

Better with **MONEY**

BetterWithMoney.com



Financial Education

15 June 2022

**PENSIONS AND
LIFETIME SAVINGS
ASSOCIATION**

SOUTH EAST

About Better with Money

Better with Money was set up to reduce financial misery and confusion in the UK. We aim to bring money matters to life in an accessible and interesting way, helping you to think clearly about money and inspire action around your finances.

Sarah Steel, Director

An experienced financial professional, qualified coach and Fellow of the Pension Management Institute, Sarah has been helping people to understand financial products and be confident about their finances for over twenty years.



The link between money and health

- Money is the biggest cause of stress
- 63% of adults feel anxious or stressed about money
- 20% of adults struggle to pay essential bills
- 22% of adults have less than £100 in savings
- Money worries can lead to time off work, physical illness and anxiety or depression
- On average people struggle with their finances for 2 years before asking for help



Source: Money and Pensions Service
evidence and insights summary
briefing – June 2020



Financial education improves employee financial wellbeing, productivity and retention

Why is financial education so important?

17.9m

sick days were taken in the UK in 2019/20 due to stress, anxiety or depression.
(www.hse.gov.uk)

61%

adults in the UK worry about money. Finances are the biggest cause of stress
(www.hse.gov.uk)

2/3rds

employees would like to receive basic financial education in the workplace (Aon survey 2020 before Covid-19)

36%

organisations that have a financial wellbeing strategy in place compared with 15% in 2016 (Mercer survey 2022 – Financial Wellbeing)

Financial education improves employee financial wellbeing, productivity and retention



Financial Wellbeing Vs Financial Education



Financial Wellbeing is having enough money to allow you the freedom to do the things you want to do!



Financial Education is providing the tools and knowledge to enable someone to feel in control of their money to help them achieve financial wellbeing

2/3^{rds} of employees would like to receive financial education in the workplace

Aon survey 2020

Cost of living increases

From April 2022:

- National Insurance
- Council Tax
- Energy Price hikes
- Broadband and phone contracts
- Mortgage increases as interest rates rise
- Stamps!

2021-22 rates		2022-23 rates 6 April – 5 July		2022-23 rates 6 July onwards	
Earnings	Class 1 rate	Earnings	Class 1 rate	Earnings	Class 1 rate
Less than £9,568	0%	Less than £9,880	0%	Less than £12,570	0%
£9,568-£50,270	12%	£9,880-£50,270	13.25%	£12,570-£50,270	13.25%
More than £50,270	2%	More than £50,270	3.25%	More than £50,270	3.25%

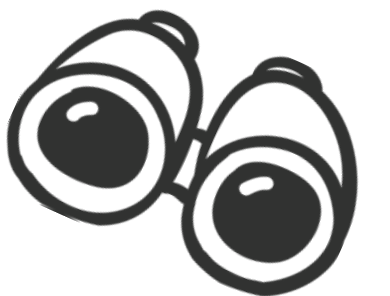
Source: www.which.co.uk
23 March 2022

HOW CAN WE HELP?

Webinars/Workshops

Courses include:

Managing the cost of living increases:	Basic money matters, budgeting and saving
Understanding Employees benefits:	An introduction to pay slips, tax and employee benefits
Redundancy Support:	Preparing financially for redundancy
Protecting Yourself Financially:	Understanding Life assurance and protection benefits
Help To Homebuying:	Routes to home owning and improving your credit rating
How To Improve your Credit Score:	The impact of your score on personal finances and tips to improve
Tackling Debt:	Ideas to consolidate and reduce debt
Investment Basics:	A guide to stocks, share, assets and managing risk
How To Teach Kids About Money:	Three essential money habits and using pocket money wisely
Starting Out Right:	An introduction to money basics for students and graduates
Retirement In Sight:	Planning over 50s finances and lifestyle



