



OAKWOOD

INSURANCE • FINANCIAL • PROPERTY

Spring / Summer 2026



Keeping you in the Loop

Welcome to our Spring / Summer newsletter.

We want to thank you for the positive feedback we have received from our first issue. Your comments have given us great insight and are helping us make each newsletter more relevant and practical for you.

In this issue, we bring you the latest news and insights, including the Spring Statement, a market update, and exploring your retirement options.

If you haven't yet had the opportunity to speak with our Financial Adviser and his team, they're available to provide a personal update or review of your investments at a time that suits you.

Thank you again for your support. We hope you find this edition informative and engaging, and we welcome your thoughts as always.

Warm regards,

David, Matthew, Martin, and the team

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Points of Interest

- **The Chancellor has stated that people are forecast to be over £1,000 per year better off by the next general election.**
- **The maximum 100% Agricultural and Business Property Relief has increased to £2.5 million, with spouses or civil partners able to pass on up to £5 million of qualifying assets.**

The Spring Statement 2026



The 2026 Spring Statement has been delivered by Rachel Reeves, providing an updated overview of the UK's economic position and outlook for the year ahead.

The Chancellor chose to leave major tax and spending decisions for the Autumn Budget, aiming to provide stability and reduce speculation. As a result, this Spring Statement did not introduce significant new policy changes.

However, it confirmed the Government's overall economic direction and offered important context for businesses planning ahead.

Set out below are the key highlights from the Statement and what they mean in practice.

Economic Outlook

The Office for Budget Responsibility (OBR) forecasts that real GDP growth will slow to 1.1% in 2026. This reflects weaker-than-expected growth in late 2025, signs of a cooling labour market, and cautious business sentiment.

Growth is expected to strengthen in later years, reaching 1.6% in 2027 and 2028 and 1.5% in 2029 and 2030. This improvement is based on projected gains in productivity and the gradual closing of the output gap.

After adjusting for inflation, the Chancellor stated that people are forecast to be over £1,000 per year better off by the next general election.

Employment

The OBR reported that the labour market has softened, with redundancy rates rising. Unemployment is forecast to increase to 5.3% in 2026, up from 4.75% in 2025. In its longer-term outlook, the OBR projects unemployment will fall to 4.1% by 2030, while noting that forecasts over longer periods carry greater uncertainty.

The Chancellor also highlighted planned apprenticeship reforms aimed at supporting young people into employment, with further details expected soon.

Tax Changes

No additional tax increases were announced in the Spring Statement. However, some previously announced measures have been amended.

Agricultural and Business Property Relief

The originally proposed reduction of full relief to £1 million has been revised. The 100% relief rate will now apply to the first £2.5 million of qualifying assets.

Married couples and civil partners will be able to pass on up to £5 million in qualifying agricultural or business assets before inheritance tax becomes payable.

Dividend Tax Rates

From April 2026, dividend tax rates will increase by two percentage points. The basic rate will rise to 10.75% and the higher rate to 35.75%. The additional rate will remain unchanged.

Minimum Wage Increases

From April 2026, the National Living Wage for workers aged 21 and over will rise by 4.1% to £12.71 per hour, equivalent to approximately £900 more per year for a full-time worker.

The minimum wage for those aged 18 to 20 will increase to £10.85 per hour, representing around £1,500 more annually for full-time work.

For 16–17-year-olds and apprentices, the rate will increase to £8.00 per hour.

Capital Allowances

From April 2026, the main Writing Down Allowance (WDA) for plant and machinery will reduce from 18% to 14%, with a hybrid rate applying for accounting periods that span April 2026.

A new 40% First Year Allowance has been introduced for new, unused main-rate plant and machinery, including leased assets. Extensions to allowances for zero-emission assets will continue until 2027.

Capital Gains Tax

Previously announced changes to Business Asset Disposal Relief (BADR) remain in place. From 6 April 2026, the Capital Gains Tax rate for qualifying BADR disposals will increase from 14% to 18%, while the lifetime limit remains £1 million.

The structure of the relief is otherwise unchanged. However, HMRC's anti-forestalling rules will continue to apply to prevent transactions being brought forward purely to secure the lower tax rate.

