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Improving your financial lifeskills

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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.

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Agenda

- Review your current financial position
- Managing borrowing
- Your workplace pension
- Savings and investments
- Next steps

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Review your current financial position

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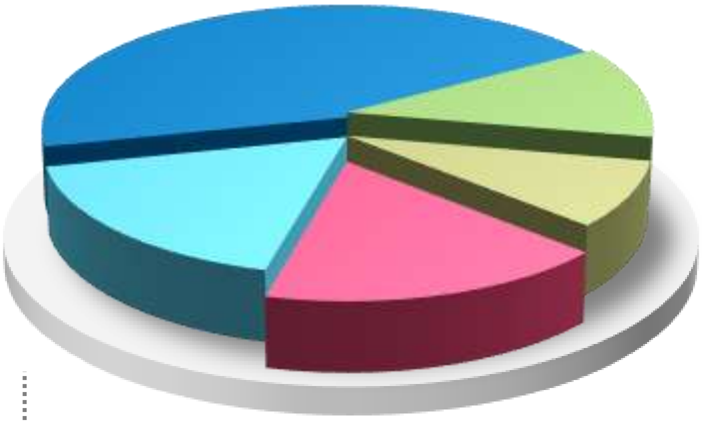
Typical household expenditure

How monthly expenditure could add up:



£1,000	£450	£500	£250	£400
Rent / Mortgage	Groceries	Household bills	Subscriptions	Socialising

Illustrative costs for a working couple with no children

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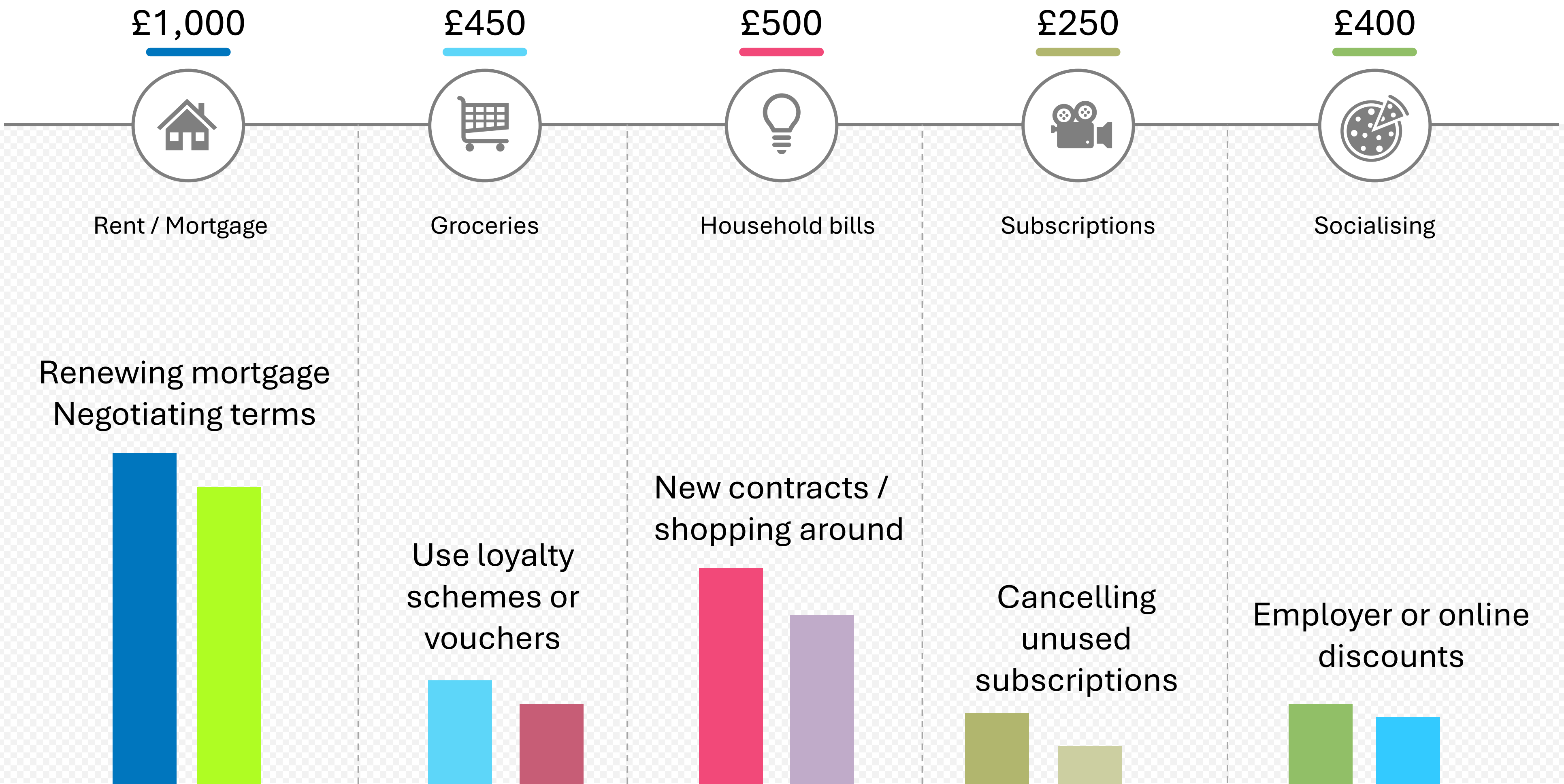
Typical household expenditure

Consider the ways it may be possible to reduce costs.



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Money saving hacks

Consider the ways it may be possible to reduce costs.

- Check your bank, credit card and online payment services for recurring payments.
- Are you paying for the same insurance twice? Home insurance could cover items such as tech products or bicycles.
- Are you overdrawn? Switching banks or getting a money transfer card could save you interest.
- Do you need a Television licence? It’s only required if you watch or record live television or BBC iPlayer.

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Budgeting – 4 steps

Take action

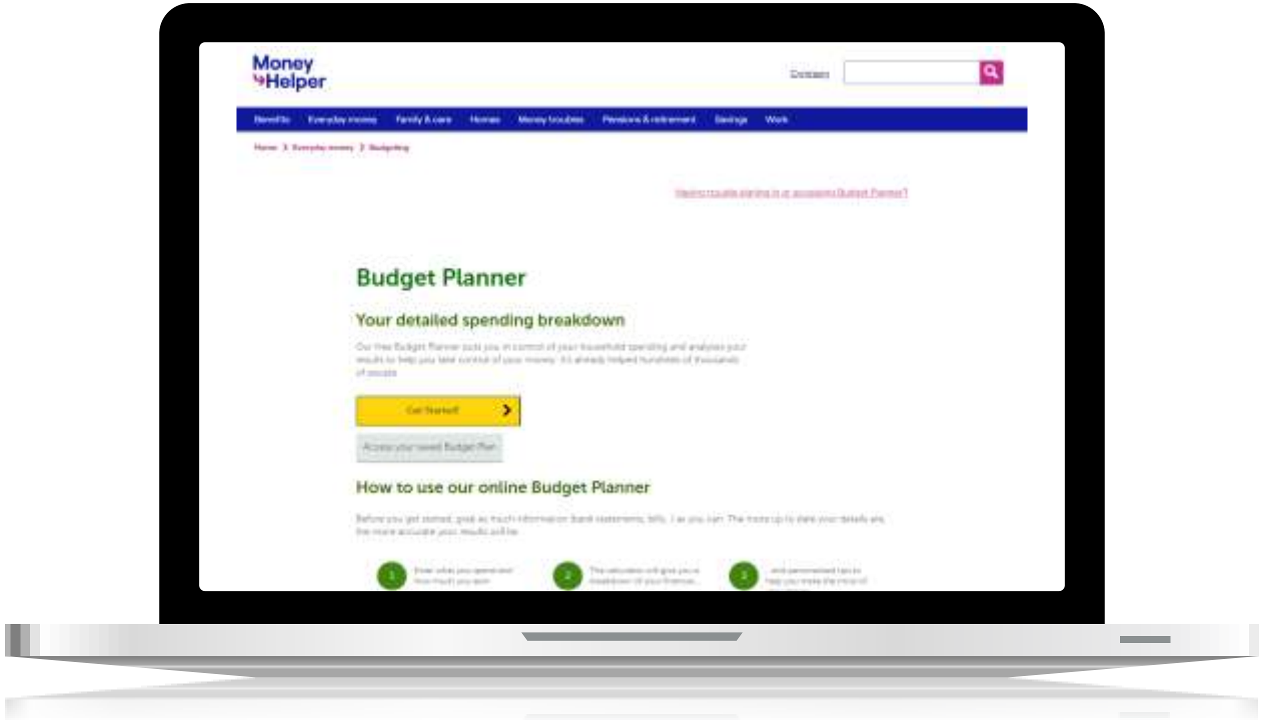
Surplus or deficit?

