For professional advisers and paraplanners only.
Not to be relied upon by retail investors.

octopus investments
A brighter way

Octopus Live in the Capital 2025

The Great Advice Shift: Evolving tax planning across generations

Adviser event companion

Join the conversation that's shaping financial advice in 2025 and beyond

#OctopusLive25

The inheritance tax trap is growing.

Approximately **38,500** estates will pay more inheritance tax than would have previously been the case.[1]

Get ready for The Great Advice Shift

- **Step 1:** Scan the QR code to download our event app
- **Step 2:** Tailor your agenda by registering for the sessions of your choice
- **Step 3:** Get involved! Ask questions, answer poll questions, give us feedback, book a meeting with one of our Business Development Managers

Download on the App Store

GET IT ON Google Play

1. Source: www.gov.uk/government/publications/reforming-inheritance-tax-unused-pension-funds-and-death-benefits/inheritance-tax-on-unused-pension-funds-and-death-benefits

Find it fast

Welcome

I'm delighted to welcome you to the second edition of Octopus Live in the Capital.

Since we last met at this conference, much has changed, and managing client portfolios has become increasingly complex.

From the Autumn 2024 Budget and ongoing pension reform to another year of record-breaking IHT receipts, the headlines alone have kept us on our toes — as have our clients' evolving needs for greater tax efficiency.

At the same time, the financial advice profession is undergoing significant structural shifts. Advisers are increasingly facing industry consolidation and an ageing workforce, through to digital transformation and the challenge of retaining clients during key demographic shifts.

It's a lot to keep up with, and it's no exaggeration to say that few periods in recent memory have seen changes unfold at this scale and pace. That's why we are calling it 'The Great Advice Shift'.

Here at Octopus Investments, we've seen a lot in our 25 years — and throughout, we've never just followed the market, we've helped shape it. And today is all about exploring the opportunities that change creates.

We will be bringing together the brightest minds in the industry, alongside our own Octopus experts, to unpack how shifts in the tax landscape can open new doors for you and your clients.

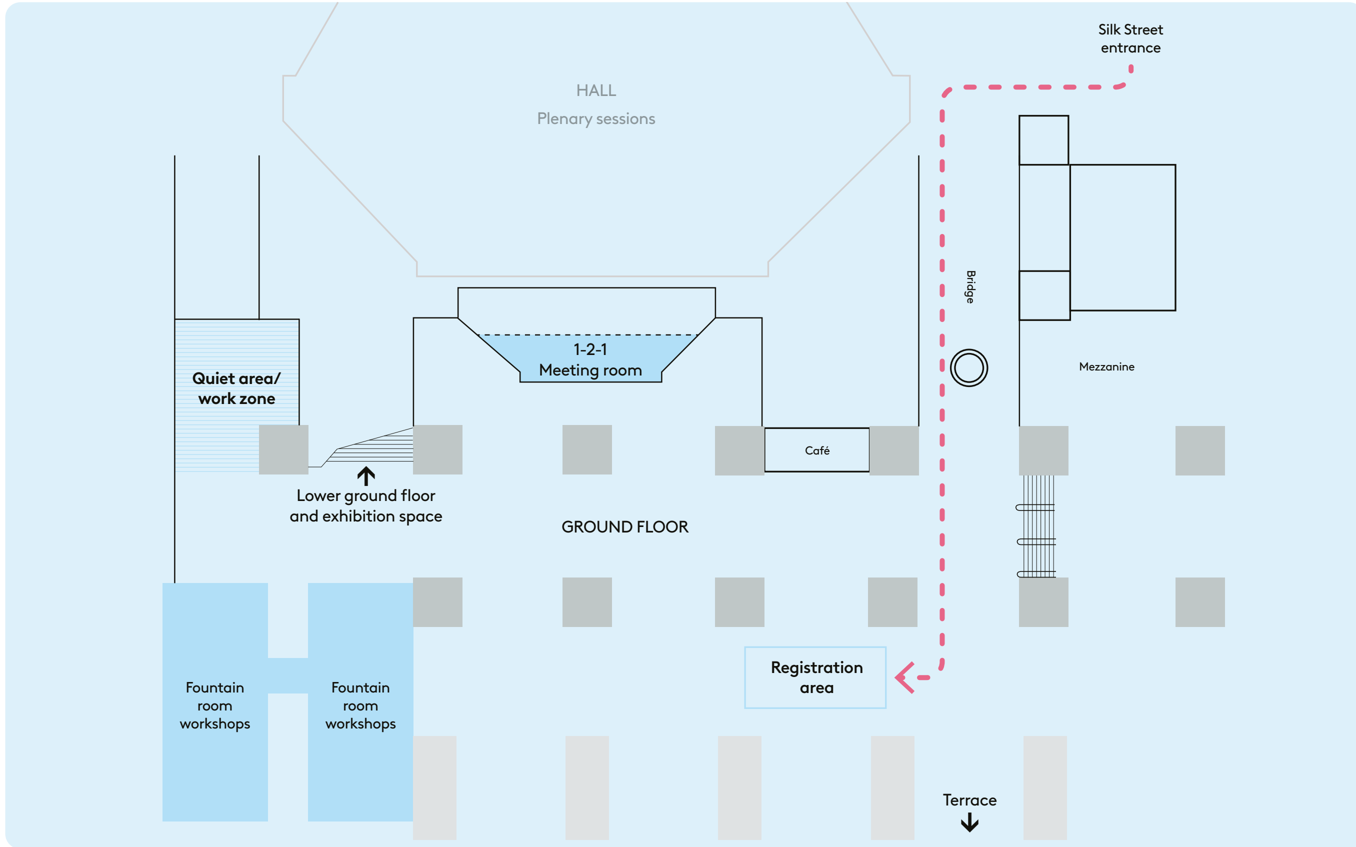
Together, we'll share practical, actionable strategies that you can tailor to a range of clients' needs and uncover why now is the time to be leveraging tax-efficient strategies.

