



10 ways to change your financial habits in 2017

New Year, new you? The post-Christmas period sees many of us resolving to do things differently in the year ahead, perhaps vowing to go to the gym more often or finally learn to speak Spanish like a native. This can also be the perfect opportunity to review your finances and ensure your goals, plans and policies are still relevant to your current needs.

1. Consider your goals

Regardless of the life stage you've reached, you'll probably have some short and long-term financial goals you'll want to achieve. These could include things like taking the family holiday of a lifetime, moving to a new home, planning your retirement or passing capital on to your family. It's a good idea to review these from time to time, and to determine how much money you'll need for each of them. We can help you plan your finances to make them attainable.

2. Save More

With the tax year-end approaching you still have time to use your annual ISA allowance – £15,240 in 2016-17. This figure rises to £20,000 in April 2017, giving you even more opportunity to build up your savings tax-efficiently.

3. Check your state pension position

The state pension rules have changed, so check your retirement date and the amount you'll get in state pension by going to the gov.uk website.

4. Review your pension planning

It's really important to keep your pension planning under regular review; it's the best way to ensure you're on track for a comfortable retirement. There's valuable tax relief on offer too.

5. Refresh your investment portfolio

If you haven't looked at your portfolio for a while, it could be time for a review. This gives you the opportunity to consider moves like selling investments that are underperforming or taking a profit from holdings that may have appreciated considerably in value over the years.

6. Consider your IHT position

You don't have to be particularly wealthy to find your estate

could be liable to Inheritance Tax (IHT). With property prices at an all-time-high, you could find your estate exceeds the £325,000 threshold, even allowing for the introduction in April 2017 of the residential nil-rate band. Taking advice about IHT planning can save your heirs from paying too much tax.

7. Revisit your mortgage

If it's been a while since you took out your existing mortgage, there could be a better, more cost-effective deal out there for you. We research the market regularly and can recommend the right product for your needs.

8. Have a Will in place

If you haven't made a Will, writing one should be at the top of your 2017 priority list. If you die intestate, the stark fact is that your estate might not go to those nearest and dearest to you. If you have a Will but your family circumstances have changed, then it makes sense to ensure those you wish to benefit are included.

9. Think about an LPA

With dementia and Alzheimer's now the major cause of death in the UK, more people are writing a Lasting Power of Attorney (LPA) whilst they have the mental capacity to do so. This means that if the time comes when they are unable to make decisions about their finances or medical care, someone they know and trust would be able to step in and deal with matters on their behalf. Without an LPA, family or friends can't automatically step in to help, they would have to apply to the court to be appointed as a Deputy; a time-consuming and expensive process.

10. Review your protection policies

Life insurance and other forms of protection should form a vital part of everyone's financial planning. So, if you've had an addition to the family, moved house, got a new job or are retired and want to provide for your spouse, partner or family, then ask us to recommend the right plans for you.

A successful financial strategy means not leaving your saving and investments to chance and hoping for the best. Why not contact your financial adviser to arrange a review? It's an important step in helping to grow and protect your wealth, and an opportunity to ensure that you're on course to meet your goals.



Time to top up your ISA?



If you're planning to save into your Individual Savings Account (ISA) this tax year, it's a good idea to put plans in place as early as possible. Contributing to your ISA earlier on in the tax year can have a positive effect on your investments. The longer your money is saved or invested, the more time it has to produce tax-free returns.

Savers can put a maximum of **£15,240** into ISAs in the current 2016/17 tax year

ISA

£

15,240

This allowance can be split between

Stocks & Shares ISAs

Cash ISAs

Innovative Finance ISAs

2016/17

From 6 April 2017 the ISA allowance is set to increase to

£20,000

JISA



There are two types of Junior ISA:

Cash

Stocks & Shares



Backed by HM Government

Help to Buy ISA

* Help to Buy ISAs are designed to help first-time buyers save up for their home

* **£2,400** allowance for the 2016/17 tax year

* The government will add **25%** to your savings, up to a maximum of **£3,000** on savings of £12,000

* So for every **£200** you save, the government will contribute **£50**

* You can start off your ISA with an initial deposit of up to **£1,200** which also qualifies for the 25% bonus

* You need to save at least **£1,600** in your Help to Buy ISA before you can claim the minimum government bonus of **£400**



- * Your child can have one or a combination of the two, up to the maximum allowance
- * Your child can take control of the account when they are aged 16
- * They can't withdraw the money until they turn 18

ISA Timeline

1999

- * ISAs introduced replacing TESSAs and PEPs
- * **£7,000** allowance

2011

- * JISAs introduced
- * **£3,600** allowance

2014

- * New ISAs introduced
- * Permitting the allowance to be split between cash and stocks and shares ISAs

2016

- * New flexibility rules introduced
- * ISA holders able to withdraw funds from their ISA and replace them within the same tax year without loss of allowance

2017

- * Lifetime ISAs (LISAs) introduced
- * Aiming to help savers get on the property ladder or contribute toward their retirement savings (restrictions apply)

* ISA allowance increases to **£20,000**

The ISA deadline is **5 April 2017**

You only get one ISA allowance each year, so don't risk missing out on the valuable allowance available