List all your expenses

Calculate your income

Search: ‘MoneyHelper Budget Planner’

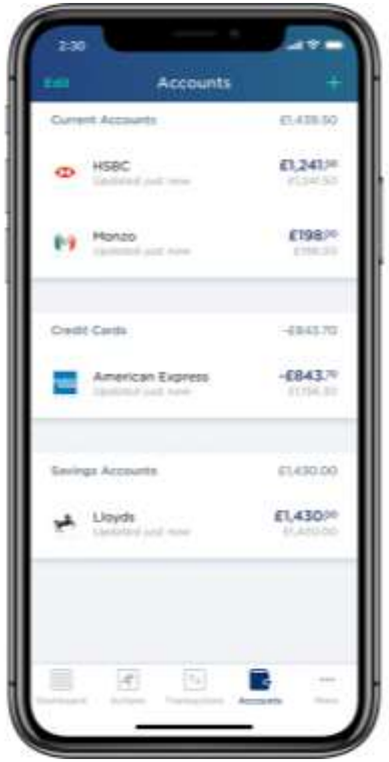
Budget planner



www.moneyhelper.org.uk/en/everyday-money/budgeting/budget-planner

Budget planning

Apps are available that can integrate with your accounts to build a budget in one place.



A clear overview of all accounts

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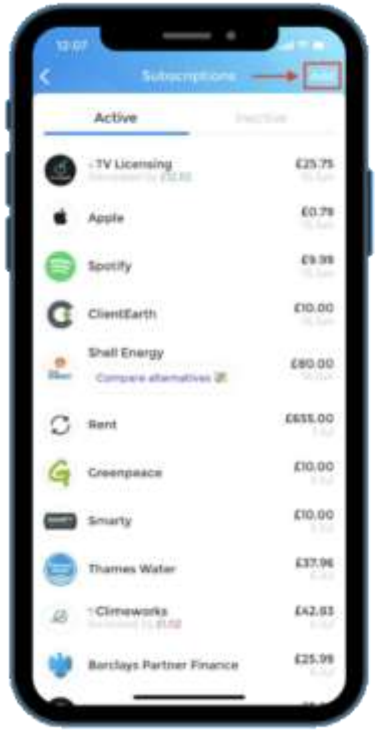
Budget planning

Apps are available that can integrate with your accounts to build a budget in one place.

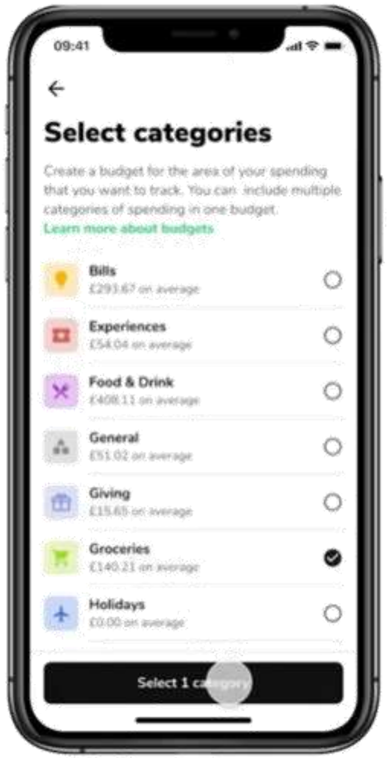
A clear overview of all accounts

Show all transactions in one place



Budget planning

Apps are available that can integrate with your accounts to build a budget in one place.



A clear overview of all accounts

Show all transactions in one place

Set multiple budgets

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Budget planning

Apps are available that can integrate with your accounts to build a budget in one place.

A clear overview of all accounts

Show all transactions in one place

Set multiple budgets

Set multiple savings goals

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Budget planning

Apps are available that can integrate with your accounts to build a budget in one place.

A clear overview of all accounts

Show all transactions in one place

Set multiple budgets

Set multiple savings goals

Keep on track with reminders

Managing borrowing

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Types of debt

Mortgages
5.5%+

Personal loan
7.0%+

Buy now, pay later
25%+

Credit card & overdraft
22% - 40%

Pay day loans
1,250%+

*All rates are approximate examples only.

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Your credit score

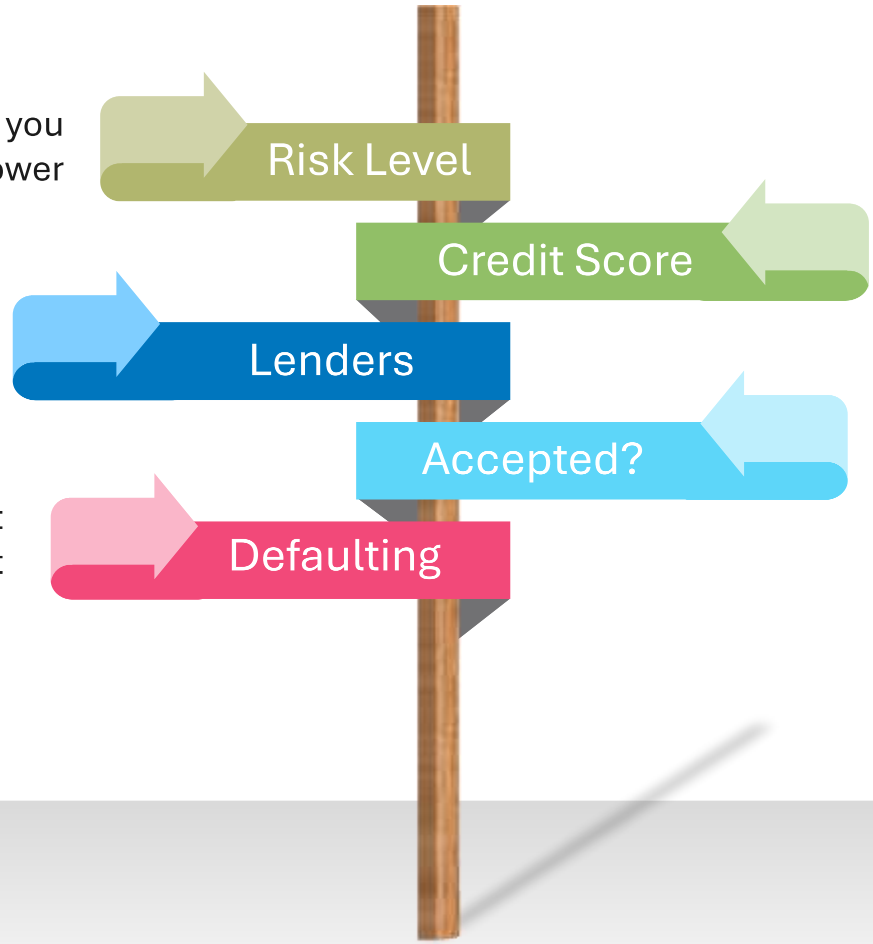
Banks and other lenders assess the risk you pose as a borrower

By checking your financial history a credit score is usually applied

Different lenders look for different things when deciding whether to lend money

This means some lenders will decline loans that other lenders are willing to offer

Defaulting could result in a poor credit score and difficulty in getting credit



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Your credit score

Many factors can impact your credit score and there are a number of actions you may be able to take to build up your credit score.

Build or improving your credit score

Previous credit history

Avoid ‘failed’ direct debits

Paying your rent on time can now boost your credit score if your housing provider is signed up to the Rental Exchange Scheme

