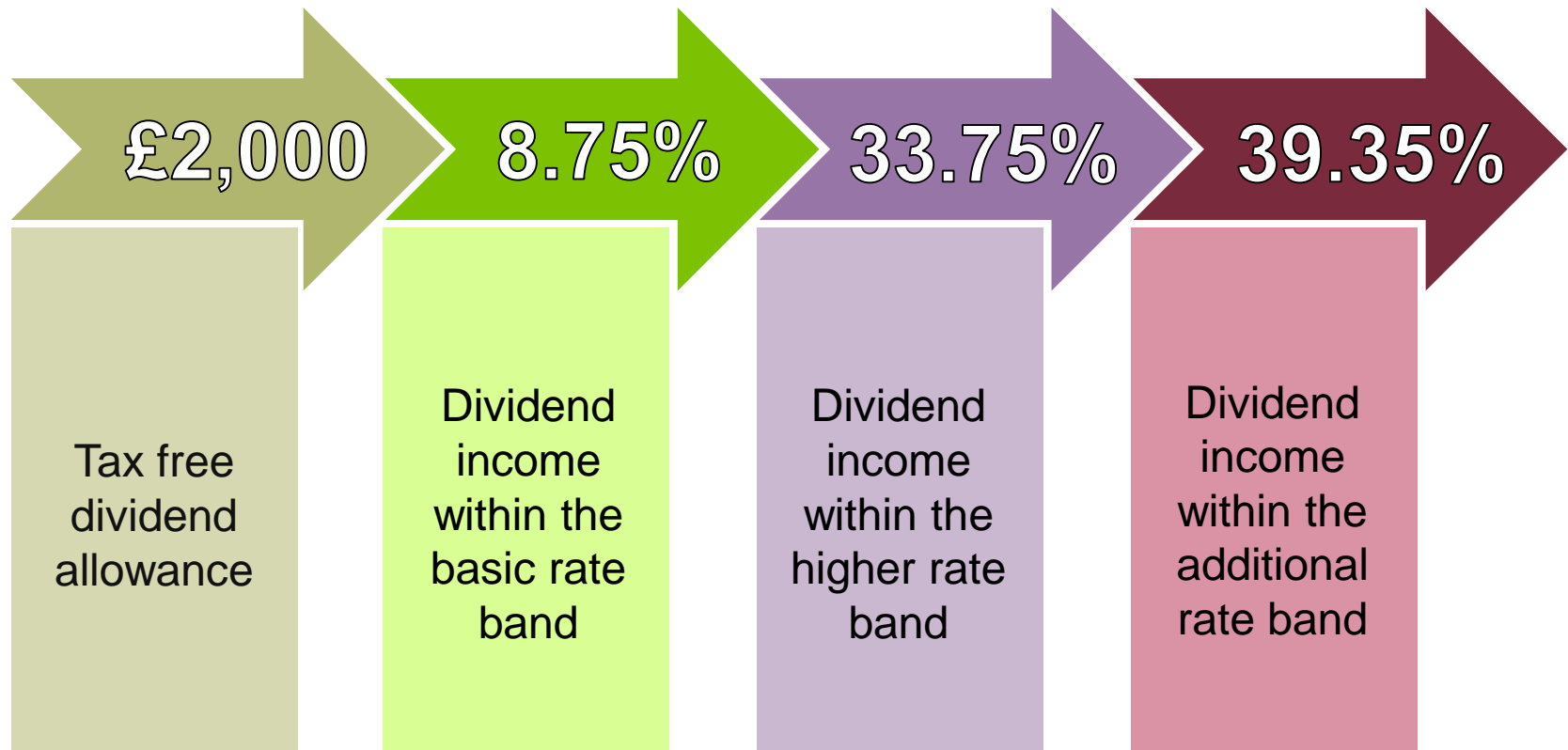


Additional Rate



The Personal Savings Allowance is based on UK income tax rates and not Scottish income tax rates

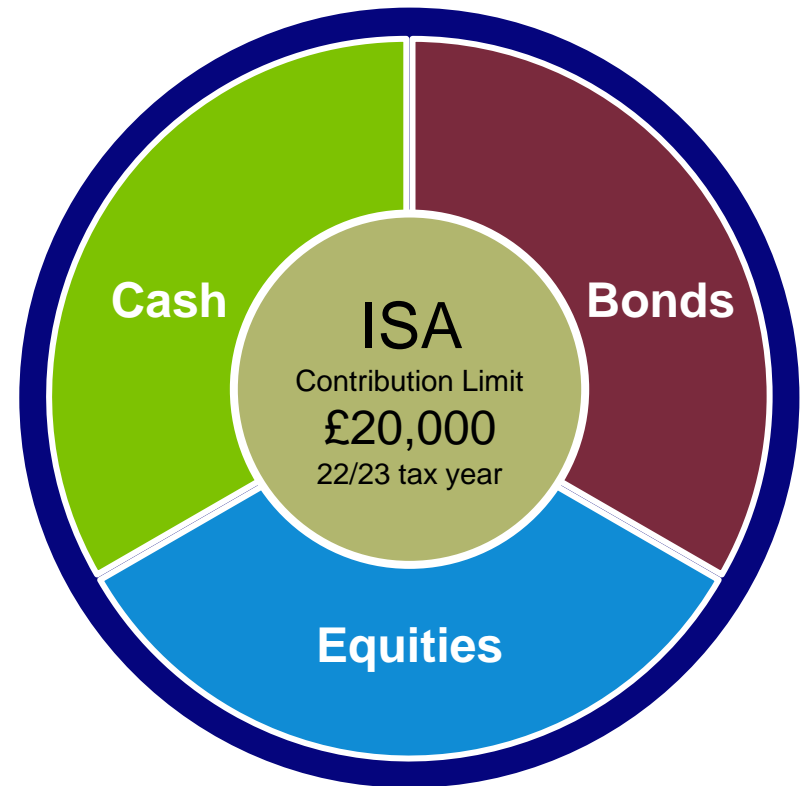
# dividend tax.



The Dividend Allowance is based on UK income tax rates and not Scottish income tax rates

# individual savings accounts (ISAs).

- An ISA protects your savings from taxation
- Interest and dividends are tax free
- Growth is free of Capital Gains Tax



---

---

your pensions.

