CAMPBELL & McCONNACHIE

chartered financial planners

Harbour House 1 Shore Street Lossiemouth
Moray IV31 6PD

david@campbell-mcconnachie.co.uk
01343 814000

WEALTH KNOWLEDGE

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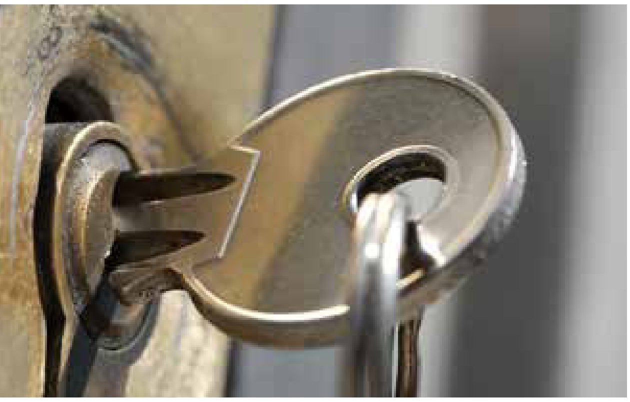

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Government backs industry-led pensions dashboard

The eagerly-anticipated online pensions dashboard has received the green light from the Government, but only if the pensions industry develops it.

The pensions dashboard, which was the brainchild of former chancellor George Osborne in 2016, intends to provide a facility for all retirement savers to see their pension plans in one place.

Pensions minister Guy Opperman revealed in a written statement that the Government will facilitate an "industry-led dashboard".

Pensions secretary Esther McVey was reportedly considering scrapping the scheme, despite the dashboard having the backing of Prime Minister Theresa May and Chancellor Philip Hammond.

But Opperman said the Government will continue to engage with industry on this model, and legislate where necessary to protect pension savers and personal information.

Industry groups expressed disappointment that the Government will not be leading the project, with some concerned this could exclude state pension information.

Mike Cherry, chairman of the Federation of Small Businesses, said:

"If we end up with an industry dashboard that doesn't include information about the state pension, that's a really dangerous place to be."

Speak to us about saving for your retirement.

10 million savers use state pension forecast

More than 10 million savers have used the Government's state pension forecast facility, following its launch in 2016.

The online Check Your State Pension service enables retirement savers to find out how much they could get from the state pension, and when they are due to receive it.

Users are also able to spot any gaps in their national insurance record, so they can fill in any missing years, which determines how much state pension they'll receive.

Retirement savers need 35 completed years of national insurance contributions to qualify for the full new state pension of £164.35 per week, or £8,546.20 a year.

Steve Webb, director of policy at Royal London, said:

"This is a very significant milestone and shows the huge level of public interest, not only in their private pension but in their state pension.

"For that reason, it is vital the proposed pensions dashboard includes state pension information from the outset.

"The transition to the new [state pension] system will take some years, and it's important that older workers use the online service to make sure they know exactly what they are going to get."

Talk to us now about your state pension.

Most over-50s plan to carry on working

Almost two-thirds of employed over-50s plan to retire later than they expected to 10 years ago, a report from Aviva has claimed.

The study of more than 2,497 adults suggested 63% of people over the age of 50 are willing to push back their retirement date to work longer.

However, almost half (44%) of these older workers said their employers provide insufficient support when it comes to realising their career ambitions and objectives.

The survey also found that 38% of those who planned to work longer were doing so because they had insufficient retirement savings.

Aviva urged employers to provide more assistance in the form of flexible working and help with retirement planning, to avoid workers over the age of 50 becoming "disheartened and discouraged".

Lindsey Rix, managing director of savings and retirement at Aviva, said:

"Older employees have a lot to offer, despite the challenges they face around workplace support.

"Employers need to provide rounded support for this generation where their wellbeing and work-related needs are considered alongside the financial challenge of saving for retirement."

Aviva's research echoes the findings of a separate study from SunLife earlier in 2018.

The SunLife report claimed two in five people over the age of 55 worry about whether their pension will cover retirement, and 43% fear their savings will run out before they die.

Both surveys suggest fewer people over the age of 55 are accessing their pension pots early following the launch of pension freedoms in 2015.

The freedoms allow over-55s to take 25% of their pension pot as a tax-free lump sum with the rest taxed at their marginal rate of income tax.

We can help plan your retirement savings.

Gifts left to charity rise 30% in 12 months

The monetary value of gifts being left to charities from people's estates has increased 30% in the last year, according to research.

YouGov polled more than 30,000 adults on behalf of Co-op Legal Services and found that cancer charities attracted the most charity donations, with gifts being the biggest source of income for Cancer Research UK.

Bequests to animal charities, such as the RSPCA, proved the second most popular, followed by poverty and homelessness groups and local causes as the third and fourth most popular respectively.

Gifting to charity can be a tax-efficient estate planning strategy for people to consider as it is usually exempt from inheritance tax.

Inheritance tax is calculated by working out an estate's entire value, including any overseas assets, and then levying 40% tax on estates worth more than £325,000 in 2018/19.

However, if an individual was to leave at least 10% of their net estate to charity, inheritance tax would fall to 36% on the remainder of the estate.

Gifts range from a fixed amount of money, a specific item or what is left after other gifts have been made from an estate.

However, anyone considering going down this route needs to ensure they are giving to a qualifying charity. This can be confirmed by asking the charity for their tax-exempt reference number.

Rob Cope, director of Remember a Charity, said:

"Gifts in wills, whether financial or not, are the lifeblood of so many vital services that are provided by charities all over the UK.

"If everyone left just a small amount to good causes once they've taken care of loved ones, it could make an enormous difference for future generations."

Get in touch to discuss planning your estate.