Permanent address

Electoral Roll

Holding fixed term contracts i.e. mobile phone

Well managed credit cards

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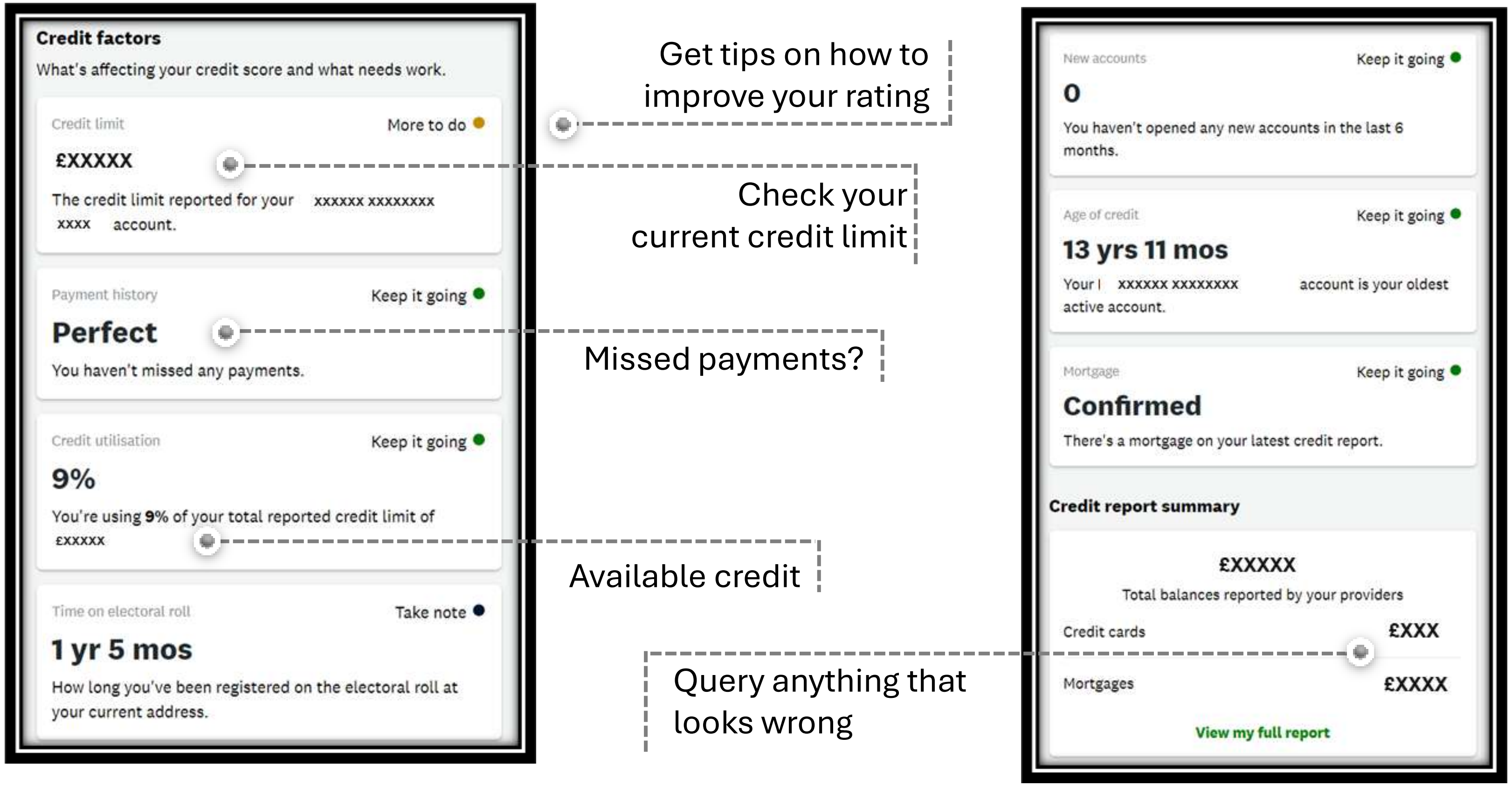
What a credit report can show



Check your credit score for free

ClearScore

uses data from
Equifax

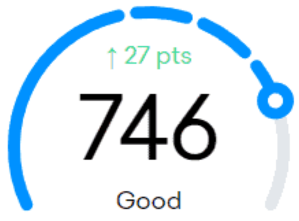
www.clearscore.com

Free account with
Experian

uses data from
Experian

www.experian.co.uk

Credit Karma



uses data from
TransUnion

www.creditkarma.co.uk

It’s worth checking your credit score with all three agencies at least once a year

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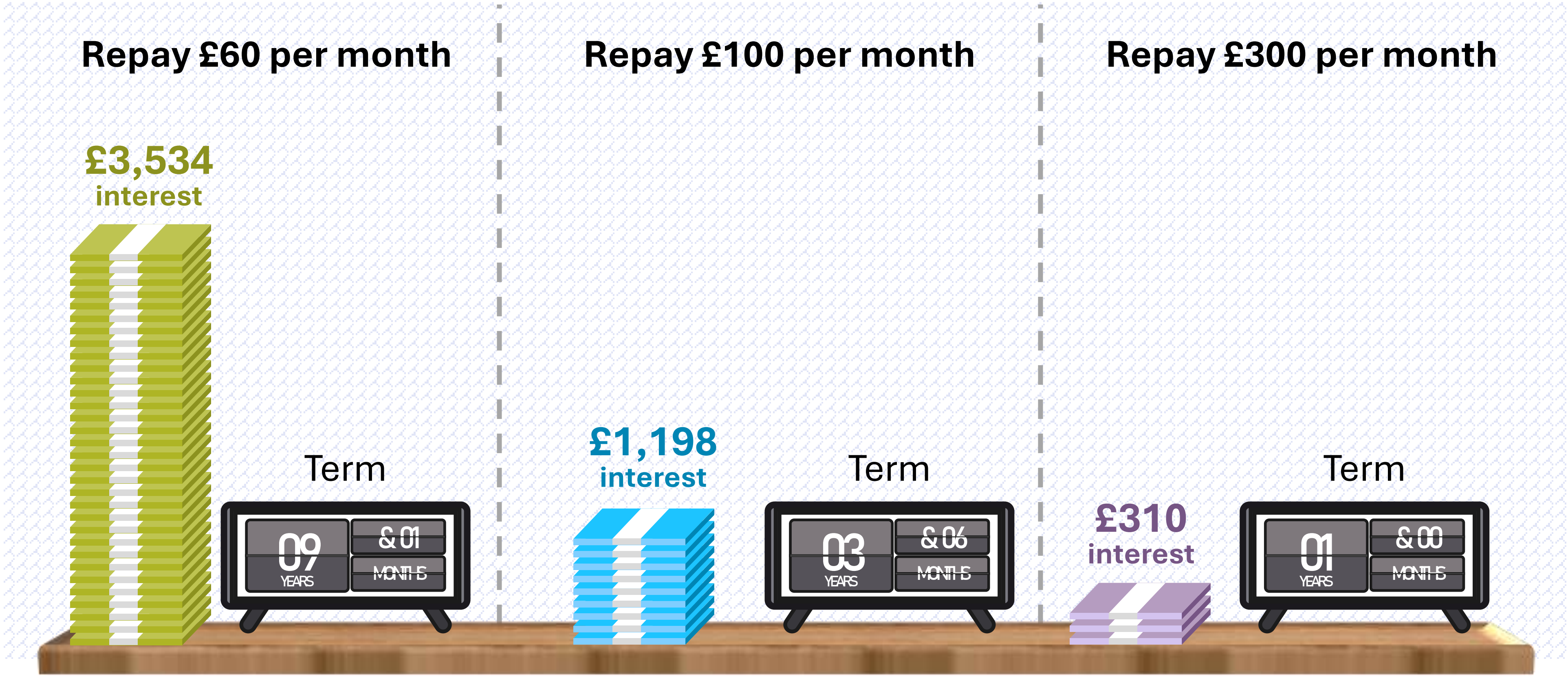
Credit card overpayments

Based on a credit card debt of £3,000 and 22% APR.



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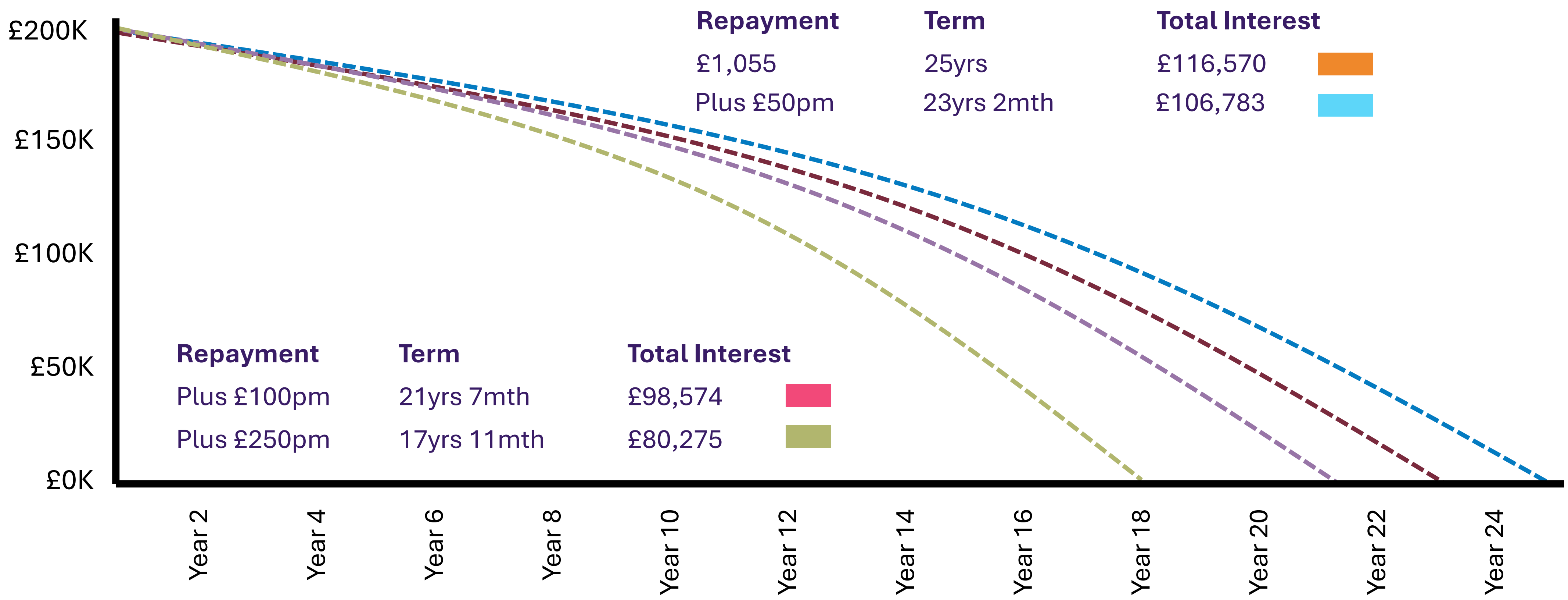
Repaying your mortgage early

Based on a £200,000 repayment mortgage with 25 year term and 4% 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

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Your workplace pension

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Defined contribution (DC) schemes

Employer and employees contribute (tax free*)

pension input

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.