---

---

# your State Pension age.

DoB from:  
6 Apr 1978

DoB between:  
6 Mar 1961 &  
5 Apr 1977

gradually  
increases

**68**  
birthday

DoB between:  
6 Oct 1954 &  
5 Apr 1960

gradually  
increases

**67**  
birthday

Born before 6 Oct  
1954? You've  
already reached  
State Pension age

**66**  
birthday



[www.gov.uk/state-pension-age](http://www.gov.uk/state-pension-age)

The Government intends to bring forward the State Pension age transition from 67 to 68 affecting those born between 6<sup>th</sup> April 1970 and 5<sup>th</sup> April 1978 - if adopted those affected will reach State Pension age between their 67<sup>th</sup> & 68<sup>th</sup> birthdays

**WEALTH at work**

KNOWLEDGE | EXPERIENCE | OPPORTUNITY

# State Pension forecast.

## Your State Pension summary

You can get your State Pension on 25 June 2035.  
Your forecast is

**£185.15 a week**  
£805.07 a month, £9,660.86 a year

Your forecast

- is not a guarantee and is based on the current law
- does not include any increase due to inflation

**You need to continue to contribute National Insurance to reach your forecast**

Estimate based on your National Insurance record up to 5 April 2021

**£132.25 a week**

Forecast if you contribute another 10 years before 5 April 2035

**£185.15 a week**

## Get help

Helpline: 0800 731 0181

Textphone: 0800 731 0176

Monday to Friday: 8:30am to 3.30pm

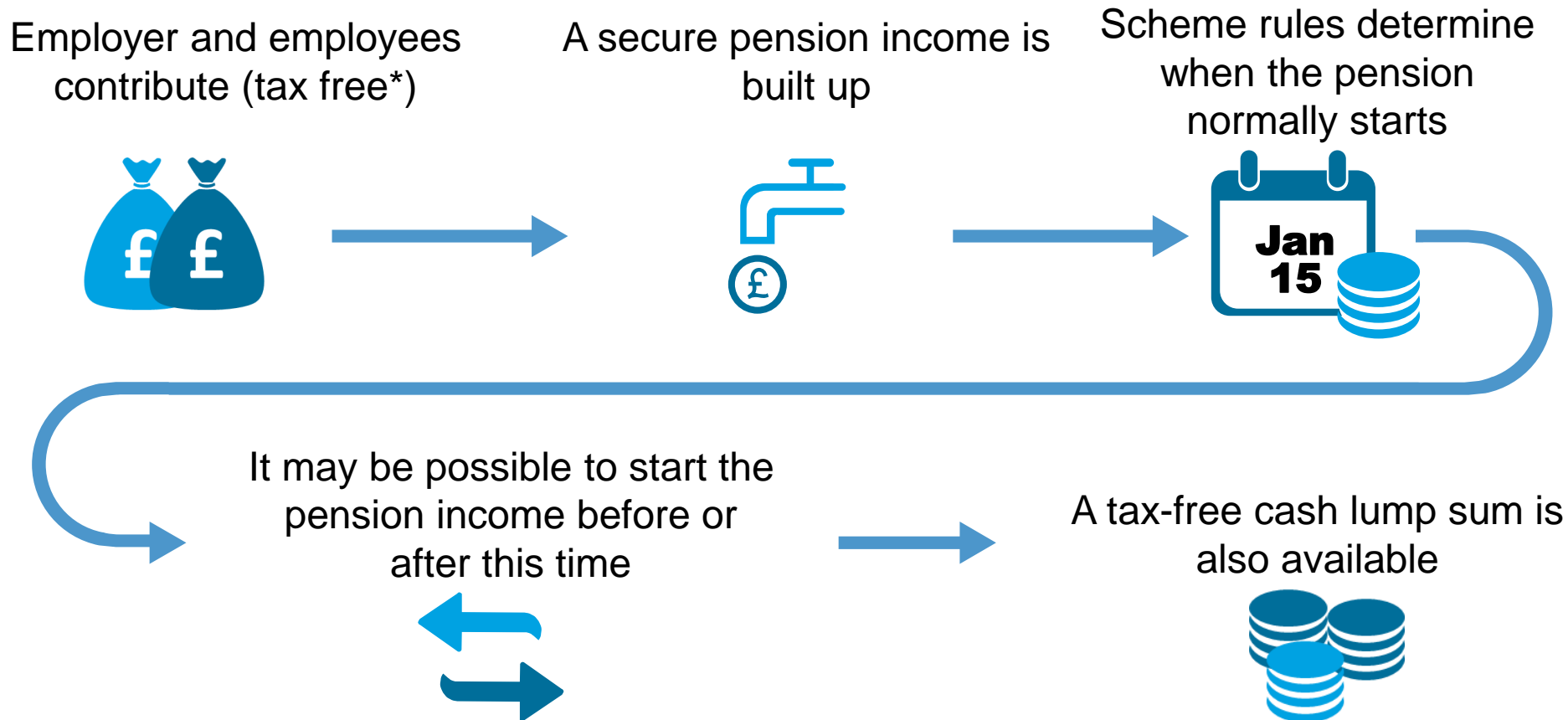


[www.gov.uk/check-state-pension](https://www.gov.uk/check-state-pension)

**WEALTH at work**

KNOWLEDGE | EXPERIENCE | OPPORTUNITY

# defined benefit (DB) schemes.



\*subject to HMRC limits

# defined contribution (DC) schemes.

Employer and employees  
contribute (tax free\*)



Any investment  
growth is tax-free



You can access your  
pension from age 55\*\*



Receive up to 25%  
tax free



Receive a taxable lump sum or generate  
a taxable income with remaining pot



\*subject to HMRC limits

\*\*The minimum age for accessing your pension is expected to increase to age 57 from 6 April 2028. Pension savings in certain schemes may be protected from this change.

**WEALTH at work**

KNOWLEDGE | EXPERIENCE | OPPORTUNITY



# former athletes & pensions.

If you are a retired athlete you may have a pension that accrued during your sports career – this could be a pension:

- provided by a former employer
- provided by sport association, such as the Professional Footballers Association (PFA)
- taken out in your own name



Under old HMRC rules, if you opened the pension on or before 5 April 2006 and you were in a sports-related job you may be able to access your pension from the age of 35\*



This feature may be lost if you transfer your pension to another scheme and it's not part of a block transfer

\* If you take a pension before 50, your lifetime allowance will be reduced by 2.5% for each complete year between the time you take the pension and the normal minimum pension age (currently 55)

# previous pension arrangements.



## Old Pensions

Check back through statements and documents to find out more information on your old pensions – if you haven't received an annual statement recently contact the provider



## Lost pensions

The Pension Tracing Service will help you find contact details for an old pension scheme so you can get in touch with them directly



## Transferring into your JPM Pension Plan

It may be possible to transfer an old pension into your JPM pension – you will need to contact Willis Towers Watson on 01737 227 589 for more information

Willis Towers Watson will not provide you with any advice

If you're thinking about transferring, check you won't lose valuable guarantees or benefits  
If you're not sure what's right for you, please seek regulated financial advice



