INSURANCE · FINANCIAL · PROPERTY

Introducing our new Newsletter

Welcome to the first edition of our new newsletter.

The world is moving quickly, and staying informed has never been more important. This newsletter will highlight key events and trends to help you stay informed and make confident decisions on the topics most relevant to you.

We are also pleased to welcome our new Financial Adviser, David Guntrip, who has joined Oakwood together with his team to further enhance the service we provide. We are currently contacting clients individually to arrange a personal introduction and a review of your investments. However, if you require financial advice sooner, please do not hesitate to get in touch.

Thank you for your continued support as this first issue marks a new way of staying connected. We hope you find it valuable.

Warm regards,

David, Matthew, Martin, and the team

Inside this issue

Points of Interest

State pension will go up by £575 a year

For under 65s, the cash ISA limit will drop to £12,000 a year

Mansion Tax has been introduced

You might be closer to Inheritance Tax than you think

Grow your money steadily without the stress of market ups and downs

The Autumn Budget 2025

Chancellor Rachel Reeves has set out the government's latest plans for taxes, spending, and support across the country. The Budget includes a mix of tax changes, new funding for public services, and measures aimed at helping families, businesses, and young people. While some policies are designed to raise money and stabilise the economy, others focus on easing living costs and investing in future growth. Below is a clear breakdown of the key points and what they could mean for individuals and households.

State Pension Increases
The basic state pension will go up by £440 a year, and the newer state pension will rise by £575 a year, helping retirees cope with rising prices.

Cash ISA Reform
From April 2027, the tax-free limit for cash ISAs will drop from £20,000 to £12,000 a year. People aged 65 and over will still be allowed the full £20,000 limit. The aim is to encourage more people to use stocks and shares ISAs instead.

Cut to Energy Bills
Energy bills will drop by an average of £150 a year from April. This is being paid for by scrapping the ECO scheme, which previously funded energy-saving improvements.

Tax Threshold Freeze
The tax bands won't change for the next three years. As wages rise, more people will be pushed into higher tax brackets, even if they don't feel better off. This is expected to raise about £8bn for the government.

Mileage Tax for Electric & Hybrid Cars
Electric car drivers will pay a new charge of 3p per mile, and hybrid drivers will pay 1.5p per mile. This is to make sure they contribute to road funding as fuel duty income falls. The new tax should raise about £1.4bn.

Increased Taxes on Gambling
Online gambling companies will pay more tax. The rate on online casino-style games is jumping from 21% to 40%, and online betting tax rises from 15% to 25%. The bingo tax will be removed in April. These changes are expected to raise over £1bn.

Employee Ownership Trust Capital Gains Change
When someone sells their business to an employee ownership trust, they currently get full tax relief. This will be cut to 50%, meaning sellers will now pay some tax. This is expected to raise £900m.

Other Tax Increases
People who earn money from dividends, savings, or rental property will see their tax rates rise by 2%. This is expected to bring in £2.1bn.

Two-Child Benefit Cap Scrapped
From April 2026, families will once again be able to claim benefits for all their children, not just the first two. The government says this may lift around 450,000 children out of poverty and will cost £2.3bn.

National Insurance on Pension Salary Sacrifice
From April 2029, if someone uses salary sacrifice to put more than £2,000 a year into their pension, the extra amount will be charged National Insurance. This change is expected to raise £4.7bn.

Fuel Duty Freeze
Fuel duty will stay frozen at 52.95p per litre until next September. While this helps keep petrol and diesel prices down, it will cost the government £2.4bn next year and £900m each year after.

Mansion Tax Introduced
Homes worth over £2m will now face an extra annual charge. Owners of £2m to £2.5m homes will pay £2,500 a year, and the largest homes could pay up to £7,500. This is expected to raise £400m.

Motability Scheme Changes
Luxury cars will no longer be available through the Motability scheme, which helps disabled people lease a car. The aim is to ensure the scheme focuses on practical, essential vehicles.

Student Loan Repayment Freeze
The income threshold for repaying student loans will stay the same for the next three years, meaning repayments will begin at the current income level.

Youth Guarantee & Apprenticeships
£820m will be spent to help all young people get into college, start an apprenticeship, or receive tailored job support. Apprentices under 25 at small businesses will get their training for free. Anyone aged 18–21 who stays on benefits for 18 months will be offered a paid work placement.

Taxi Tax on Uber & Bolt
Journeys taken using ride-hailing apps like Uber and Bolt will now face a new tax, bringing them more in line with traditional taxis.