Haleon Pension Plan

The Haleon Pension Plan is held with LifeSight.

Contributions				
Haleon core contribution	Employee contribution	Your matching contribution	Haleon's matching contribution	Total
7%	2%	0%	0%	9%
7%	2%	1%	1%	11%
7%	2%	2%	2%	13%
7%	2%	3%	3%	15%

Contributions are paid via Salary Sacrifice

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Salary sacrifice

Annual Salary = £30,000 (basic rate taxpayer)

Employee Contribution = £1,500pa (5%)

Tax Saving = 20%

NI Saving = 8%

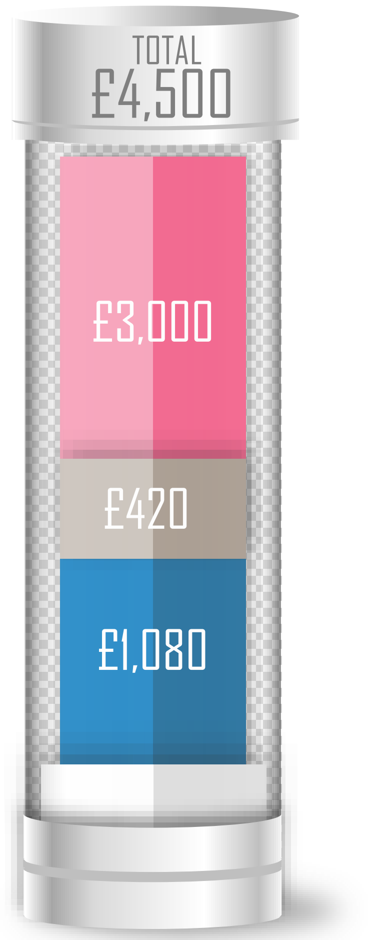
Personal Cost = £1,080pa

Employer Contribution = £3,000pa (10%)

Employer matching contribution (10%)

Tax & NI savings

Employee contribution (5%)



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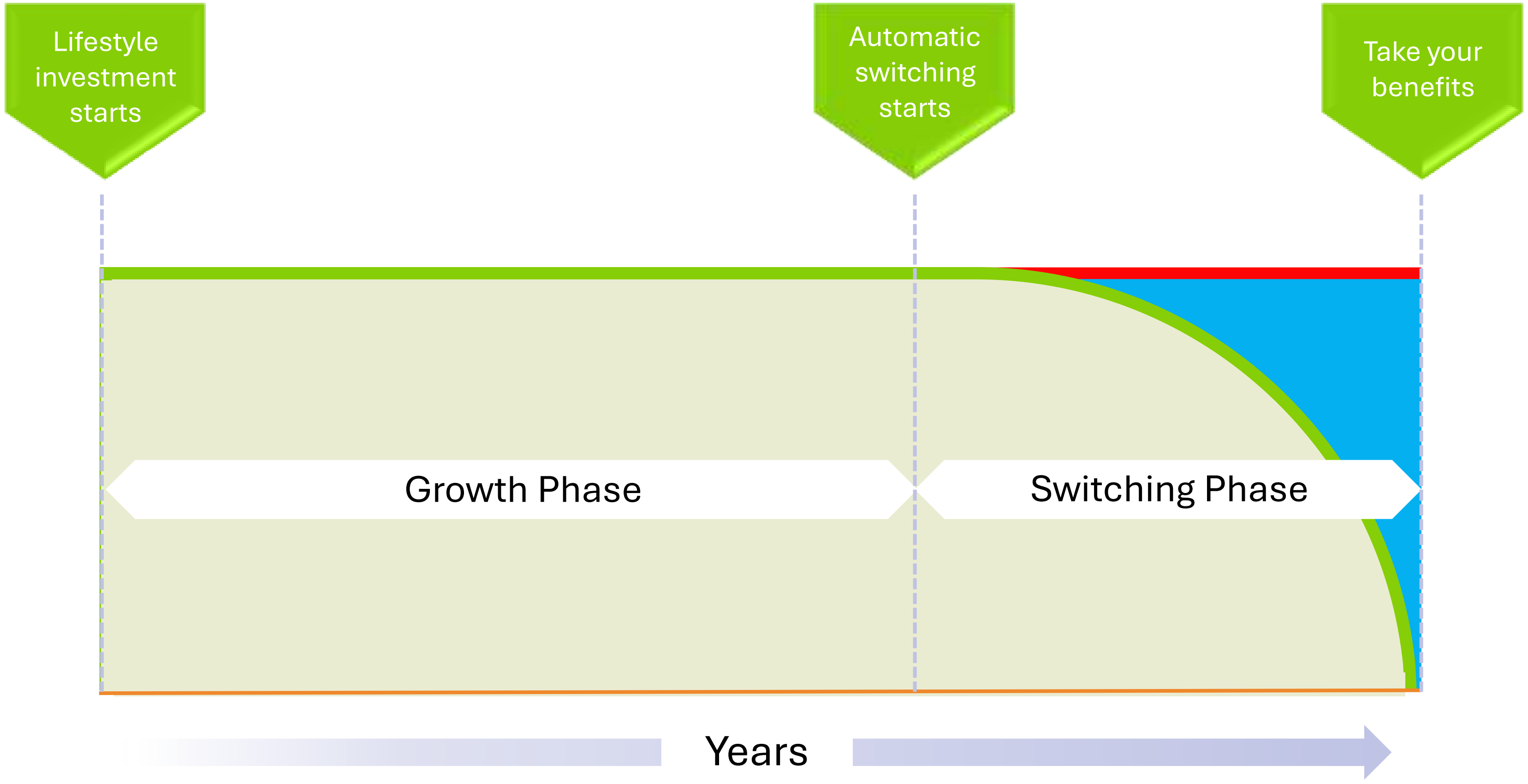
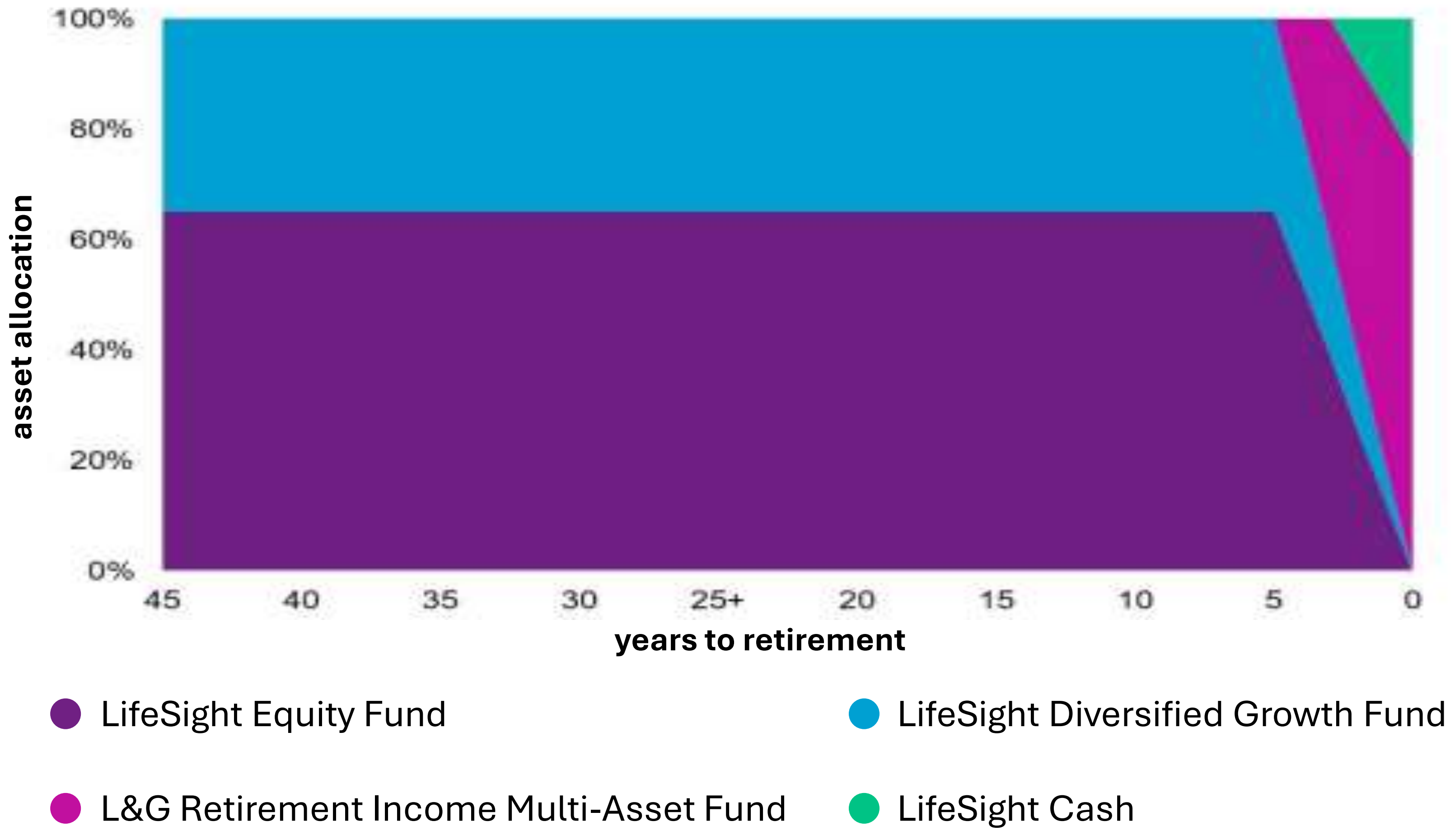
Lifestyle funds



Haleon Pension Plan

Your default pension investment option is the CH Drawdown Lifecycle strategy.



