

# Let's Talk



## Coping with Life Events

All of our lives have ups, downs, twists and turns, some are planned while others could be entirely unexpected. Most major life events will have an impact on your finances. In this guide we will look at some of those major life events, and the financial considerations you may need to consider.





Getting married is one of the most exciting and expensive times in our lives. As well as saving for the wedding you may also want to consider putting some financial safeguards in place.

This may include a pre-nuptial agreement before the big day, especially if you already own your own home. This agreement states what assets you have when you enter the marriage and helps determine the financial outcome in the event of a separation.

When you marry, any existing Wills you've made will become invalid. So, you'll also need to arrange to make new ones to ensure both your requirements are met. These could include what will happen to your pensions, investments, and other assets. Otherwise, your estate will be subject to the law of intestacy. For more details read [here](#).

## Starting a family

There are lots of things to consider when thinking about starting a family and one of them needs to include your finances. Children are expensive and most families will need to save and budget more than they used to before they had children. Here are some things to think about in the early years:



- **Try to establish how much extra cash you'll need** - this is especially important when you are taking parental leave, as your household income is likely to be lower. Check your employers maternity and paternity pay policies and then work out how much your net (after tax) household income will be. This information will give you an idea of how much money you may need to save before the baby is born. For more details on statutory maternity and paternity pay click [here](#).
- **Don't buy something until you know you need it** - you may think you need everything you can buy for your new-born before they are even born, but in reality, that isn't the case. Just buy the essentials to begin with.
- **Buy second hand or borrow from a friend or family member** - the quality of second-hand baby clothes and other items is usually good, because they've probably had little use.

- **Do your research when it comes to childcare** - if you need childcare, find out as soon as you can how much local providers charge. The cost can have a bearing on whether you choose to return to work part-time or full-time.
- **Get help from family** - Grandparents or other family members, may offer with help towards childcare for you.
- **Make use of financial support** - there is help available towards childcare costs, through the Government. For more details click [here](#). Ensure you are claiming for any benefit you are entitled to. For details on how to claim child benefits click [here](#). For more details on other benefits available, read our guide [here](#).

Its important to consider what would happen to your child(ren) in the event of you or your partner were to pass away. You may want to consider life assurance and putting details in your Will of who should become the child(ren)s guardian.

**As your children get older and start school, your childcare costs will reduce, but you will still need to think about, before and after school clubs, the cost of uniform and school holiday clubs as well as thinking long term to help towards paying for university costs.**



**During any stage of your life, you can have a relationship that ends. A divorce or separation is a difficult time emotionally and financially and can also be quite complicated.**

There are only certain conditions which mean you are eligible for a divorce, these can be found [here](#) if you live in England and Wales. For Scotland click [here](#) and Northern Ireland [here](#) for more details.

When you begin the process of divorce or dissolving your civil partnership, whether you need professional help or not will depend on several things, including if it's possible for you to discuss financial issues with your ex-partner.

The simplest thing to do is make an agreement with your ex-partner about how you're going to divide your finances up. You'll need to consider things like:

- **Your money (including any savings, debts, pensions, and investments)**
- **Your property**
- **Your assets (including any cars, furniture, and possessions)**
- **Your business (if you're self-employed)**

If you and your ex-partner can't agree how to split the finances or on the childcare arrangements, you may need to use a solicitor. If you've been living together as a couple and then separate, you have fewer rights than couples who divorce or dissolve their civil partnership.

Your break-up will be more straightforward if you can agree about the things you are dividing, such as your property, possessions, and assets. Many couples who live together separate without using a solicitor. Unlike divorce or dissolving a civil partnership, there's no formal legal process to go through. But you might still want to take legal advice or mediation. Legal advice can help ensure you get up-to-date and fair valuations on any property and assets.

**For more details on how to divide your belongings when going through a divorce or separation click [here](#).**





Most of us work and save our entire careers in hopes of achieving a relaxing, comfortable life during retirement.

Your children are now probably independent, you are hopefully debt free with no mortgage. You may have elderly parents who need care.

Before you retire fully, you need to decide what retirement looks like for you and plan ahead, so you can afford what you want it to be. This is the last third of your life, so you want it to be as good as it can be.

Retirement is an exciting time for most people - it's an opportunity to finally do all the things you wanted to do but couldn't do before. But for many it's also a challenging time, as you (and those around you) adjust to your new lifestyle.

Your retirement brings with it a wealth of opportunities and choices. You may decide to go on and pursue a second career or start a new business. Whilst others will choose to enjoy their newfound leisure time catching up on the fun things in life.

The actual process of transitioning into retirement can bring about stress and worry. Planning and preparation can help ease this stress or worry when adjusting to retirement. It will help ease you into this new stage of life and help you get ready for the upcoming changes. Having goals for retirement and tracking your progress toward those goals are important throughout your life but become increasingly more crucial as retirement nears.

At this stage in your life, you may want to start to think about inheritance tax planning.



## Inheritance

If you receive money from a family member or friend in their Will, you may not know what to do with this money. If you're in debt, you may choose to pay these debts off, this may also involve paying off your mortgage. Otherwise, you might consider investing towards your retirement.

Whatever you do with the money will depend on your personal circumstances, but you don't need to rush into a decision. If you've lost a loved one, grief could cloud your judgement. You may want to place the money in a savings account and decide at a later date. Savings of up to £85,000 are protected in most UK bank and building society accounts by the Financial Services Compensation Scheme (FSCS).



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