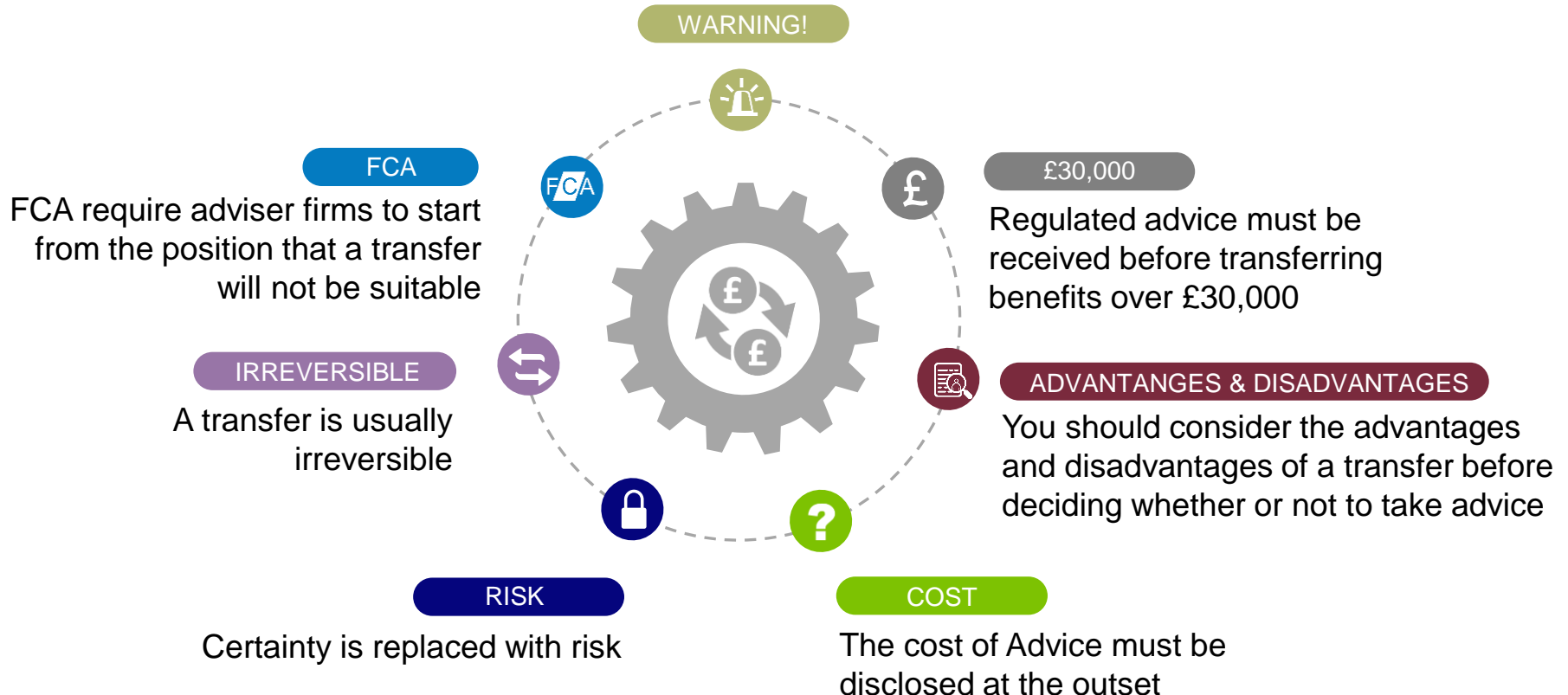
[www.gov.uk/find-pension-contact-details](https://www.gov.uk/find-pension-contact-details)

**WEALTH at work**

KNOWLEDGE | EXPERIENCE | OPPORTUNITY

# transferring from DB to DC.

**WARNING** - transferring out of a defined benefit (DB) scheme could damage your wealth!



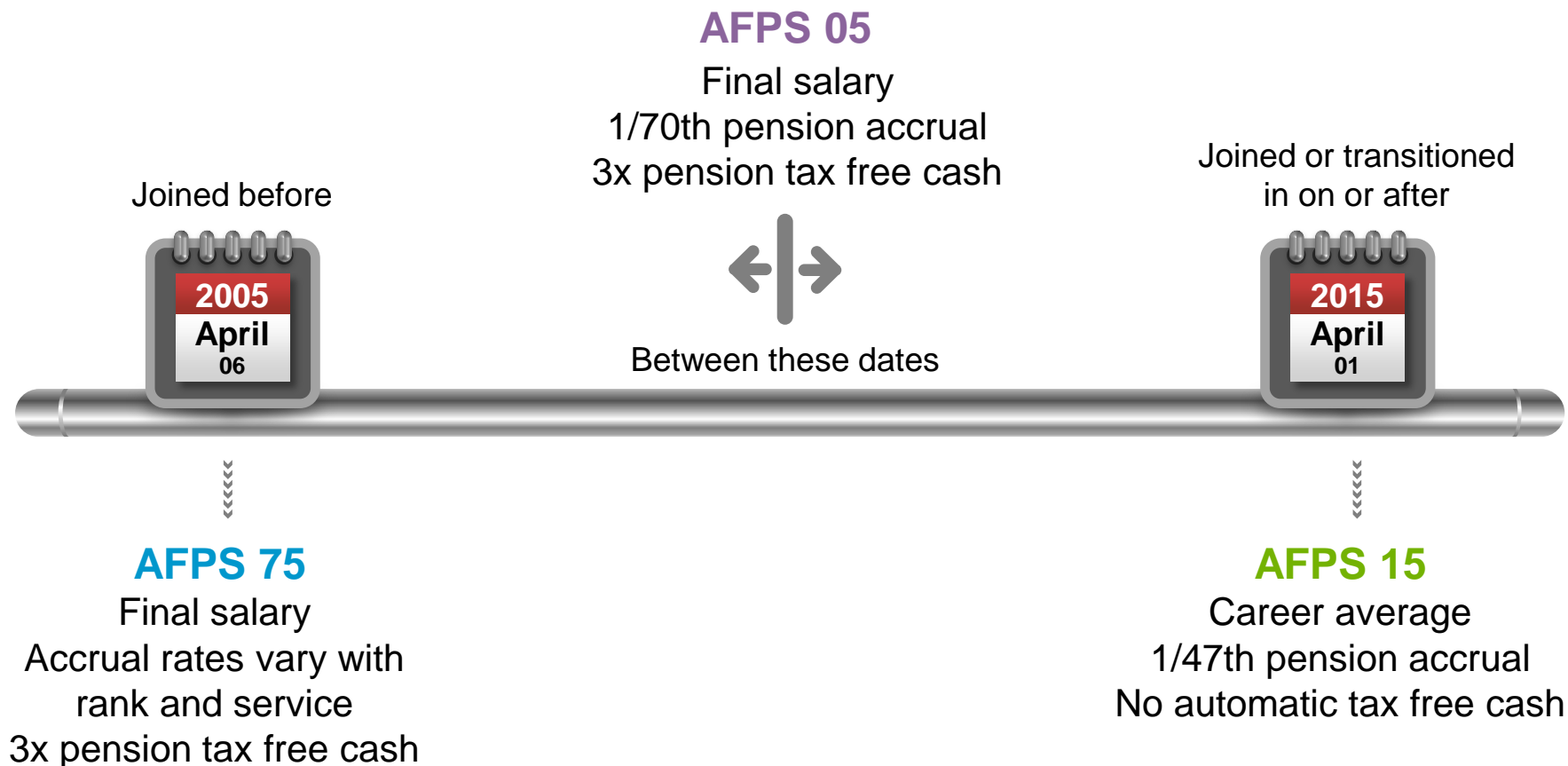
The Armed Forces Pension Scheme is a unfunded public sector scheme that can only be transferred to another qualifying DB scheme

**WEALTH at work**

KNOWLEDGE | EXPERIENCE | OPPORTUNITY

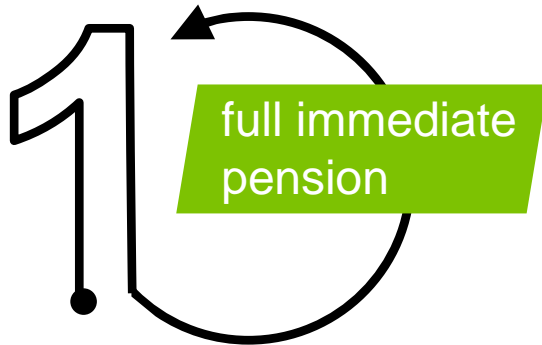
# the Armed Forces Pension Scheme (AFPS).