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Haleon Pension Plan

You have 9 other other LifeCycle options to choose from, each targeting a different withdrawal route and risk level.

LOWER RISK

- Drawdown
- Annuity
- Cash

MEDIUM RISK

- Drawdown
- Annuity
- Cash

HIGHER RISK

- Drawdown
- Annuity
- Cash

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Freechoice investment options

Freechoice allows you to choose from a range of funds and select your own asset allocation.

- 4 LifeSight Blended Funds
- 13 Equity Funds
- 7 Bonds Funds
- 2 Property Funds
- 1 Multi-Asset Fund

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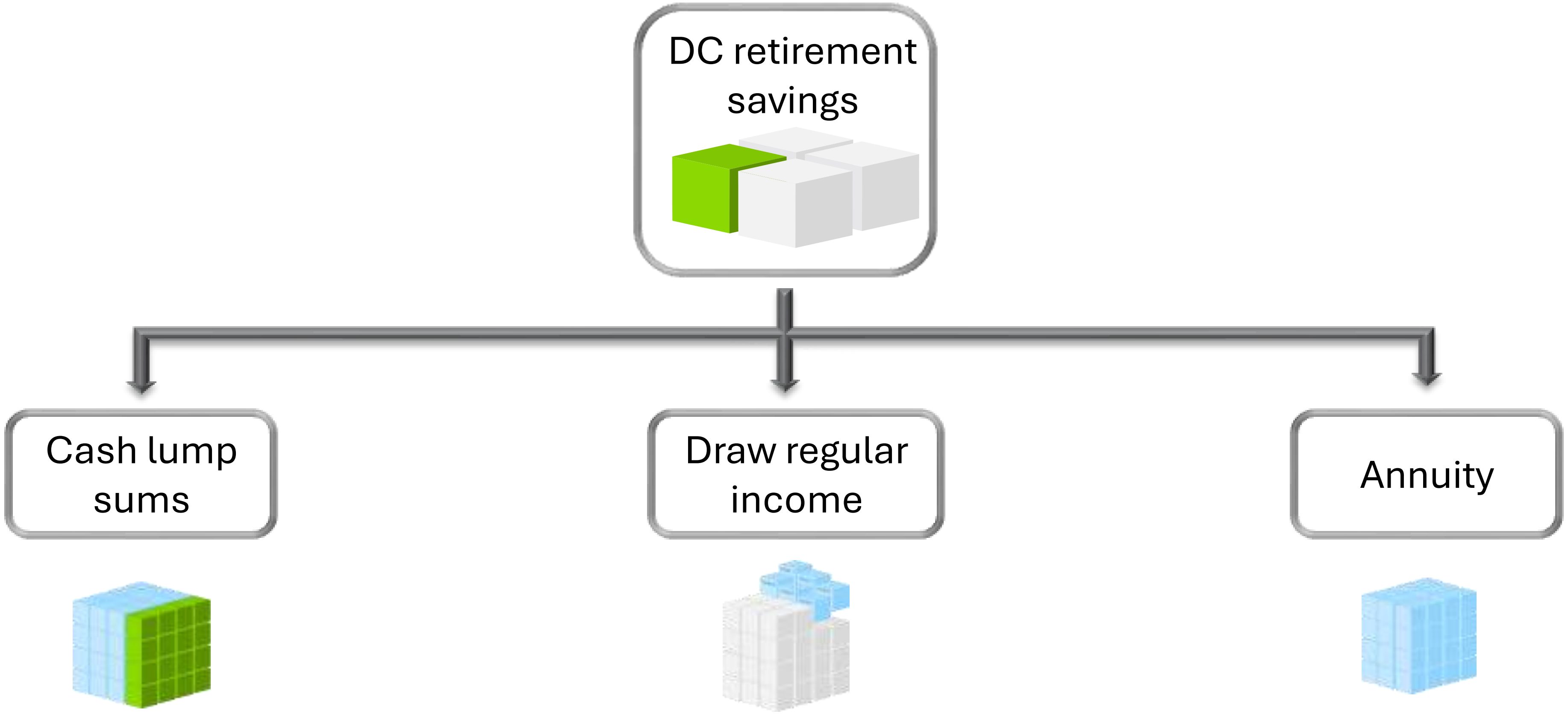
Defined contribution income options



You may need to transfer your benefits to an alternative arrangement to access your chosen income route

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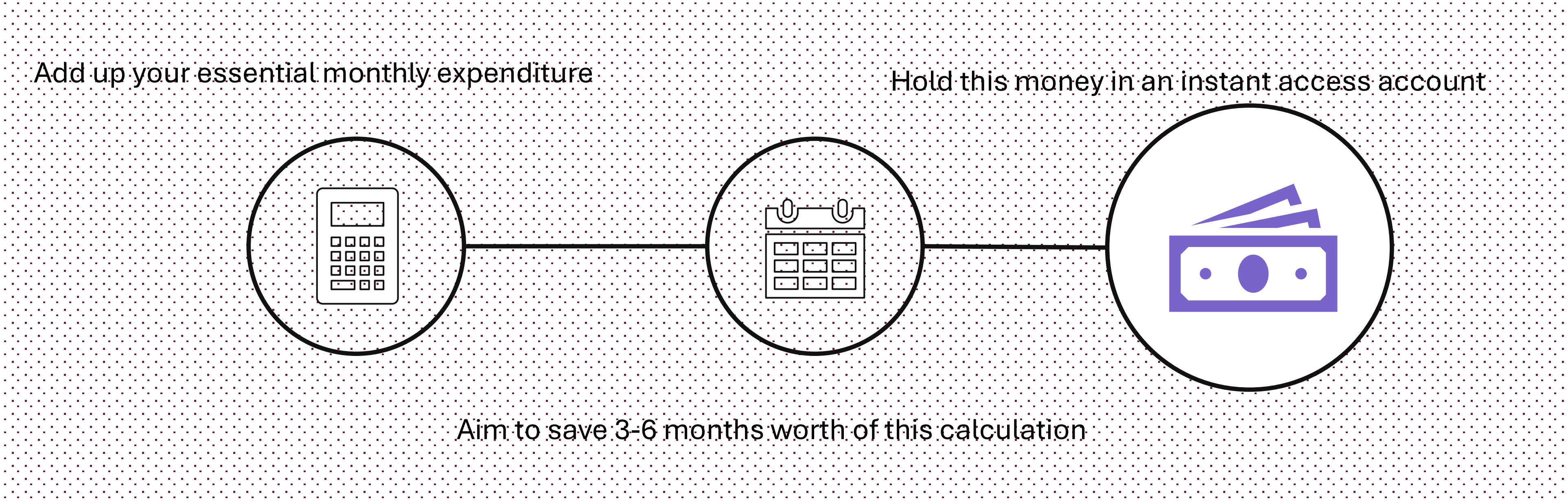
Savings and investments

Creating an emergency fund

If you are in a position to put money aside, take these steps to create an emergency fund:



