sparks

\#pension powwow

Start the conversation

Saving for the future

Did you know?

33% of us don't have more than £600 in savings

9% of us don't have anything?*

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Healthy finances are very important. It can be stressful not having enough to pay for everything, or feeling like you can't control your money. If you can afford to save for a rainy day, it can make you feel more in control and better able to cope with the unexpected.

There are loads of different types of savings which all do slightly different things, so it can seem like a minefield deciding what you should do. Here's a simple guide to the different types of savings options out there.

Long term savings - pensions.

You'll probably already have a pension, since your employer is likely to have automatically enrolled you into their scheme. A pension helps you save money for later in life, and you get the support of payments from your employer and tax-relief from the government too. It's well worth joining the scheme to get this extra money if you can afford to.

Medium/short term savings - savings accounts.

The returns you'll get from your savings accounts vary, depending on where you save and the type of account. Right now you're not likely to get much due to low interest rates. These types of account are pretty easy to open up in a high street or online bank. For some of the higher returns you may find that you can't get to your money for a set period of time, so check when you can take your money out when you set up your account.

Long/medium/short term savings - ISAs:

There are loads of different ISAs out there, for example: cash, stocks and shares, flexi-access and lifetime. They give you tax-free savings and you can open them at any high street or online bank. You can choose to have ones where your money is saved for a long period of time or where you can get the money whenever you need it. You'll find that most of the ones that give you the higher returns lock your money in for a longer period of time. You can only have one active ISA each tax year and there's a limit to how much you can save in a tax year. Only you can pay into an ISA and how your savings grow depends on the interest rate offered (if you choose a Cash ISA) or the performance of the stocks and shares in which you invest.

You can find more information on all your savings options, at **moneyadviceservice.org.uk/en/articles/cash-savings-at-a-glance**
And of course don't forget to get some financial advice if you need it.

***https://www.finder.com/uk/saving-statistics**

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