



We're being told from every angle that this year things will get better.

From a societal perspective, it's certainly looking hopeful, with a government roadmap set to have things 'back to normal' by summer. However, from a financial perspective there are still several questions left unanswered.

Just how big is the fiscal deficit? What is the government going to do about it? But most importantly: **what does that mean for you and me?**

All these questions lay in front of the Chancellor ahead of the Budget announcement. But what can you do to take control? Get your financial and personal goals in order and plan for the future, keeping in mind that anything can happen.

#### FOCUS ON PROGRESS, NOT PERFECTION

Changing habits may not come as easily as you think, especially if your particular financial goal has a built-in deadline, like saving for your child's education or a big life event. But any step in the right direction counts so why not make incremental changes toward your goal by setting smaller targets?

Whether these changes are bigger cutbacks to ensure future financial stability or marginal like cutting down on takeaways, every little helps towards your goals; big or small!

#### GO LONG

Our brains love shortcuts. Making leaps of logic that lead us to think we know more than we do or allow us to believe, when investing, we can time the markets but that just isn't the case. In hindsight, it's often clear that impulsive reactions to the markets can cause trouble. Part of the answer is to reframe our perspective, to pay less attention to the headlines and more attention to our goals. Having a clear idea of why you're in the market and what you want your investments to do for you makes it much easier to be disciplined.

#### REVISIT OR IMPLEMENT GOALS

It's important therefore to revisit and reaffirm your personal goals or in fact, to establish them.

Perhaps you've created SMART goals for your career development. The same concept can apply to financial planning. Financial objectives generally come with a price tag, which may need to be accounted for once (e.g. a big family holiday) or as an ongoing expense, but can usually be estimated fairly accurately if we account for inflation and build in a margin of error.

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Most goals have a time horizon, such as our years to retirement or the ages of our grandchildren. These circumstances can all be taken into account by adding specificity to your goals, making them more concrete and keeping you motivated should you come across any obstacles.

If your goal, for example, is to live debt free, including paying off your cars in five years or less, here's how you can get SMART with it.

**Specific:** We will pay off outstanding debt on the family cars.

**Measurable:** My husband and I will pay an extra £200 a month for each car.

**Attainable:** Yes. Not too outlandish, right?

**Realistic:** Can your income support an additional £400 in monthly payments? Do both you and your spouse agree on this plan? Then the answer here is yes.

**Time-limited:** Our family will pay off our cars by X date.

Bottom line: While SMART goals are achievable, they could also be inspirational. Paying off your cars may not seem exciting, but

living debt free or saving toward a holiday may motivate you to persevere.

#### STAY FOCUSED

You're investing in order to achieve certain objectives – the decisions you make should rest on that foundation. If you have retirement, education, legacy and other personal goals in mind, focus on those. While it may be difficult in an ultra-connected age to ignore the noise, your decisions should be based on your long-term goals, not what's happening in the markets or government policy this week or what your emotions are telling you. Keep a level head and discuss any decision with your wealth manager.

#### GROW YOUR MIND

We've had a lot of spare time over the past year that would otherwise have been filled with social activities and while there is hope on the horizon, restrictions are set to remain in place for a little while longer. Use this time to expand your horizons and learn something new; if we've learnt anything from the last year it's that life is too short. Whether just to learn a new skill or to follow that dream you've been holding back on – now is the time to take control of what you want from your future.

Research courses online, explore places like the [Open University website](#) or simply delve into the world of [Ted Talks](#).

#### RETIRE ON YOUR TERMS

According to Office for National Statistics the number of people who classified themselves as retired spiked during 2020 at the peak of the coronavirus pandemic. Whatever the reason for the timing of your retirement, don't get caught short – make a plan to ensure you're ready and have optimised your savings. Look at your expenses, eliminate credit card debt, prioritise saving and if relevant discuss everything with your wealth manager; from everyday cut-backs to asset allocations.

#### LIFE WELL PLANNED.

Whatever this year brings, ensure you've put your plan in place and then you can rest easy knowing it's all in hand. With spring nearly upon us, it's a time of renewal and a reminder of the beauty in life. Set your goals, make your plan then try to stick to it despite external disruptions.

#### NEXT STEPS:

- Sit down and review your goals, what do you want to achieve this year or in the future? How are you going to get there?
- Discuss everything with your wealth manager and run through what-if scenarios, ensuring that you have allowed for the unexpected.
- Implement and stick to your goals – your plans may change but ensure your targets stay firm throughout.

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Sources: Office for National Statistics (ONS)