# Armed Forces Pension Scheme.



# AFPS 75 – increase in payment.

Your age and service determines when you will receive your pension:



If you left the Service at age 55 or over and completed 34 years' Service (as an Officer) or 37 years' (as Other Rank)



If you left the Service before age 55 and completed 16 years' or more Service (as an Officer) or 22 years' (as Other Rank)

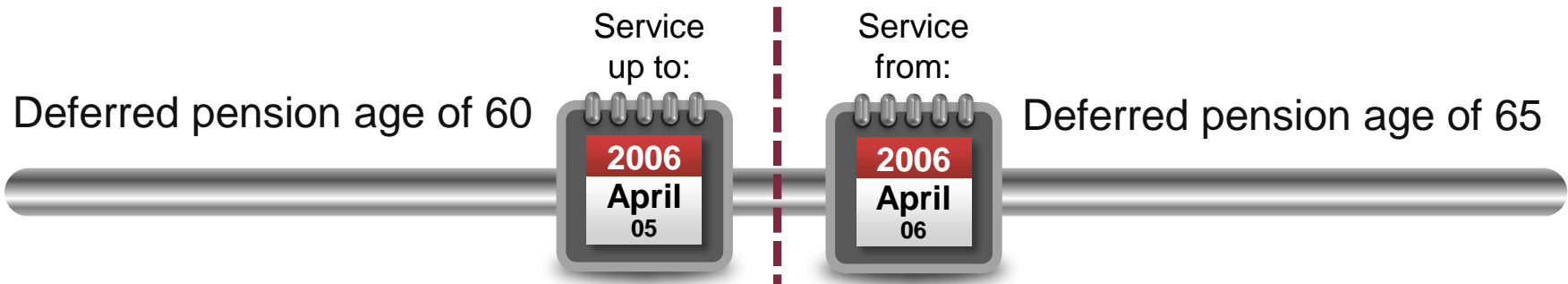


If you did not meet the required years to receive an immediate pension, you will be entitled to a deferred pension

- The immediate pensions are paid at a fixed rate until you reach the age of 55\*
- At 55, it will be increased to take account of the total rise in the cost of living since your service ended
- From 55, it will increase annually in line with the Consumer Price Index (CPI)

\* If you're in receipt of an ill-health pension it will receive CPI increases from the point of payment

# AFPS 75 – deferred pension.



## CPI

- Your pension will be adjusted by CPI each year until you draw your benefits and then every year thereafter



- You can claim these benefits at different times



- You can take service built up from 6 April 2006 from the age of 60
- Your pension will be reduced by approximately 4% for each year you retire early\*

\* Automatic tax free cash will also face a reduction of around 3% for each year you retire early

# AFPS 05 – summary.

Your age when you left the service determines when you receive your pension:



♦ You should be in receipt of an immediate pension



♦ You will be a deferred member who is entitled to a deferred pension paid at age 65

## Deferred Pension

**CPI**

- Your pension will adjusted by CPI each year until you draw your benefits and then every year thereafter



- You can take early retirement from your deferred pension from the age of 55
- Your pension will be reduced by approximately 4% for each year you retire early\*

\* Automatic tax free cash will also face a reduction of around 3% for each year you retire early

**WEALTH at work**

KNOWLEDGE | EXPERIENCE | OPPORTUNITY



# AFPS 15 – summary.

Your age when you left the service determines when you receive your pension:



♦ You should be in receipt of an immediate pension



♦ You will be a deferred member who is entitled to a deferred pension paid at State Pension Age

## Deferred Pension

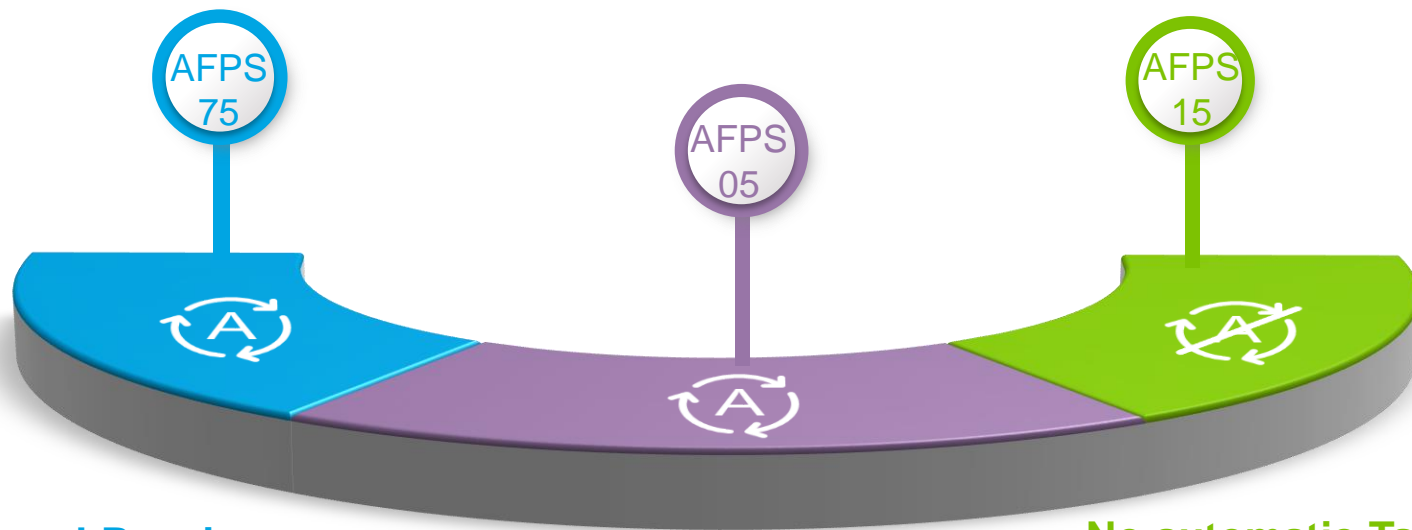
**CPI**

- Your pension will be adjusted by CPI each year until you draw your benefits and then every year thereafter



- You can take early retirement from your deferred pension from the age of 55
- Your pension will be reduced by approximately 4% for each year you retire early

# tax free cash (TFC) at retirement.



3 x Annual Pension

3 x Annual Pension  
Option for Inverse Commutation

No automatic Tax Free Cash  
Option for Commutation

## AFPS 05 Inverse Commutation

You have the option to 'give up' your tax free cash in order to increase the amount of taxable pension payable to you and your dependants