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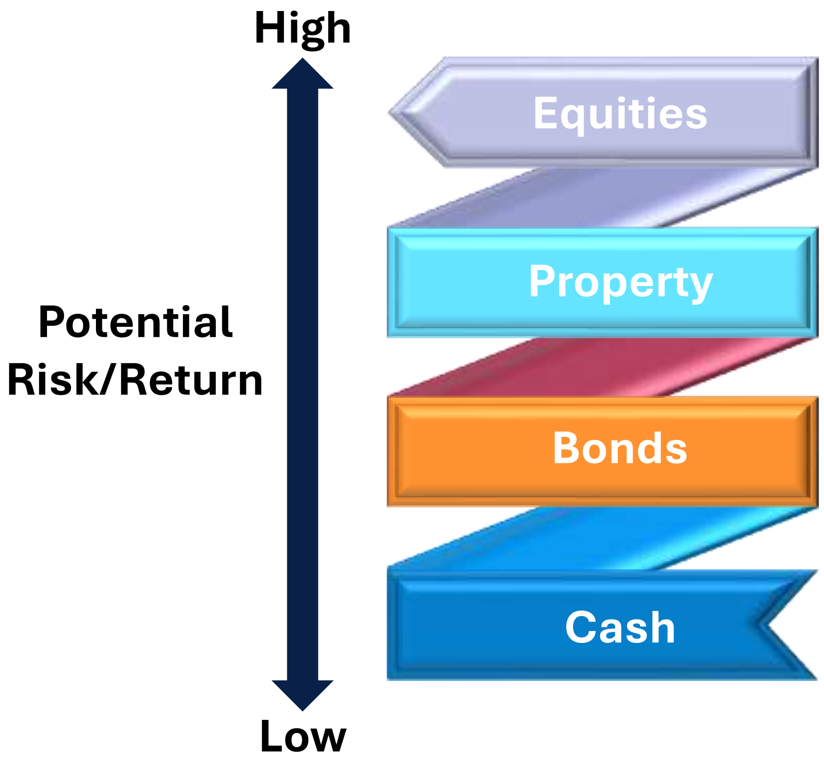
Investment risk and returns

What types of risk may you need to consider with your savings?



- Market volatility, timing, company specific risk
- Liquidity, void periods, taxation, negative equity
- Default, credit, inflation
- Inflation, interest rates, potential currency exposure

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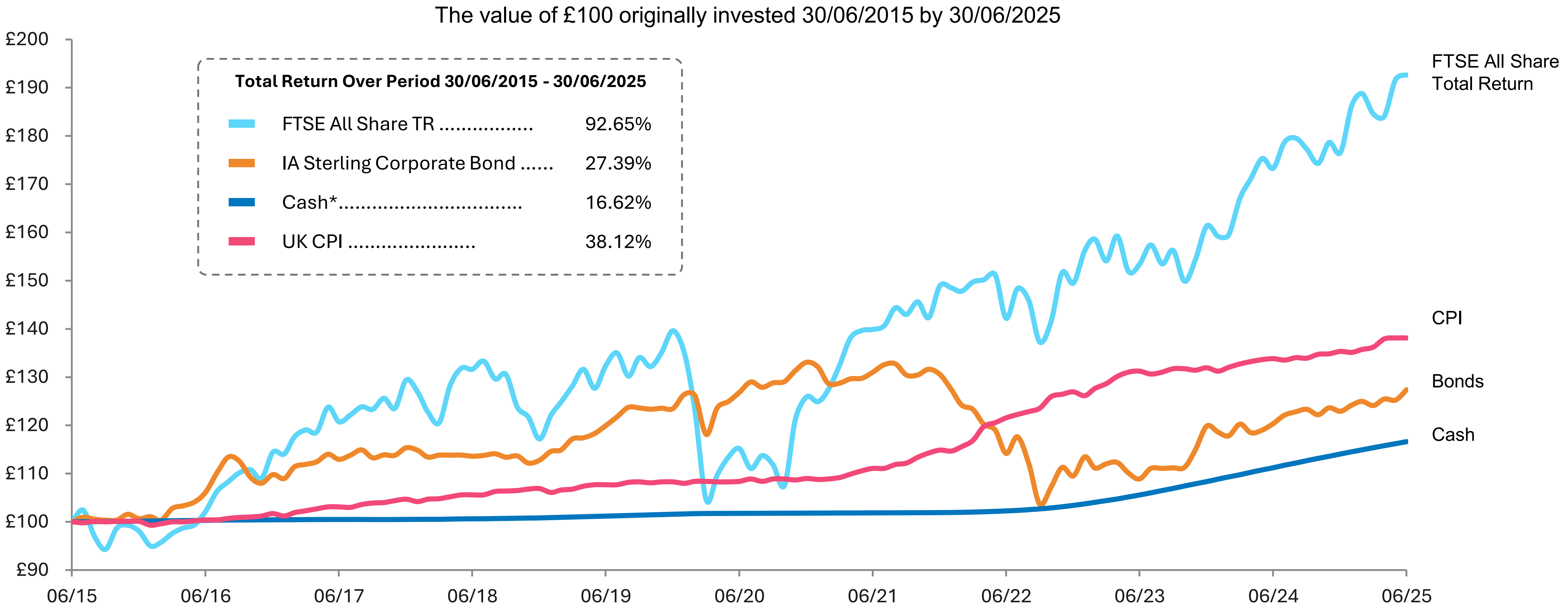
Risk and returns: the real world



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 30/06/2015 to 31/12/2018 and the UK Bank of England Base rate from 31/12/2018 to 30/06/2025.

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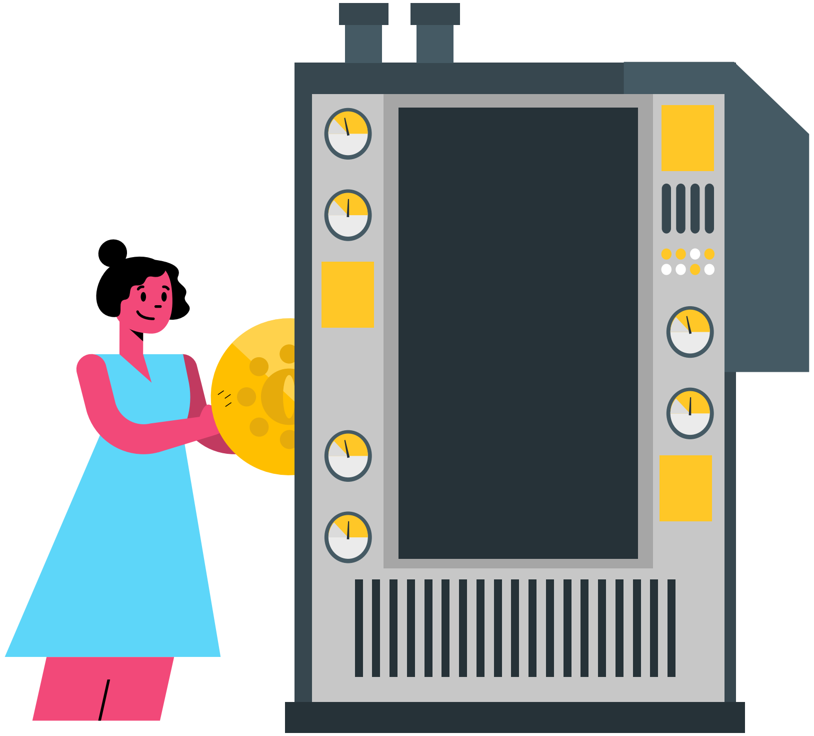
Share reward

- Contribute 10% of salary up to £125 pm
- 1 free share for every share you buy
- Savings on Income Tax and National Insurance
- Dividends can buy dividend shares or can be paid as cash
- Shares can be sold tax free after 5 yrs (dividend shares 3 yrs)
- Shares can be transferred to an ISA, or sold and the proceeds transferred to a SIPP subject to HMRC limits



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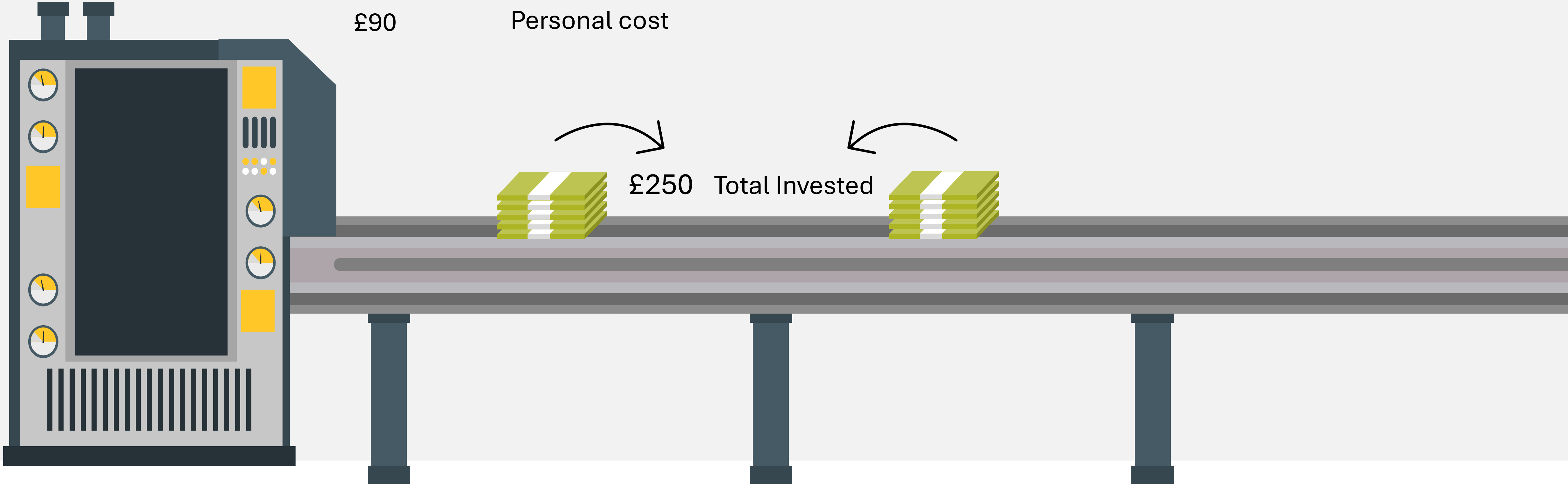
Share reward

