



## Do you keep meaning to sort out your will? We can help you.

### Life is busy, we get it. But is anything more important than being in control of your future?

Recent research suggests that only 44% of UK adults have made a will, which means that you're far from alone if you haven't yet got around to completing what, for some, appears to be a daunting task.

It's always worth bearing in mind that if you die without a will, the law decides who inherits everything you own (your assets) according to certain criteria called 'intestacy rules'. So your assets may not be divided up as you would like, meaning your loved ones' future isn't in your hands, but in the hands of HM Treasury.



### What is a will?

A will allows you to direct how your assets are distributed after you die. These might consist of properties, bank balances or prized possessions. If you have a business or investments, then your will describes in black and white who will receive these assets and when. It also enables you to leave gifts to a charity or charities of your choice, should you wish to.

In short, a will is the only way to ensure your money, property, possessions, and investments go to the people or the causes you care about most.



### Don't put it off

A 2023 report from the National Will Register found that 42% of adults in the UK hadn't spoken to anyone about what should happen to their assets after their death. Even among the age group most likely to have written a will, three in ten over 55's hadn't discussed their wishes with anyone.

It's easy to understand why people put off such major decisions but this isn't a subject which should be parked – it's one that needs to be proactively tackled before it's too late.

Which is where we come in. Getting it right is too important to leave to chance, so **get in touch** and we can ensure you're directed to the right place to ensure the will you write is uniquely designed to express your wishes and safeguard your loved ones' futures.

Will writing is not regulated by the Financial Conduct Authority.

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# The essentials you need to know about credit checks before borrowing money

**The information a lender finds during a credit check is important – it could affect whether you're able to borrow money, including through a mortgage, and the interest rate you're offered. Yet, they can also seem perplexing.**

Indeed, a Royal London survey found that a third of Brits had never looked at their credit report.

The good news is that we can help you cut through the jargon, so you feel more confident next time you apply for a loan.

## Lenders usually carry out a credit check to assess how much risk you pose

Lenders carry out a credit check by looking at your credit report to understand how financially stable and reliable you are. Your credit report includes:

- Personal details, such as your name and address
- Borrowing and payment history
- Current borrowing and credit limits
- Details of people you're financially linked to, like your partner.

If their check indicates that you are more likely to default on repayments, a lender may offer you a higher interest rate, which would affect your repayments and the total cost of borrowing, or even reject your application.

## Hard v soft credit check

Two different types of credit searches can be carried out – a hard or soft credit check.

A soft credit check happens when you review your credit report or a lender checks to see if you're eligible for certain offers. A soft credit check doesn't show up on your report.

A hard credit check is usually carried out when you've made a finance application, such as a credit card or mortgage, and the lender wants to take an in-depth look at your report.

Hard credit checks may be noted on your credit report for up to two years and will be visible to other lenders.

Several hard credit checks in a short space of time may affect your ability to borrow as it could indicate you're struggling to manage your finances. As a result, taking the time to understand which lenders are suitable for your needs could be useful as it may reduce the number of hard credit checks that are carried out.

A hard credit check can only be performed with your permission.

## 6 useful steps you could take to improve the outcome of a credit check

By reviewing your credit report and score before applying for credit, you may have a chance to improve how lenders view you. Here are six steps you may be able to take.

1. Search your credit report for any mistakes and contact the provider to fix them
2. Register on the electoral register to demonstrate stability
3. Reduce your outstanding credit
4. Pay more than the minimum payment on a loan or credit card
5. Avoid late payments by automating bills
6. Be careful about applying for new forms of credit.





# Self-employed - tips before applying for a mortgage

**Self-employed workers have always faced additional challenges when trying to get on the property ladder. But stringent affordability tests mean it's becoming even more difficult to secure a mortgage**

Government statistics show in 2021 around 13% of the UK's labour force was self-employed. So, the barriers for self-employed workers are something thousands of aspiring homeowners need to overcome every year.

According to the Telegraph, it's "never been harder" to get a mortgage if you're self-employed.

If you don't have a predictable income, lenders are likely to ask you more questions. However, lenders are reportedly asking self-employed workers questions that weren't common in the past, such as which energy supplier they are with or if they can supply a reference from their accountant about the strength of their business.

As lenders are being more cautious, it's estimated they rated only 65% of self-employed mortgage applications as "affordable" at the end of 2022.

## So, if you're self-employed and seeking a mortgage, what can you do?

### 01 Check your credit report

Anyone seeking a mortgage should check their credit report. It's one of the tools lenders will use to assess how much of a risk you pose. Going through your report before you apply gives you a chance to uncover potential red flags first.

Things like payday loans or large credit card debt could lead to your application being rejected, even if you're confident you could meet the repayments.

There may be things you can do to improve your credit report, such as registering on the electoral roll or paying off an overdraft.

### 02 Prepare evidence of your income

You will need to prove your income when applying for a mortgage. This is usually done by providing your self-assessment tax returns.

You will typically need a minimum of 12 months of accounts to be eligible for a mortgage. However, some lenders may require evidence of your income for two years or more.

Getting your paperwork in order before you apply for a mortgage could help you identify potential gaps and ensure you have everything to hand.

### 03 Be mindful of how steps to reduce tax liability could affect your mortgage application

When taking an income from your work, you may take steps to minimise your tax liability. While this can help your money to go further, you should be mindful that it could affect your mortgage application.

For example, not every lender will consider "retained profits" as part of your income as a self-employed borrower.

Your income is used to calculate how much you can borrow – a typical amount is 4.5 times your annual income – but this varies between lenders and will depend on your circumstances. So, managing your tax bill could have a knock-on effect on the amount you could borrow or even mean a lender rejects your application.