Thank you so much for joining us today. We look forward to working with you as we navigate 'The Great Advice Shift' together in 2025 and beyond.

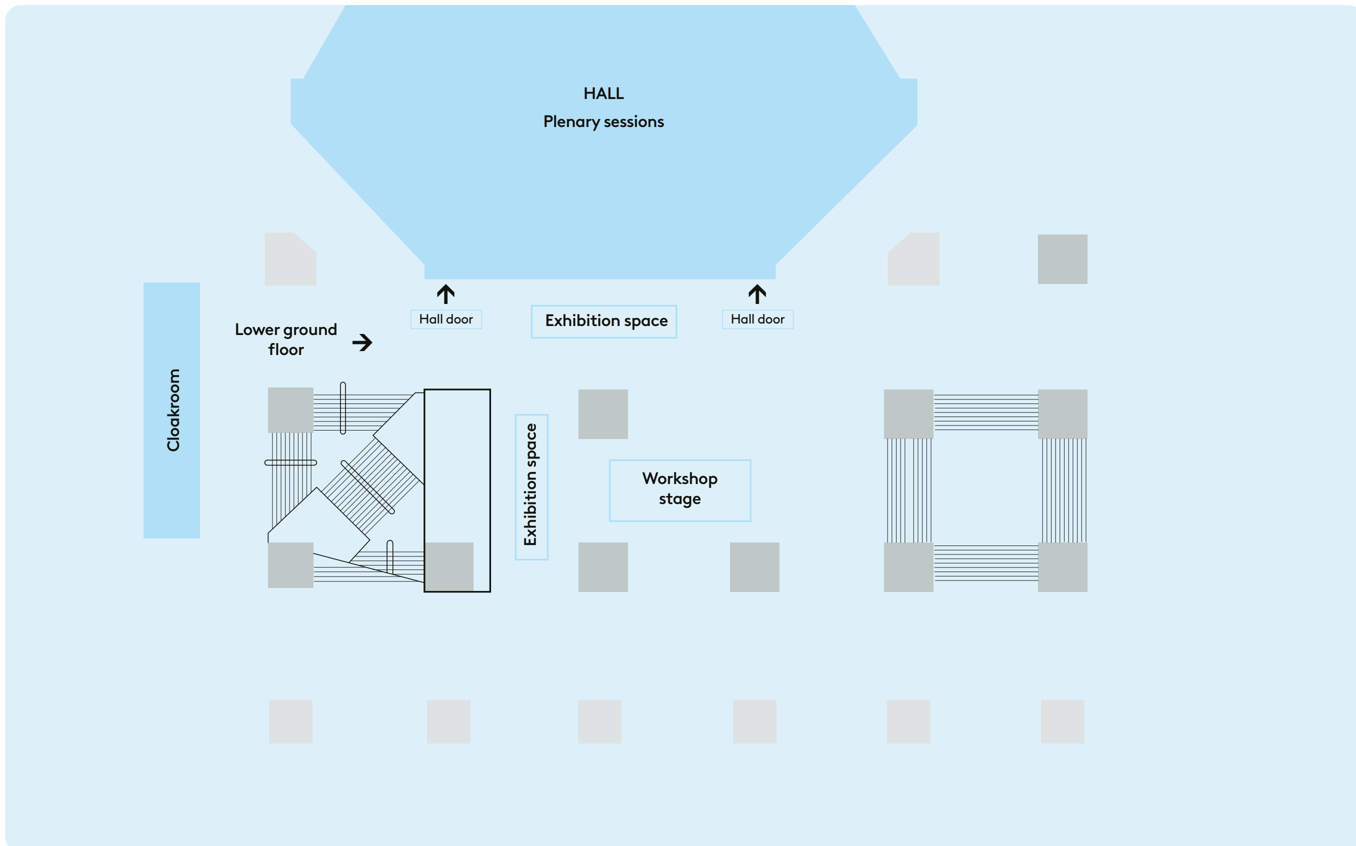
Kristy Barr, Co-Head of Retail

Octopus Live at the Barbican

Level 0



Level -1



Agenda

09:15–10:00

Registration and breakfast

10:00–10:10

Introduction and welcome
Kristy Barr, Co-Head of Retail, Octopus Investments

10:10–10:35

Keynote session
Simon Rogerson, Founder, Octopus Investments

10:35–11:05

The Great Advice Shift: How today's advisers are adapting to a new era of financial advice

Moderated by Nick Maidment, Head of Retail Sales, Octopus Investments

Jessica Tivey, Chartered Financial Planner & Co-founder of Ivy Sterling Ltd

Paul Feeney, CEO, Shackleton

11:05–11:20 Coffee break

11:20–11:50

Reclaiming time for what matters: How tech can enhance the adviser's value proposition

Moderated by Kristy Barr, Co-Head of Retail, Octopus Investments

Ruth Handcock OBE, CEO, Octopus Money

David Ferguson, Executive Chairman, Seccl

Helena Wardle, Founder & CEO, Money Means

11:50–12:20

Private markets: A new era for retail investments

Moderated by Tim Dickens, Head of Investment Specialists, Octopus Investments

Richard Court, Head of VCTs and EIS, Octopus Ventures

Sarah Adams, Director of Policy, BVCA

12:20–13:20 Lunch break

13:20–14:00

Option 1 – Workshop: Identifying estate planning opportunities in your client bank

Sabrina Corrigan, External Business Development Manager, Octopus Investments

- Gain the tools you need to grow your advice business using different tax planning angles.
- Identify who in your client bank could benefit from Business Relief investments.
- Build a deeper understanding on specific angles ranging from business owners as clients, drawing tax-free cash from pensions, utilising replacement relief.

13:20–14:00

Option 2 – Keeping clients on course: The behavioural side of great advice

Greg Davies, Behavioural Finance Expert & Pioneer in Applied Decision Science, Oxford Risk

14:00–14:20 Coffee break

14:20–15:00

Option 1 – Workshop: What every adviser needs to know to stay relevant and retain client assets

Jasmine Christy, Head of Intergenerational planning team, Octopus Investments

Chris Carr, Head of Commercial, Octopus Legacy

Martin McDermott, External Business Development Manager, Octopus Investments

- Understand why getting intergenerational planning right is key to protecting (and growing!) the value of your business.
- Develop techniques to approach clients' beneficiaries long before a client passes away.
- Uncover tools and resources to support you, your business and clients.