## AFPS 15 Commutation Rate

£1   
pension income



£12   
tax free cash

**WEALTH at work**

KNOWLEDGE | EXPERIENCE | OPPORTUNITY

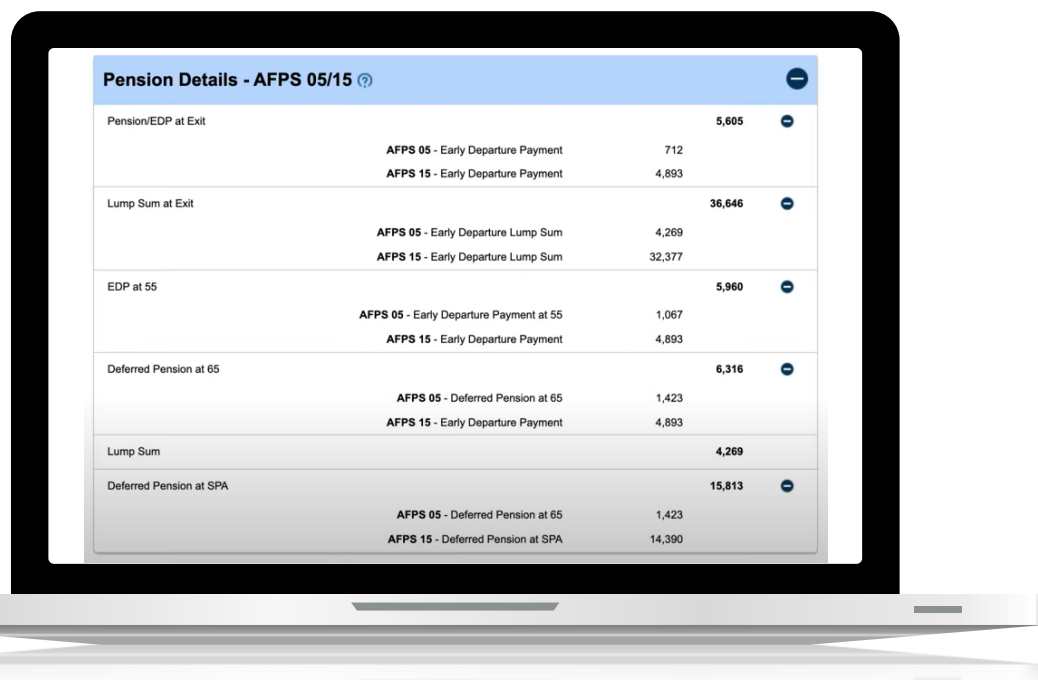
# keeping track of your AFPS.

You will need to request a pension forecast by submitting AFPS Form 14, found on the link below

A forecast will show you:

- What your pension is worth
- What it is projected to be when you retire
- Your retirement date

You are entitled to one free pension forecast per year



Pension/EDP at Exit		5,605
	AFPS 05 - Early Departure Payment	712
	AFPS 15 - Early Departure Payment	4,893
Lump Sum at Exit		36,646
	AFPS 05 - Early Departure Lump Sum	4,269
	AFPS 15 - Early Departure Lump Sum	32,377
EDP at 55		5,960
	AFPS 05 - Early Departure Payment at 55	1,067
	AFPS 15 - Early Departure Payment	4,893
Deferred Pension at 65		6,316
	AFPS 05 - Deferred Pension at 65	1,423
	AFPS 15 - Early Departure Payment	4,893
Lump Sum		4,269
Deferred Pension at SPA		15,813
	AFPS 05 - Deferred Pension at 65	1,423
	AFPS 15 - Deferred Pension at SPA	14,390



[www.gov.uk/guidance/pensions-and-compensation-for-veterans](http://www.gov.uk/guidance/pensions-and-compensation-for-veterans)

**WEALTH at work**

KNOWLEDGE | EXPERIENCE | OPPORTUNITY

# McCloud - who is affected?



You joined the AFPS on or before 31 March 2012

AND



You were a member of the scheme on or after 1 April 2015



You are not affected if you joined the AFPS after the 31 March 2012



You are not affected if you left the AFPS on or after the 1 April 2015

# McCloud & your choice of benefits.

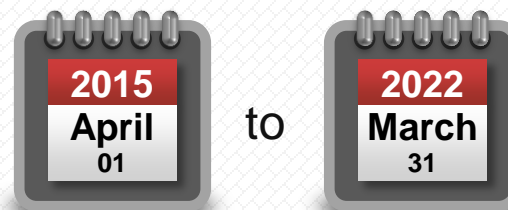
## Deferred Choice Underpin

At retirement, you'll be given the choice between:

legacy scheme **AFPS 1975** or reformed scheme **AFPS 2015**  
**AFPS 2006**

benefits for the remedy period

## The Remedy Period



The Government will introduce new legislation and intends for systems to be in place by 1 October 2023 to offer you this choice at retirement

If you retire before this date you will be contacted & any change in benefits will be backdated

---

---

# JP Morgan UK Pension Plan.

---

---

# JP Morgan UK Pension Plan.


Contribution as % of Pensionable Salary each year							
Company core	6%	6%	6%	6%	6%	6%	6%
Employee match	0%	1%	2%	3%	4%	5%	6%
Company match	0%	1%	2%	3%	4%	5%	6%
TOTAL ANNUAL	6%	8%	10%	12%	14%	16%	18%

- You can elect to make an employee contribution of greater than 6%
- However the maximum employer contribution is 12%



# salary sacrifice.

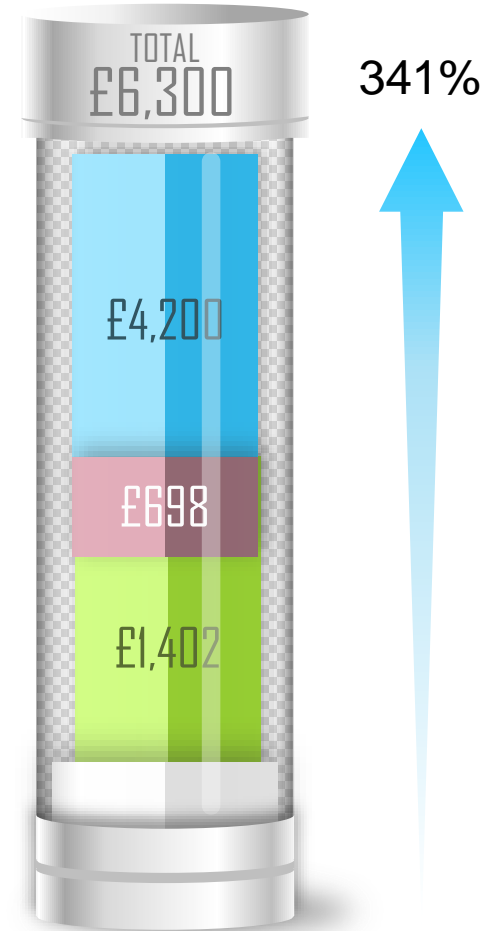
- Annual Salary = £35,000
- Employee Contribution = £2,100pa (6%)
- Tax Saving = 20%
- NI Saving = 13.25%
- Personal Cost = £1,402pa
- Employer Contribution = £4,200pa (12%)

 Employer contribution (12%)

 Tax & NI savings

 Employee contribution (6%)