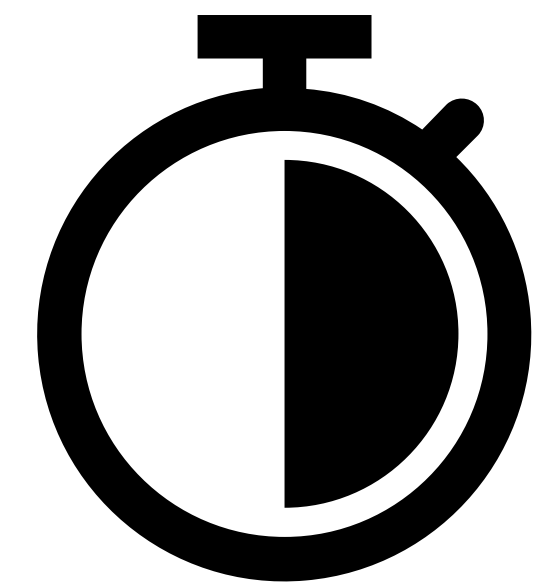
For a full list of courses visit www.betterwithmoney.com/webinars/



1-2-1 Financial Friend Sessions

30-minute one-to-one guidance sessions for employees

- ✓ Online booking link using Microsoft Bookings
- ✓ Automated TEAMS meeting link
- ✓ Common topics include how to reduce monthly costs, saving for a home, first-time investing and pension queries
- ✓ Follow up survey and feedback reported to client



“Things I was worrying about for ages were simplified in 30 mins. Really sage and sensible impartial advice” – July 2021



Preparing for Retirement



You: thoughts and emotions around retirement, dealing with relationships and change, action plan for retirement



Money: how to prepare financially, understanding the investment basics, state & private pensions, savings, protection and wills, how to work with a financial adviser



Wellbeing: mind, body, nutrition and time



Topic 1 – Preparing for Retirement

- What does retirement mean to me?
- How do I make the transition?
- Viewing change
- Hopes and challenges of retirement
- Considering the future
- Making an action plan

**You don't get older,
you get better**
Shirley Bassey



Topic 2 – Money

- Creating your financial action plan
- How to work with a financial adviser
- Getting your payslip ready for retirement
- Understanding the investment basics
- State provision and filling the gap
- The importance of Wills & Powers of Attorney
- Talking to your partner about money
- Making an action plan

A budget is telling your money where to go rather than wondering where it went!



Retirement Income – how much will I need?

	MINIMUM	MODERATE	COMFORTABLE
SINGLE	£10,900 a year	£20,800 a year	£33,600 a year
WHAT STANDARD OF LIVING COULD YOU HAVE?	Covers all your needs, with some left over for fun	More financial security and flexibility	More financial freedom and some luxuries
 HOUSE	DIY maintenance and decorating one room a year.	Some help with maintenance and decorating each year.	Replace kitchen and bathroom every 10/15 years.
 FOOD & DRINK	A £41 weekly food shop.	A £47 weekly food shop.	A £59 weekly food shop.
 TRANSPORT	No car.	3-year old car replaced every 10 years.	2-year old car replaced every five years.
 HOLIDAYS & LEISURE	A week and a long weekend in the UK every year.	2 weeks in Europe and a long weekend in the UK every year.	3 weeks in Europe every year.
 CLOTHING & PERSONAL	£410 for clothing and footwear each year.	£730 for clothing and footwear each year.	£1,200 for clothing and footwear each year.
 HELPING OTHERS	£10 for each birthday present.	£30 for each birthday present.	£50 for each birthday present.

Updated October 2021

Based on taxed income for a person living outside of London

Couples:
Minimum - £16,700
Moderate - £30,600
Comfortable - £49,700



Check your state pension forecast at www.gov.uk/check-state-pension

www.retirementlivingstandards.org.uk

Topic 3 – Wellbeing

- Overall wellbeing – happiness and resilience
- Planning a healthy you
- 50 extra hours to fill
- What is work?
- Your retirement wish-list
- Agreeing 3 course commitments and your retirement goals

**The bad news is time flies,
the good news is you're
the pilot**

Michael Altshuler, performance coach



Financial Education Quiz