14:20–15:00

Option 2 – Workshop: From VCT rookie to rockstar: Writing your first case with confidence

Olly Jacobs, Key Partnerships Manager, Octopus Investments

This session is designed for financial advisers who have limited experience with VCTs:

- Understand venture capital investments and how your clients can access them through VCTs.
- Why VCTs present a growth opportunity for your business and your clients.
- Spotting opportunities in your client bank.
- Tools to write your first VCT case.

14:20–15:00

Option 3 – AIM: 'The most successful growth market in the world'* celebrates 30 years

Richard Power, Head of Octopus Quoted Companies, Octopus Investments

Leigh Stephens, Investment Specialist, Octopus Investments

15:00–15:20 Afternoon tea

*https://www.londonstockexchange.com/adviser

15:20–15:55

Option 1 – Workshop: Identifying estate planning opportunities in your client bank

Sabrina Corrigan, External Business Development Manager, Octopus Investments

This session is designed for financial advisers who have limited experience with IHT mitigation:

- Gain the tools you need to grow your advice business using different tax planning angles.
- Identify who in your client bank could benefit from Business Relief investments.
- Build a deeper understanding on specific angles ranging from business owners as clients, drawing tax-free cash from pensions, utilising replacement relief.

15:20–15:55

Option 2 – Big Pensions Pivot: Rethinking estate planning

Moderated by Sally Clare, Head of Region, Octopus Investments

Toyin Oyeneyin, Tax Product Specialist, Octopus Investments

Claire Trott, Director at Technical Connections

Sean Osborne, Director of Retail Distribution, Just Group

15:55–16:30

Life or Death Listening
Richard Mullender, ex Hostage Negotiator, Scotland Yard

16:30–16:35

Closing remarks and thank you
Kristy Barr, Co-Head of Retail, Octopus Investments

16:35 Whisky tasting & networking drinks

Guest speakers

Claire Trott
Director, Technical Connections

Sean Osborne
Director of Retail Distribution, Just Group

Sarah Adams
Director of Policy, BVCA

Greg Davies
Behavioural Finance Expert & Pioneer in Applied Decision Science, Oxford Risk

Jessica Tivey
Founder & Chartered Financial Planner, Ivy Sterling

Helena Wardle
Founder & CEO, Money Means

Paul Feeney
CEO, Shackleton

Ruth Handcock OBE
Chief Executive Officer, Octopus Money

Chris Carr
Head of Commercial Octopus Legacy

David Ferguson
Executive Chairman, Seccl

A voice outside of the industry

Before going into the private sector, Richard Mullender was Lead Trainer at Scotland Yard's National Hostage and Crisis Negotiation Unit. He was part of the team that negotiated the high-profile release of three UN workers held hostage by the Taliban in Afghanistan in 2004. His listening expertise contributed to the intelligence that informed the rescue of Norman Kember in Iraq in 2006. During this time Richard provided training for international law enforcement agencies including the FBI, and advised government bodies from the UN to the World Food Programme.

In the decade since leaving the police, Richard established his own consultancy. He's trained clients across virtually all sectors, from BT to LinkedIn and from Cambridge University to KPMG. He now runs The Listening Institute — a training consultancy with one simple mission: To teach the business world to listen like hostage negotiators, so they can strike better deals.

Listen. Understand. Influence.

Richard Mullender
Founder of
The Listening Institute

The Listening Institute

Exhibitors

octopuslegacy

SECCL part of octopus

octopusmoney

JUST.

NC'NEAN

“As tax legislation continues to evolve and client needs grow more complex, specialist expertise is needed more than ever. That’s what today is all about: giving advisers the insights and technical support they need to stay ahead and confidently guide their clients through change.”