Tax bands and rates are different in Scotland





# salary sacrifice.

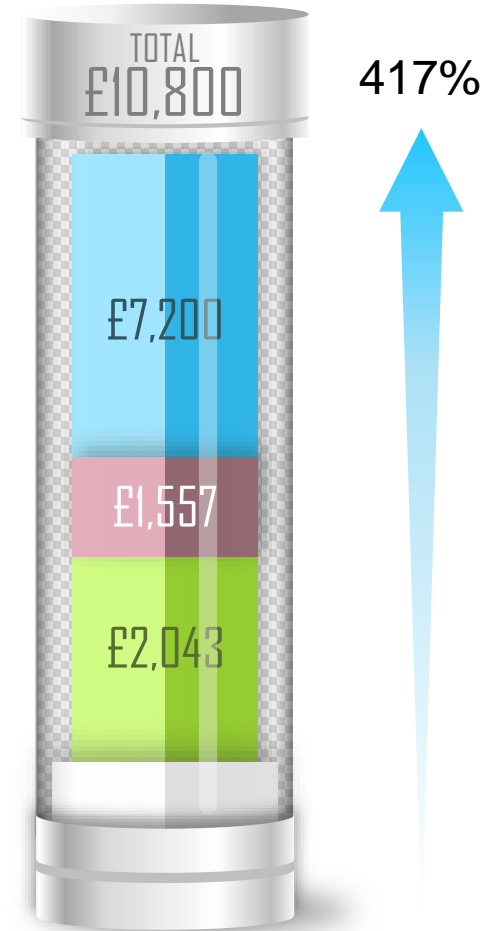
- Annual Salary = £60,000
- Employee Contribution = £3,600pa (6%)
- Tax Saving = 40%
- NI Saving = 3.25%
- Personal Cost = £2,043pa
- Employer Contribution = £7,200pa (12%)

 Employer contribution (12%)

 Tax & NI savings

 Employee contribution (6%)

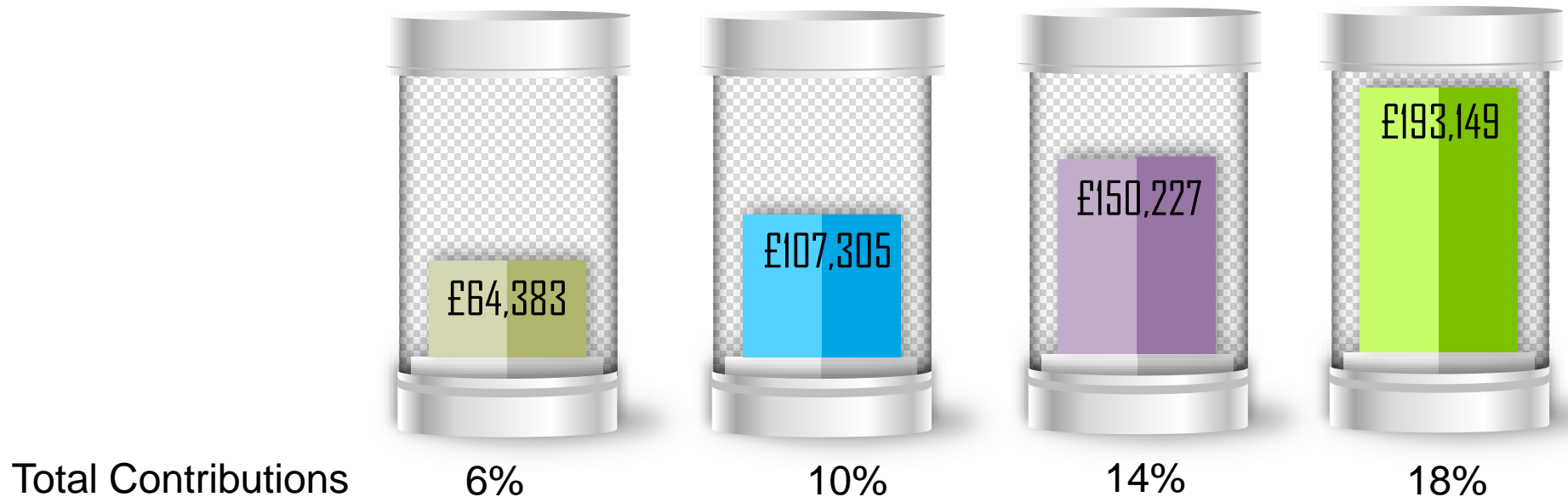
Tax bands and rates are different in Scotland



# how contributions could add up.

By making a number of assumptions it is possible to estimate the value of your DC retirement savings at retirement

Pensionable salary: £35,000 | Time to retirement: 25 years



Your total contributions will be made up of employer and employee contributions. You should check your contribution structure which will tell you any matching contributions you may be entitled to.

# how contributions could add up.

By making a number of assumptions it is possible to estimate the value of your DC retirement savings at retirement

Pensionable salary: £35,000 | Time to retirement: 25 years

(figures shown are for example purposes only and investment returns cannot be guaranteed)

Assumptions made in our example are from Money Helper:

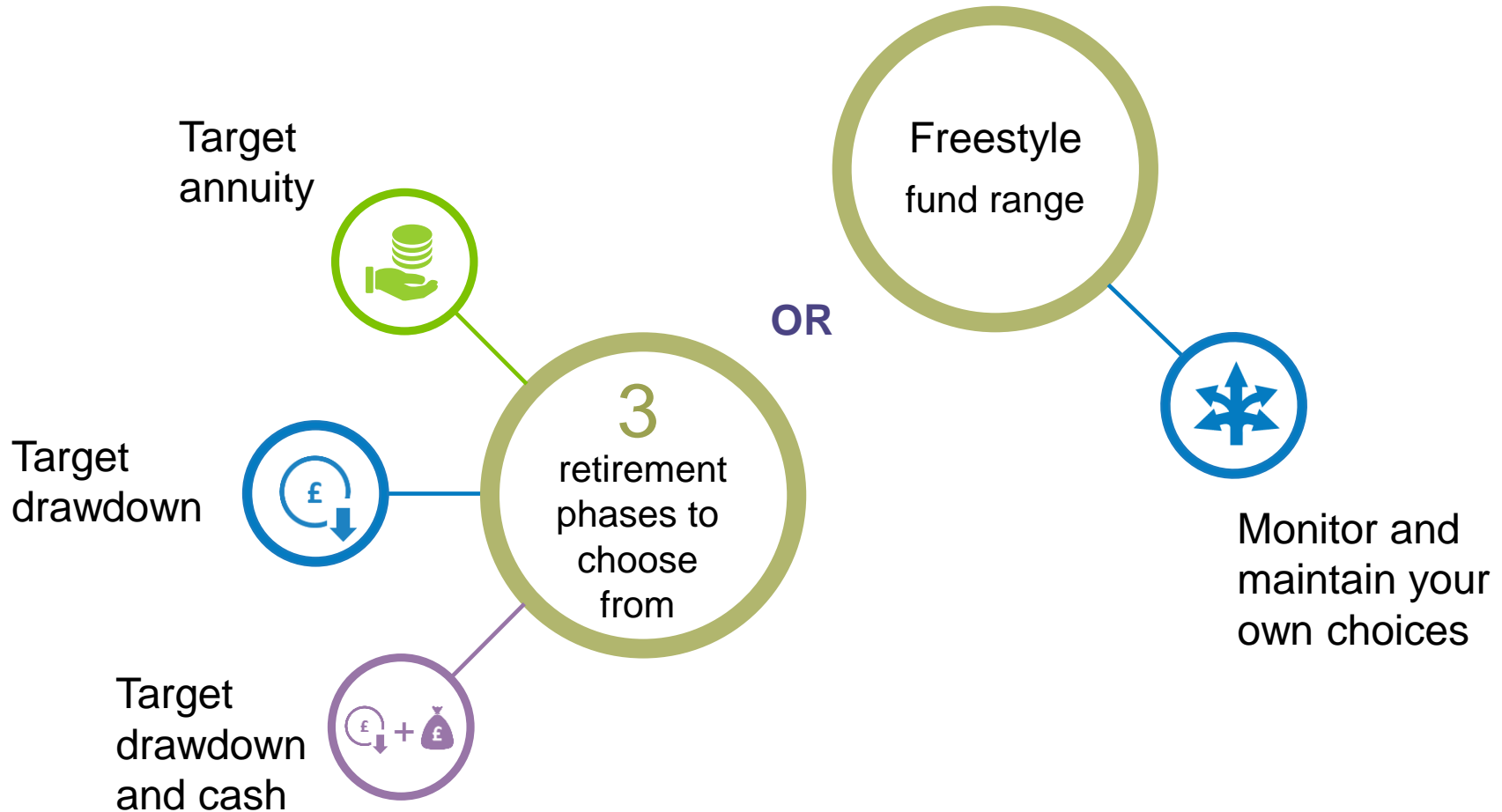
Annual salary increases by 2.5% each year