£125	Invested
£35	Tax and NI saving (28%)
£90	Personal cost

£125 Reward shares

£250 Total Invested



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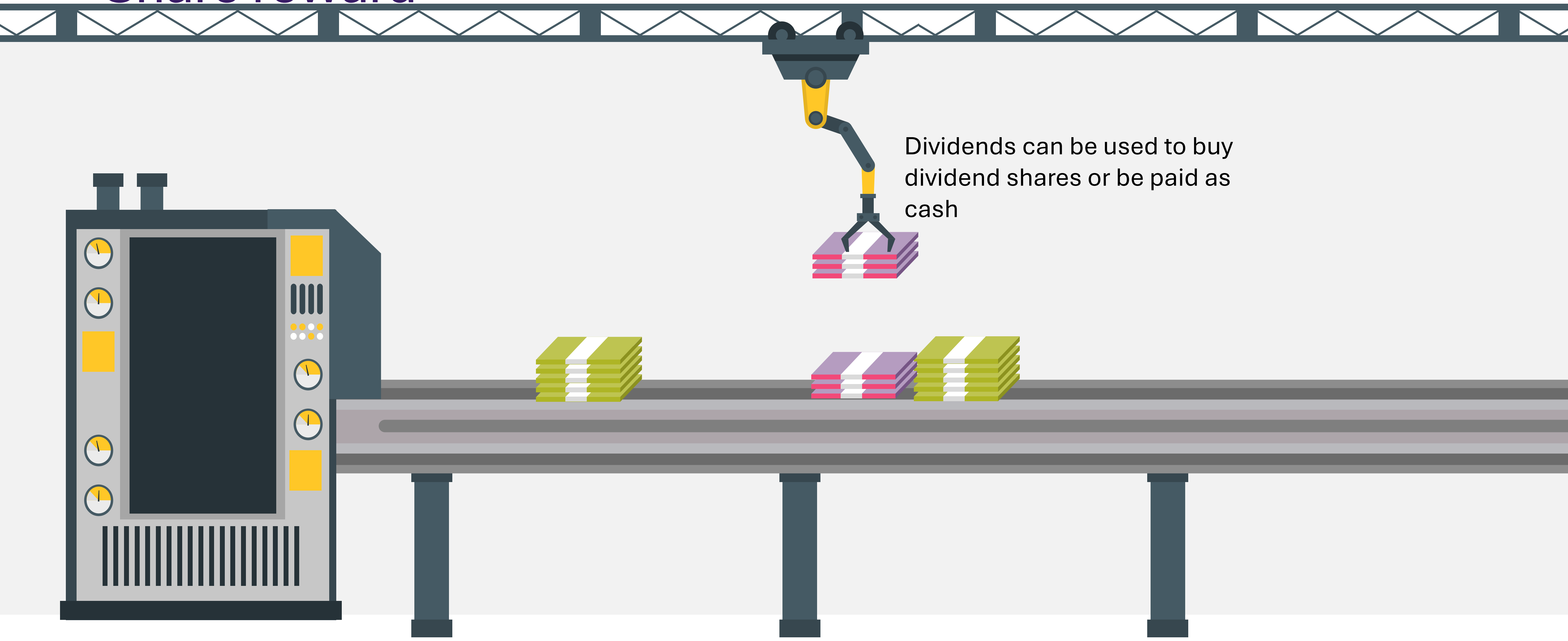
Share reward



Dividends can be used to buy dividend shares or be paid as cash

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Share reward

Access dividend shares tax-free or leave them in the scheme

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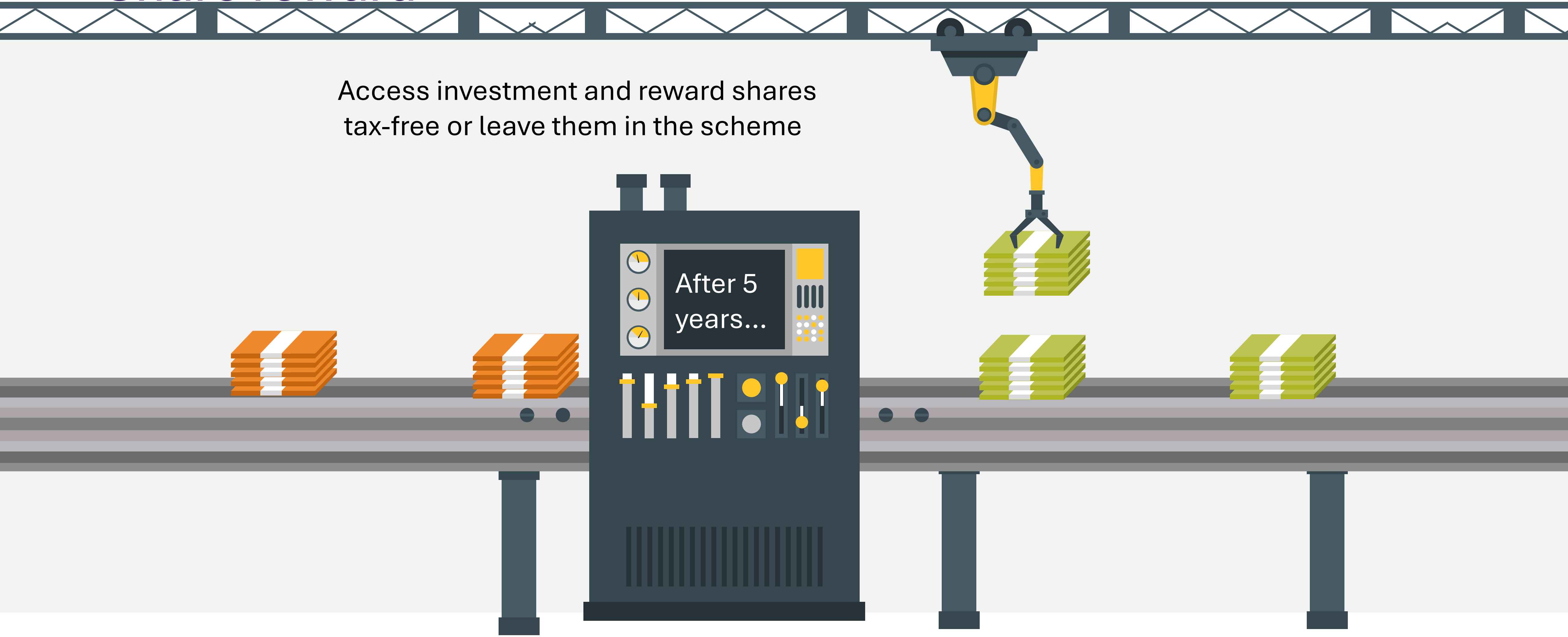
Share reward

Access investment and reward shares
tax-free or leave them in the scheme



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Share save

Save between £5 and £500 per month

Option price is set at the start of the term and will be 20% below the share price at that time