Business Rates in England

The current retail, hospitality and leisure relief will be replaced with two lower business rates multipliers for properties with rateable values under £500,000. Pubs and music venues in England will receive a 15% discount on business rates from April 2026 and will not see increases in their bills for two years.

Corporate Tax Return Penalties

For Corporation Tax Returns filed late on or after 1 April 2026, the initial late filing penalty will double from £100 to £200. If the return is more than three months late, the penalty will increase to £400.

Overall, the Spring Statement focused on stability rather than new fiscal measures. While no major changes were introduced, the updated forecasts and confirmed tax measures provide useful clarity for businesses and individuals planning for 2026 and beyond.

If you would like financial advice on how these changes may affect you, please get in touch with us.



Market Update: Middle East Developments



Over the last week, US and Israeli forces carried out coordinated strikes on targets in Iran, resulting in retaliatory actions across the region. Iran's Supreme Leader, Ayatollah Ali Khamenei, was killed in the attack, keeping tensions high. As a result, the situation may continue to escalate in the coming days, and markets could react to developments in the short term.

Market reaction so far

The main impact has been in energy markets. Oil prices rose by more than 10% following the escalation. Attention has also focused on the Strait of Hormuz, a key shipping route for global oil and gas supplies. Although the strait remains open, some tanker operators have paused shipments as a precaution.

While these developments are concerning, it is important to keep them in perspective.

Historically, geopolitical events, even in the Middle East, tend to cause short-term market volatility unless they lead to a lasting disruption to energy supply. At present, oil continues to flow, and major producers hold strategic reserves and have alternative export routes. Markets appear to be pricing in additional risk rather than a severe supply shock.

A sustained closure of the Strait of Hormuz or a sharp and prolonged rise in oil prices would be more serious. Currently, we are not in that scenario.

The Bank of England and other central banks closely monitor the impact of higher energy prices on inflation. As a broad guide, a significant rise in oil prices can add modest upward pressure to inflation. On its own, this has not historically led to higher interest rates, though a prolonged increase in energy costs would make monetary policy more sensitive to developments in commodity markets.

Diversified portfolios have generally proved resilient during periods of geopolitical tension. High-quality bonds, defensive equities and commodities can help reduce the impact of short-term shocks.

The bottom line

While events are serious and understandably unsettling, markets have experienced similar episodes before. The global economy entered this period in relatively stable shape, and inflation is gradually easing in most major economies. Central banks, including the Bank of England, are likely to remain focused on underlying economic data rather than short-term geopolitical headlines.

As always, it remains important to stay well diversified across asset classes, including areas that can help protect portfolios from energy-driven pressures. We continue to monitor developments closely and will provide updates where necessary.

If you require any financial advice or would like to discuss your investments in further detail, please do not hesitate to contact us.

How many pensions have you built up during your working life?



Over the course of a career, many people accumulate multiple pensions through different jobs and employers. Managing these separate plans can quickly become complicated, making it hard to keep track of contributions, understand your total retirement savings, or see how each pension fits into your overall financial picture.

Taking Stock of Your Pensions

As retirement approaches, you may choose to review your pensions to gain a clearer picture of what you have built up and the choices available. A general review can help you understand:

- What pensions do you have, and are the funds suitable
- How they might work together at retirement
- The options available when you come to take benefits

Once you understand your pensions, you can start thinking about the different ways you might take your benefits and plan for retirement.

Your Retirement Options

When the time comes, pensions can usually be accessed in different ways. Common options people may consider include:

- Annuity – converting pension savings into a regular, guaranteed income for life
- Flexi-access drawdown – keeping pension funds invested and taking income as needed
- Lump sums – taking some or all of a pension as cash, subject to tax rules

You may consider bringing your pension pots together to help achieve your retirement goals. Consolidation can make them easier to manage and assist in planning how to use your pensions, though it isn't right for everyone and some benefits could be lost. Having a full picture of your pensions helps you make sense of your retirement options.

We can help you understand your pensions and retirement options and you give you independent financial advice. We aim to provide clear information and guidance, helping you feel more confident about the choices ahead. If you feel a conversation would be helpful, please get in touch.

A Pension is a long term investment the fund value may fluctuate and can go down. Your eventual income may depend on the size of the fund at retirement, future interest rates and tax legislation.



**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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