Pension charges of 0.75%

Investment growth of 5% each year

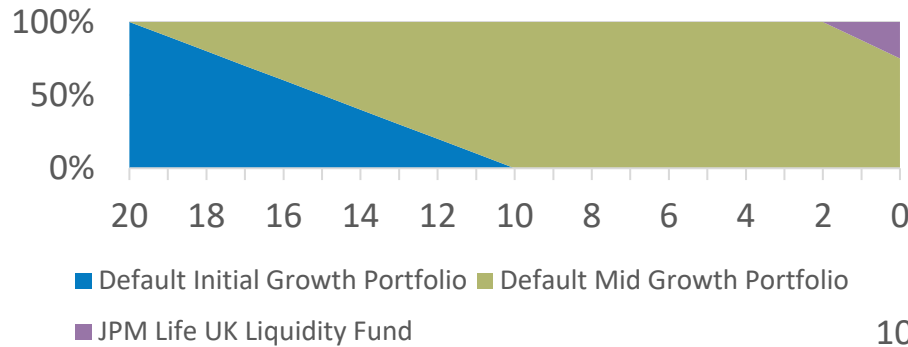
All values are shown in today's money and assume 2.5% inflation each year

# your investment options.

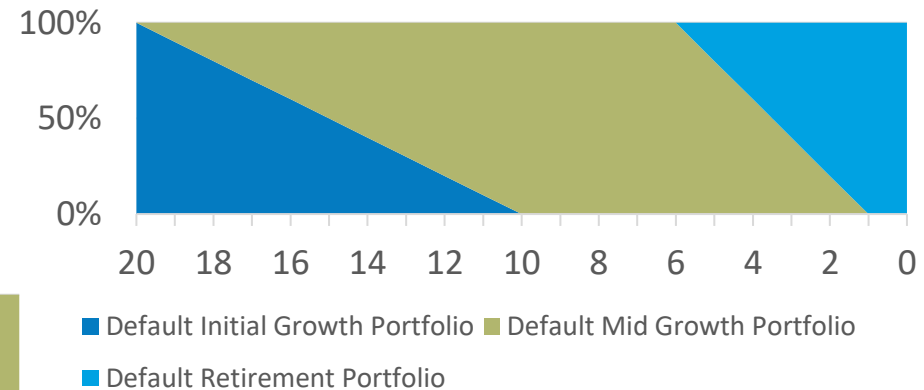


# investing your pension.

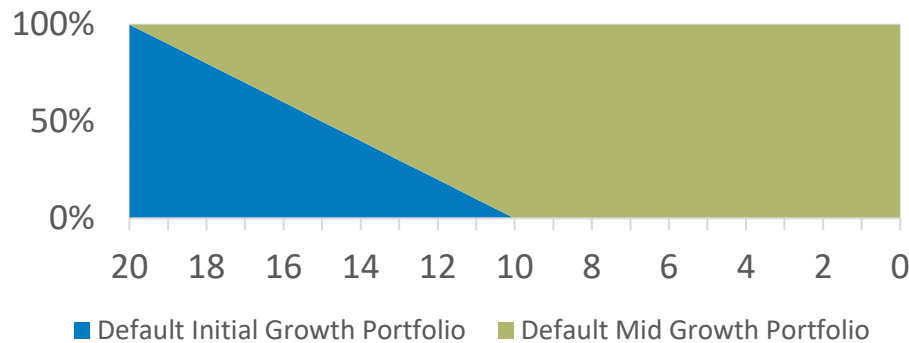
Target Drawdown and Cash



Target Annuity



Target Drawdown



# investing your pension.

## Freestyle Strategy



Choose from a range of different investment types



Invest into equities, bonds, property or cash

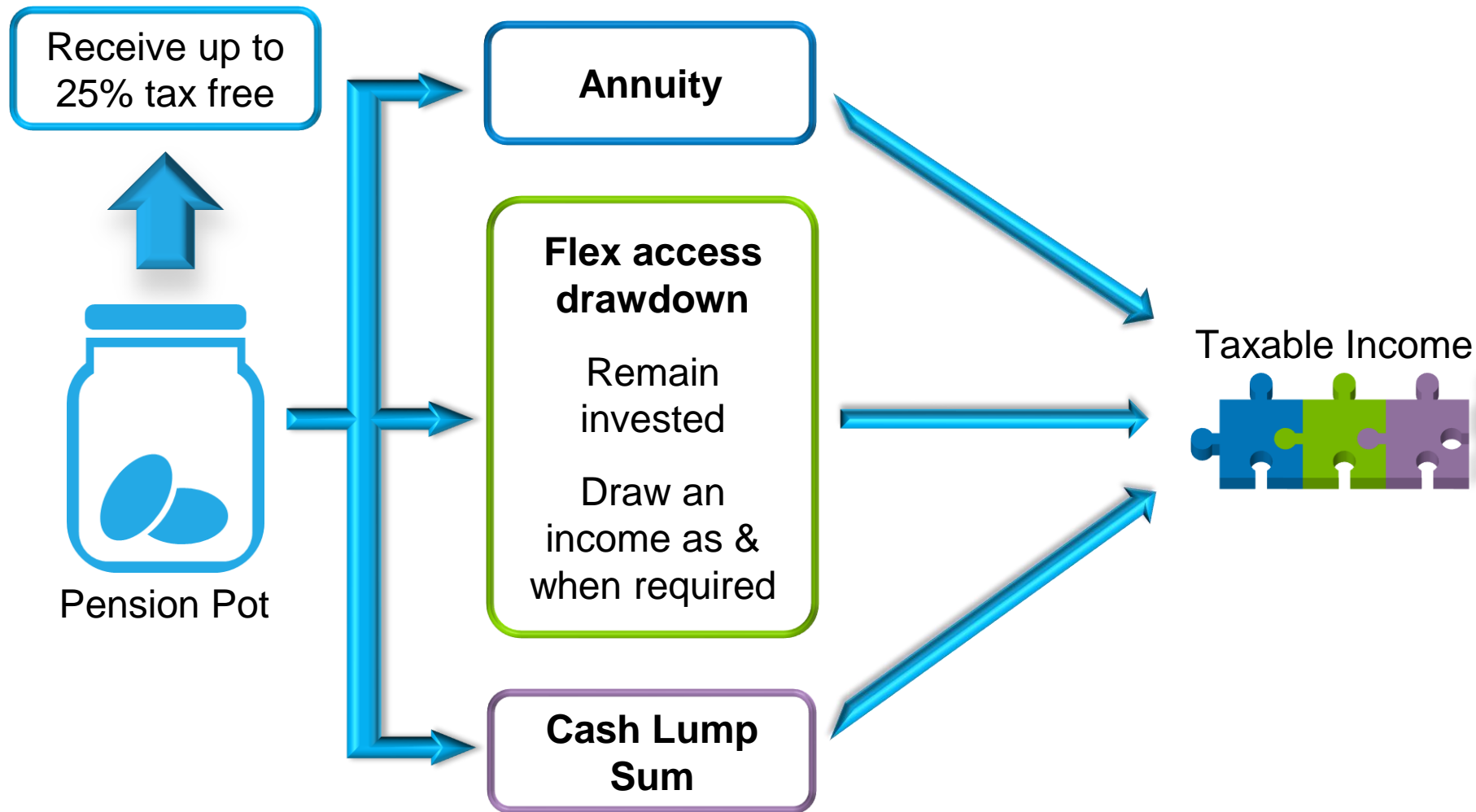


You can manage your exposure to risk as you approach retirement



visit 'my fund range' 'my investments' accessed via 'mypensiontools'

# DC retirement income options.



# limits on tax efficiency.

## **Annual Allowance (AA)**

- The annual allowance is £40,000\*
- This may be reduced if your total taxable income exceeds £200,000 or you flexibly withdraw taxable income from a DC scheme
- Carry forward may be available from up to the 3 previous tax years

## **Lifetime allowance (LTA)**

- £1,073,100 – it is due to remain at this value until at least April 2026
- DB pensions are converted at 20:1
- DC pensions and tax free lump sums valued at monetary amount

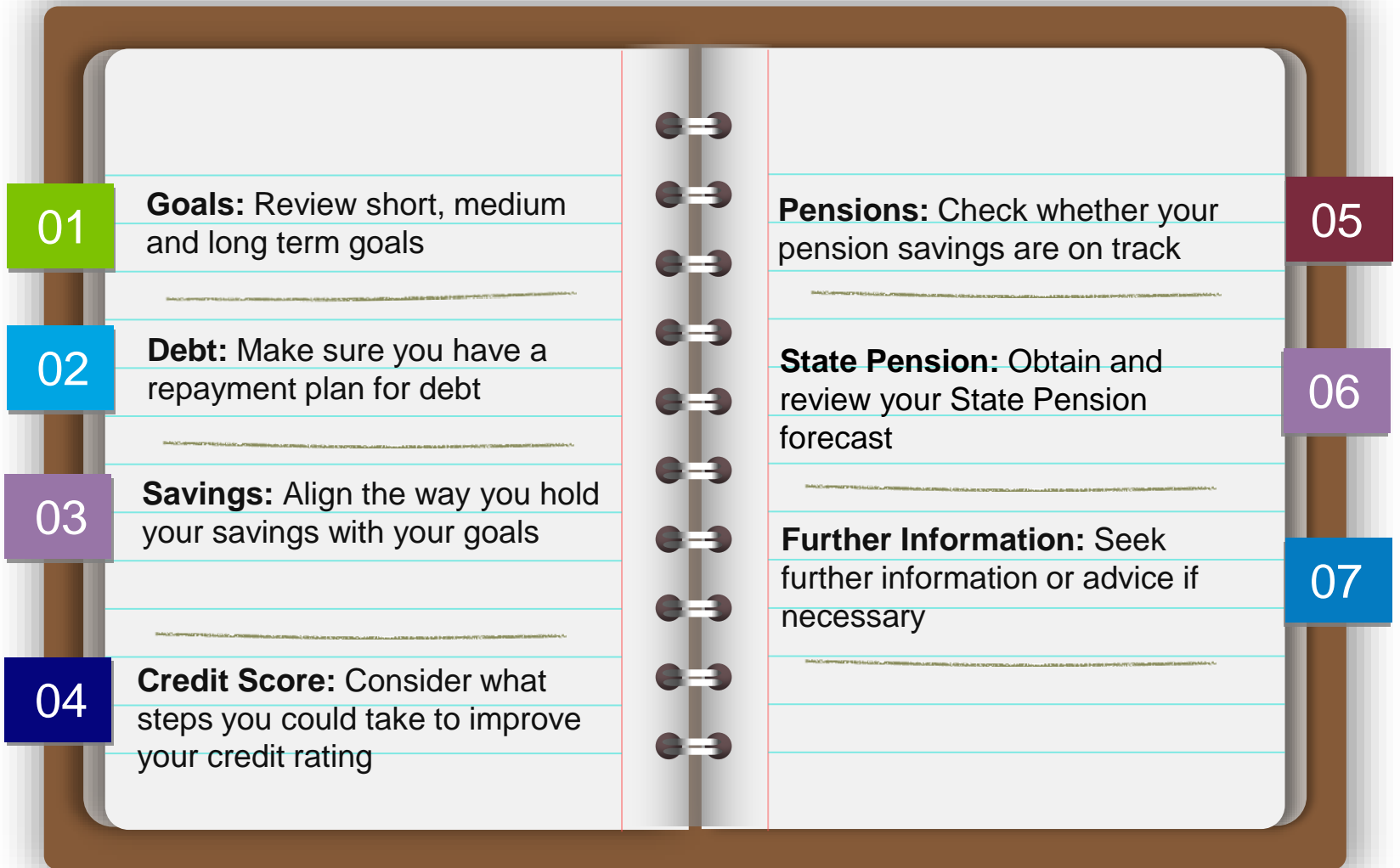


If you think you may be affected, ask about this on your follow up call

\*Tax relief is only available on contributions up to the greater of 100% of relevant earnings or £3,600



# taking action.



---

---

next steps.

---

---

# seminars available to you.

In conjunction with Wealth at Work there are a range of financial education seminars available to you:

01



## Early Career

"Start to build your financial plan"

02