### 04 Keep track of your contracts

If you have a pipeline of work or long term projects, having your contracts to show lenders could be useful. It can demonstrate that you'll have an income in the future and boost their confidence that you'll meet repayments.

Borrowers that pose a lower risk could benefit from a more competitive interest rate and lower repayments as a result.

### 05 Save a larger deposit

You could access a mortgage with a 5% deposit. However, if you want to improve your chances of success, a larger deposit could tip the scales in your favour – the larger the deposit, the less risk you pose to a lender.

Taking some time to save more for your deposit might be frustrating, but it could make all the difference.

### 06 Look beyond high street banks

There are lots of mortgage lenders to choose from. While your first thought may be to approach a familiar high street bank, alternatives may be more likely to approve your application, allow you to borrow more, or offer a lower interest rate. So, searching the market could help you reach your home ownership goals.

Searching the market and understanding which lenders could be right for you can be difficult. Working with a mortgage broker could be valuable here and improve your chances of success.

**YOUR HOME MAY BE REPOSSESSED IF YOU DO NOT KEEP UP REPAYMENTS ON YOUR MORTGAGE.**

## Our specialist mortgage team can make your mortgage application process smoother

As mortgage brokers, they can lend support throughout the mortgage application process. From identifying the lenders that are most likely to approve your application to going through your paperwork, you'll be supported every step of the way. Contact us to find out more.

# Weathering the Storm: Understanding Home Insurance Coverage for Adverse Weather

Extreme weather events and powerful storms are becoming more frequent and intense in the UK. Homeowners may be increasingly concerned about the potential damage their properties may face.

Fortunately, many home insurance policies include coverage for adverse weather as a standard feature. However, it's crucial for homeowners to review their policies regularly to ensure they have the right cover for their needs.

## Understanding Standard Cover

While home insurance policies generally cover a broad range of weather-related perils, it's essential for homeowners to review the specifics of their coverage. Standard features often include protection for structural damage, damage to personal belongings, and additional living expenses if the home becomes uninhabitable due to adverse weather.

## Additional Considerations

Despite the inclusion of weather-related coverage in many home insurance policies, it's crucial to consider the limitations and exclusions that may apply. For instance, escape of water cover may only cover the damage caused by a pipe that has burst due to freezing and may not cover the repair of the pipe itself. It's important to be aware of any limitations and take steps to fill potential gaps in coverage.

If you are a renter, you will need contents insurance to cover damage to your belongings like clothes and electronics if there is a flood from heavy rain fall for example.

### Steps for Homeowners:



**Regular Policy Review:** Schedule regular reviews of your home insurance policy to ensure it adequately covers the risks associated with adverse weather events.



**Understanding Exclusions:** Pay close attention to policy exclusions and limitations related to weather-related damage. Consider purchasing additional coverage if needed.



**Mitigation Measures:** Implement preventive measures to minimize the risk of weather-related damage to your property. This may include reinforcing roofs, installing storm shutters, and ensuring proper drainage around your home.



**Communication with Insurer:** Stay in communication with your insurance provider. If you live in an area prone to specific weather risks, discuss your concerns with your insurer to ensure that you have sufficient coverage.

As extreme weather events become more commonplace, having adequate insurance coverage is crucial. While many home insurance policies now include standard coverage for adverse weather, it's essential to stay vigilant, regularly review policy terms, and take proactive measures to protect your property. By staying informed and prepared, you can weather the storm with confidence and peace of mind.



# Should I consider private medical insurance?

**Life can be full of surprises. You can't be prepared for everything. You may have some insurance to support you financially if the unexpected happens, but have you considered how private medical insurance might offer you and your family the peace of mind you need if your health takes a turn for the worst?**



## A growing trend

According to an article published in the Telegraph last year, close to half a million people took out private medical insurance during the previous year, as NHS waiting lists hit record levels last Autumn. According to government statistics almost 7.8 million people were waiting to start routine hospital treatment in September 2023.

Against this backdrop, it's hardly a surprise that more people than ever are considering the benefits of private medical insurance including faster access to medical treatment for themselves and their families.

It's not just speed of access, it's also about the quality of care you receive, the flexibility of choosing where and when you would like to receive treatment, and the range of treatments, medicines, facilities and consultants available to you. Cost-restrictions in an already stretched NHS mean that not all breakthrough treatments are accessible. With private medical insurance you can sleep easy, safe in the knowledge that the very best care is available.



## It's more affordable than you think

Avoiding lengthy waits for treatment and quality of care are just two of the biggest attractions of taking a route which has traditionally been seen as too expensive for most. But through our specially selected health insurance partner we can help you find the right policy for your budget. If you already have private medical insurance, we may be able to find you cheaper premiums for your circumstances, and all with a no obligation quote.

The pandemic provided a reminder to us all of just how precious good health is – and acted as a reset for many. Health became a priority, and continues to be so. Spending money on private medical insurance may not have previously been a priority but protecting you and your family over the long-term means a growing number of people are taking the time to consider a more proactive approach to getting the treatment they may need.



## We love our NHS but we know the pressure it's under

We have nothing but respect for the hard-working and talented individuals who make the NHS what it is. But we also know that the service that has given so much to so many is under unprecedented pressure. We also know that there is often a faster and better alternative.

We can make sure you get all the information you need to decide whether private health insurance is the right option for you.

## With you through life®

If you are interested in finding out more about the products and services offered by Owl Financial, please contact your Owl Financial Protection Adviser or email: [enquiries@owlfinancial.co.uk](mailto:enquiries@owlfinancial.co.uk)

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