At the end of the term, buy shares or take savings tax free*

Save for a 3-year period

Possible tax-free bonus at the end of the contract

Shares can be transferred to an ISA**

*your option can be exercised anytime within 6 months from the end of the term

**subject to HMRC limits

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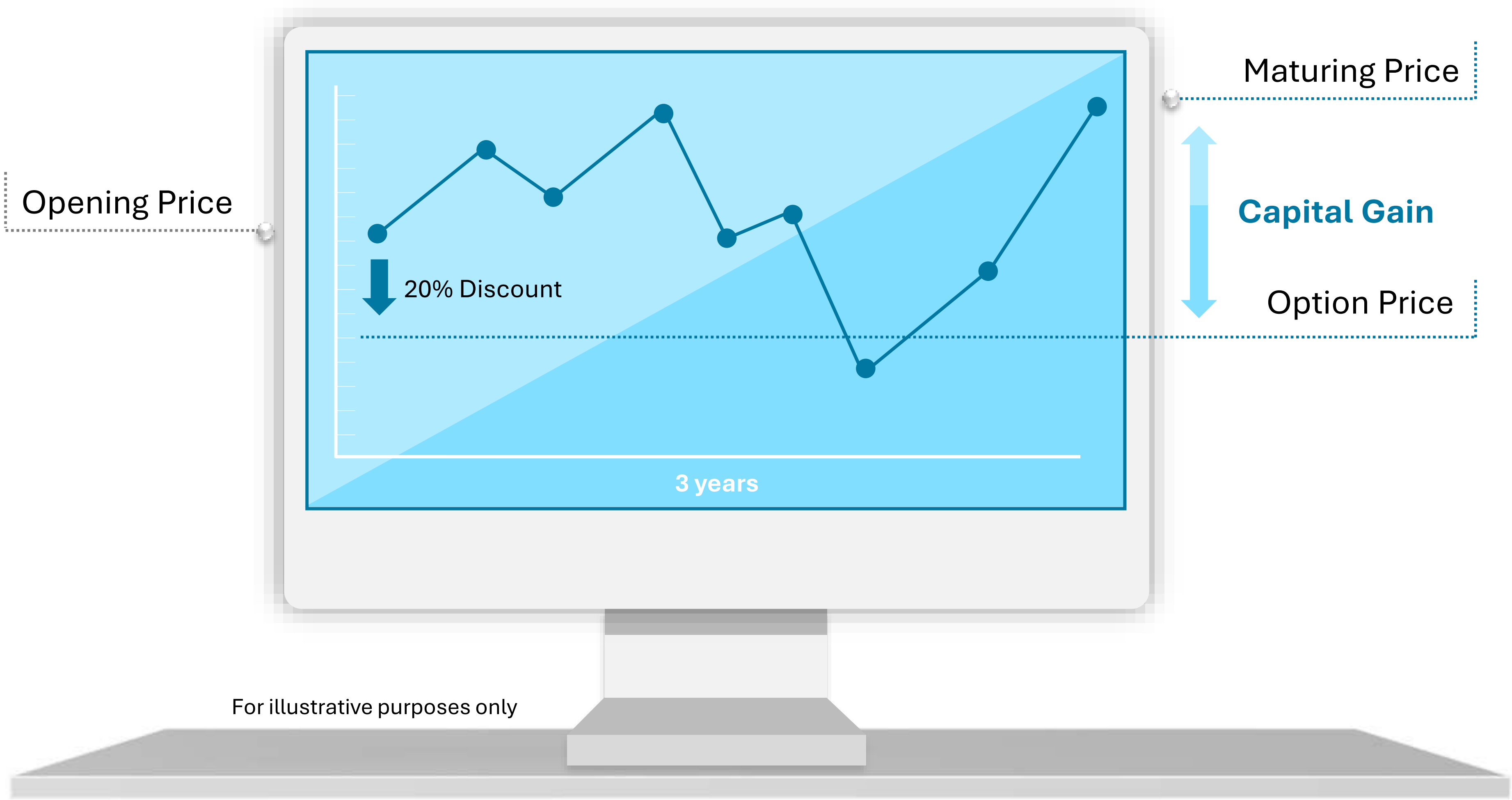
Share save



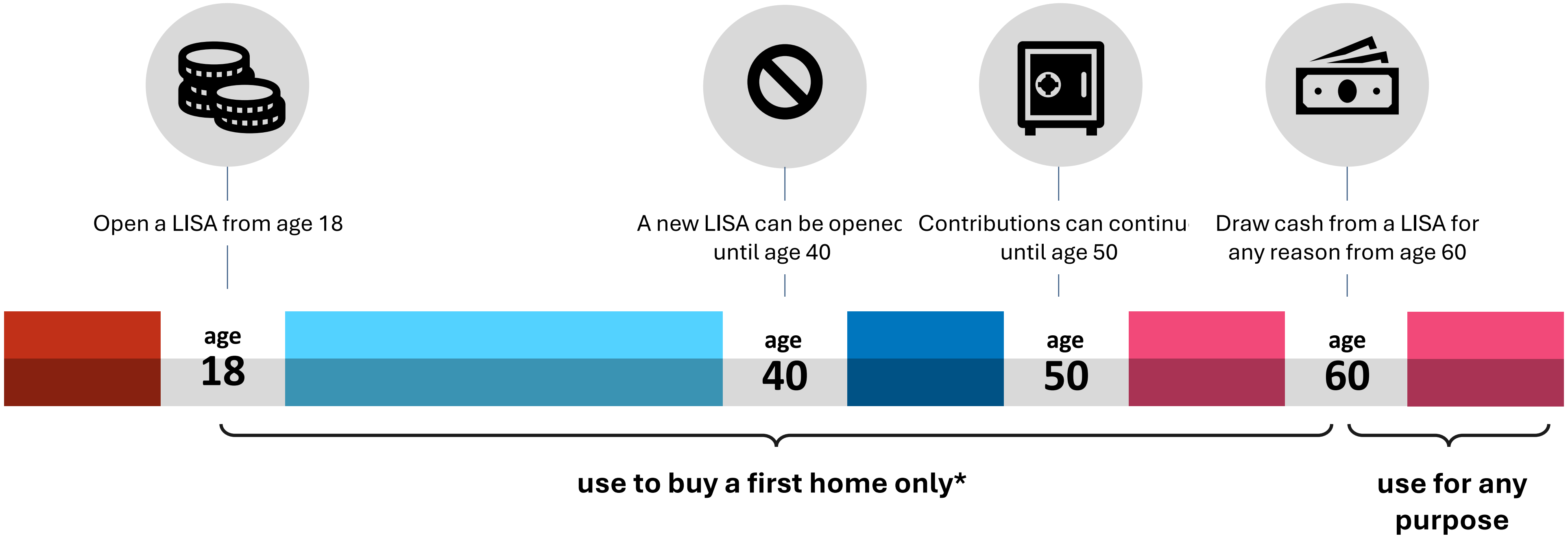
For illustrative purposes only

Individual savings accounts (ISAs)

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

Lifetime ISAs

- Contribute up to £4,000 per annum
- Receive a 25% bonus on all contributions



*Withdrawals for any other reasons incur a 25% penalty charge except in the case of terminal illness.

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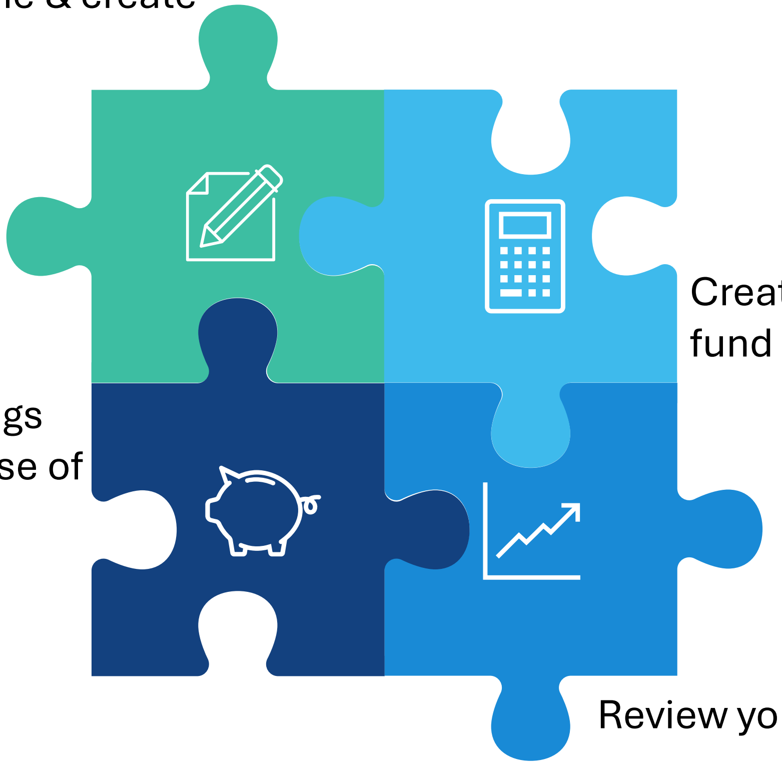
Summary

Review your income & create a budget plan



Create a plan to build an emergency fund and tackle outstanding debt

If you’re able to put savings away, consider making use of the Haleon share plans

Review your pension contributions

Next steps

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LifeSight contact information

01737 230 473

lifesightsupport@willistowerswatson.com

The LifeSight Team, Willis Towers Watson,
PO Box 758, Redhill, Surrey, RH1 9G

www.lifesight-epa.com / TotalReward Online (if on the network)

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Useful contacts

01

Money Helper pension calculator

www.moneyhelper.org.uk/en/pensions-and-retirement/pensions-basics/pension-calculator

02

Money Helper credit card calculator

www.moneyhelper.org.uk/en/everyday-money/credit-and-purchases/credit-card-calculator

03

General tax and National Insurance information

www.hmrc.gov.uk

04

Pension Tracing Service

www.gov.uk/find-pension-contact-details

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Seeking advice

An adviser will assess your circumstances, objectives and risk profile and provide you with a personal recommendation to meet your objectives.

All regulated firms are listed on the Financial Services Register, this provides confirmation that the firm is authorised, the specific services they are authorised to provide and details of the advisers who work for them.

Financial Services Register link:

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

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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 part of the Wealth at Work group.

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

- Telephone **0800 028 3200**

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Thank you

0800 028 3200

www.wealthatwork.co.uk/mywealth