## Mid Career

"Keeping your financial plan in check"

03



## Later Career

"Exploring your options at retirement"

04



## The Pension Annual Allowance and Lifetime Allowance

"Addressing your pension savings annual and lifetime allowance limits"

05



## Saving and Investing

"Get your savings and investments moving in the right direction"

06



## Estate Planning

"Managing your estate and getting it in order"

**WEALTH at work**

KNOWLEDGE | EXPERIENCE | OPPORTUNITY

# financial education structure.

## Request a Callback

Your personal circumstances  
will be discussed in your follow  
up call.



### Online Seminar

Today's online seminar will  
provide financial education  
and may include employer  
specific information.



### Regulated Financial Advice

You may choose to receive regulated  
advice following your call from **my**  
**wealth** or another firm on the financial  
services register

# seeking advice.

Regulated financial advice can provide you with information and advice on the most suitable course of action for you relating to a wide range of financial needs.

Local financial advisers can be found here:

- <https://register.fca.org.uk>

# contact us.

We provide a telephone helpline and a regulated financial advice service through **my wealth** - a trading name of Wealth at Work Limited which is a member of the Wealth at Work group of companies.

It helps individuals to understand their personal financial situation especially when selecting their retirement income options.

- Telephone **0800 028 3200**



---

---

thank you.

0800 028 3200

[www.wealthatwork.co.uk/mywealth](http://www.wealthatwork.co.uk/mywealth)

---

---

**WEALTH at work**

KNOWLEDGE | EXPERIENCE | OPPORTUNITY