Toyin Oyeneyin, Tax Product Specialist, Octopus Investments

Source: https://www.moneymarketing.co.uk/opinion/re-thinking-the-order-of-estate-planning-from-april-2027/

WORKSHOP

Identifying estate planning opportunities in your client bank

Learning objectives:

- Gain the tools you need to grow your advice business using different tax planning angles
- Identify who in your client bank could benefit from Business Relief investments
- Build a deeper understanding on specific angles ranging from business owners clients, drawing tax-free cash from pensions, utilising replacement relief

Scan to go to our IHT toolkit

Sabrina Corrigan
External Business Development Manager
Octopus Investments

Estate planning is evolving and fast.

In the Autumn 2024 Budget, Rachel Reeves announced significant changes to inheritance tax, due to take effect in April 2026 and April 2027. Unsurprisingly, this has prompted a surge in interest from financial advisers who are now placing far greater focus on intergenerational wealth transfers.

According to the recent Shroders UK Financial Adviser Pulse Survey, 92% of advisers have discussed inheritance planning with clients in response to the proposed reforms.

This shifting landscape presents a timely opportunity for advisers to demonstrate their value and expertise.

In this workshop, we will explore practical estate planning opportunities that may already be relevant with your client base. You will be introduced to a case study client and learn about their needs and circumstances, and examine how a tax-efficient investment approach could help deliver stronger outcomes while supporting you in building tailored, advice.

Shroders Adviser Pulse Survey 2025,
Shroders, June 2025

Business Relief investements

Pension
(included for IHT for April 2027)

Gifting

Trusts

Charity

Life insurance

Spend it

Developments in estate planning

Labour's 2024 Autumn Budget and its impact

1. Freeze on IHT thresholds extended until 2030, keeping the nil-rate band at £325,000 and residence nil rate band at £175,000.
2. Inherited pensions to count towards taxable estate from April 2027.
3. APR* or unquoted BR** assets qualify for 100% IHT relief up to £1 million, with 50% IHT relief beyond that from April 2026.
4. AIM BR shares will attract 50% IHT relief from April 2026.

IHT Budget impacts 2025–2027

Sarah, 66, is widowed

She has an estate worth of £2,450,000. This is made up of:

- House: £600,000
- Unquoted BR investments: £350,000
- AIM BR investments: £200,000
- ISA non-BR qualifying: £300,000
- General investment account (GIA): £200,000
- Defined contribution pension: £800,000

Here we will assess how the timings of legislative changes could affect Sarah's overall IHT liability:

	2025	2026	2027
Estate	£2.45m	£2.45m	£2.45m
Less pension	(£800k)	(£800k)	n/a
Less unquoted BR investments	(£350k)	(£350k)	(£350k)
Less AIM BR investments	(£200k)	(£100k)	(£100k)
Less RNRB and NRB	(£1m)	(£1m)	(£775k)
Remaining	£100k	£200k	£1.25m
IHT @ 40%	**£40k**	**£80k**	**£490k**
NRB and transferable NRB	£650k	£650k	£650k
RNRB and transferable RNRB	£350k	£350k	£125k

*APR: Agricultural Property Relief. **Business Relief.

Business Relief: A longstanding estate planning tool

Business Relief (BR) is a relief from inheritance tax that's more than 40 years old and has stood the test of time. BR has come a long way since it was first introduced in the 1967 Finance Act.

The legislation is designed to support the UK economy. BR-qualifying investments are made in unlisted and AIM-listed trading businesses, operating in a wide range of sectors. These companies are a hub for productivity and employment, not just through jobs they create themselves, but through the industry that can build up around them.

Inheritance tax relief is available to compensate investors for some of the additional risk involved in investing in BR-qualifying companies.

Business Relief: What hasn't changed since the 2024 Autumn Budget

For clients

- Hold for at least two years
- Fast inheritance tax planning
- Access
- Simple
- Potential for investment growth

For your business

- Supports your consumer duty obligations
- Professional connections
- Intergenerational door opener
- Used alongside and part of all planning

BR-qualifying portfolios are high risk investments. The value of an investment, and any income from it, can fall as well as rise. Investors may not get back the full amount they invest.

Tax treatment depends on an investor's personal circumstances and may change in the future. Tax reliefs depend on the portfolio companies maintaining their qualifying status.