Rail Fare Freeze
Train fares will not increase this year, the first time this has happened in 30 years. This includes season tickets and popular return tickets between major cities.

Business Rates Changes
Around 750,000 shops, restaurants, and leisure businesses will get lower business rates. To pay for this, larger commercial buildings worth over £500,000, such as big warehouses used by online retailers, will face higher taxes.

Stamp Duty Relief for London Stock Exchange Listings
Companies that list on the London Stock Exchange for the first time will not have to pay stamp duty for three years. The aim is to attract more businesses to the UK market.

OBR Forecasts
The economy is expected to grow by 1.5% this year. Inflation is expected to be 3.5% this year and fall to 2.5% next year. The government will also have a £22bn financial buffer by 2029–30 in case of future economic shocks.

NHS Investment
The government is putting £300m into new NHS technology and plans to open 250 neighbourhood health centres by 2030. Over 100 of these have already been chosen. The goal is to bring more services closer to local communities.

Defence Spending
Defence spending will rise to 2.6% of the UK's economic output, reflecting higher global tensions and security needs.

Devolved Governments & Regional Funding
Extra funding has been given to the nations: £317m for Northern Ireland, £505m for Wales, and £820m for Scotland. On top of that, £13bn in flexible funding will go to regional mayors to support skills, business growth, and infrastructure.

For any questions regarding how these Budget changes may affect you, or for further guidance on specific aspects, please contact us. We are available to provide clear and informed advice.

Protecting your wealth for your loved ones

Inheritance Tax (IHT) is the tax that may be charged on the value of your estate after you have gone. The good news is that, with some careful planning, it's often possible to reduce or even avoid paying more tax than necessary, leaving more for your loved ones.

You may not realise it, but once you include the value of your home and other assets, your estate could be worth more than you think. Even people who don't see themselves as "wealthy" can sometimes find that their estate falls within the range where Inheritance Tax applies. That's why it's so important to understand your position and take advice early.

There are ways to help reduce the value of your taxable estate during your lifetime. For example, you can give away gifts of money or assets, and some may fall outside your estate if you live for seven years after making them. Charitable gifts are also free from Inheritance Tax, meaning your generosity can benefit both your chosen causes and your family.

Other planning options might include using an Inheritance Tax planning scheme, setting up a trust, or arranging life insurance to help cover any future tax bill. The best approach will always depend on your personal circumstances, so seeking professional advice is strongly recommended. A well-structured plan can make a real difference, helping you pass on more of your wealth to the people who matter most.

You should also remember that Inheritance Tax rules can change over time, which makes regular reviews especially important. Allowances, thresholds and reliefs may be updated by the government, and what was once an efficient plan may need adjusting to remain effective. By keeping your arrangements up to date and revisiting them whenever your circumstances or the tax landscape shifts, you can ensure that your estate remains as tax-efficient as possible.

Taking time to review your estate and understand your potential tax position is a sensible step for anyone planning ahead. Speaking with your Financial Planning Consultant can help you see the full picture and explore the options available to you. Careful preparation today can make all the difference for those you leave behind.

A smoother way to grow your money

A smoothed fund is a good option if you want your money to grow steadily without the stress of market volatility. Instead of experiencing sharp rises and sudden drops like some investments, a smoothed fund spreads out those changes over time.

By moderating the impact of falling prices, this style of fund reduce the likelihood of making hasty, emotional decisions. This approach encourages investors to stay invested, allowing their money more time to grow and supporting long-term financial goals.

This type of fund works by moderating returns over time, so that strong market gains are partially tempered and weaker periods are supported. This creates a more even pattern of performance and helps reduce the impact of short-term volatility, although it does not remove investment risk.

Smoothed funds are also managed by professional investment managers who blend different types of assets, such as stocks, bonds, and property. This mix helps balance risk and reward, keeping investments moving forward even during uncertain market conditions. For investors who prefer a more predictable experience, such as those approaching retirement, this approach can make planning ahead more manageable.

Like any investment, smoothed funds are designed for medium to long term. They tend to perform best when held over time, allowing the smoothing process to take effect and helping investors focus on long-term objectives rather than short-term market fluctuations.

While smoothed funds offer many advantages, they may not suit every investor. Different providers use different smoothing methods, and it is important to understand how a particular fund operates and whether it aligns with your financial goals.

If you want to know more about smoothed investing, please contact us for financial planning advice. Whether you are saving for the future or seeking a steadier investment journey, we can help you make the most of your money.

Let's stay in touch

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If you would like to discuss anything in this newsletter, review your financial circumstances, or simply make sure your plans are on track, we are here to provide professional independent financial advice.

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