Investments in BR-qualifying companies could fall or rise in value more than other shares listed on the main market of the London Stock Exchange. They may also be harder to sell.

Scan to read more about Business Relief

Notes

Estate planning for clients who worry it's too late

- Harold and his wife are in their 90s. Most of their assets are in Harold's name, with his wife his sole beneficiary.
- Harold and his wife are not getting any younger, and they would like to leave something for their two children and five grandchildren.
- The couple's adviser tells them that a £500,000 chunk of their investment portfolio would be liable for inheritance tax were they both to pass away without putting any planning in place.
- Harold is concerned that neither he nor his wife may survive the seven years necessary to get the full benefit from gifting. Life insurance is also an unrealistic option because of their age.

The adviser assesses Harold's needs and objectives, appetite for risk and capacity to bear losses and suggests making an investment that qualifies for Business Relief. He explains that if BR qualifying investments are held for two years and at the time of death, they are zero-rated for inheritance tax.

Client scenarios

- We created these tax planning scenarios to help advisers develop suitable planning strategies for clients.
- They do not provide advice on investments, taxation, legal matters, or anything else.
- Tax-efficient investments aren't suitable for everyone.
- Any recommendation should be based on a holistic review of a client's financial situation, objectives and needs.
- Before recommending an investment, you should also consider the impact of charges related to the product, such as initial fee, ongoing fees, and annual management charges.

Please note that the above applies to all of the scenarios presented in this workbook.

Notes

Harold

Original share portfolio	Octopus Inheritance Tax Service
£500,000 kept in his share portfolio	**£482,748** invested in the service after the 1% cost of selling original share portfolio, 1.5% initial fee and 1% dealing fee

Harold dies after one year

Harold's wife inherits his portfolio and dies a year later

Assuming an example growth rate of 3.6% per annum, and 0.5% + VAT Annual Management Charge (AMC) calculated annually

Original share portfolio	Octopus Inheritance Tax Service
£530,430 value of share portfolio	**£512,128** value of the Octopus Inheritance Tax Service investment
£212,172 inheritance tax charged at 40% on Harold's share portfolio	**£0** inheritance tax charged as Harold's wife dies after holding the shares for more than two years combined
£312,954 passed to grandchildren after 1% dealing fee to sell the portfolio has been paid	**£505,007** passed to grandchildren after 1% dealing fee to sell the portfolio has been paid

Note: Tax legislation, rates and allowances are correct at time of publishing for the tax year 2025-26. This example is for illustrative purposes only and each investor's own tax situation may be different. For ease of comparison, we've assumed identical charging structures, an annual growth rate of 3.6%, and that annual management charges are calculated and paid based on the investment value at the end of each annual period. The dealing fee on shares sold to pay the AMC has not been factored in. The risk profile of each portfolio, charging structure, and any growth or losses is likely to differ. This example does not include any charges paid for financial advice. In practice the Octopus Inheritance Tax Service has an initial charge of 1.5%, a deferred AMC of up to 0.5% + VAT and a dealing fee of 1%. AMC is calculated daily and paid pro-rata, contingent on performance, when shares are sold. This example assumes that the investments will be held until death and the nil-rate band is offset against other assets.

In April 2026, a £1 million Individual Business Relief Allowance will be introduced that applies to investments in qualifying assets, unquoted investments, and agricultural property. Amounts up to that allowance are free from inheritance tax. Qualifying investments above this allowance attract relief at 50% (AIM-listed shares will qualify for 50% relief). Until April 2026, BR continues to be available on all qualifying investments, including those within the Octopus Inheritance Tax Service, without any cap.

Planning for IHT on pensions post April 2027

On July 21 2025, HMRC published draft legislation reconfirming that, from 6 April 2027, most unused pension funds will be included in an individual's estate for inheritance tax (IHT) purposes. Alongside this, important reforms to Business Relief (BR) have also been reconfirmed to take effect from 6 April 2026.

Scan to read the full piece: 'Don't increase the cost of delay: Government moves forward with IHT and BR plans'

What does the published draft legislation clarify for pensions?

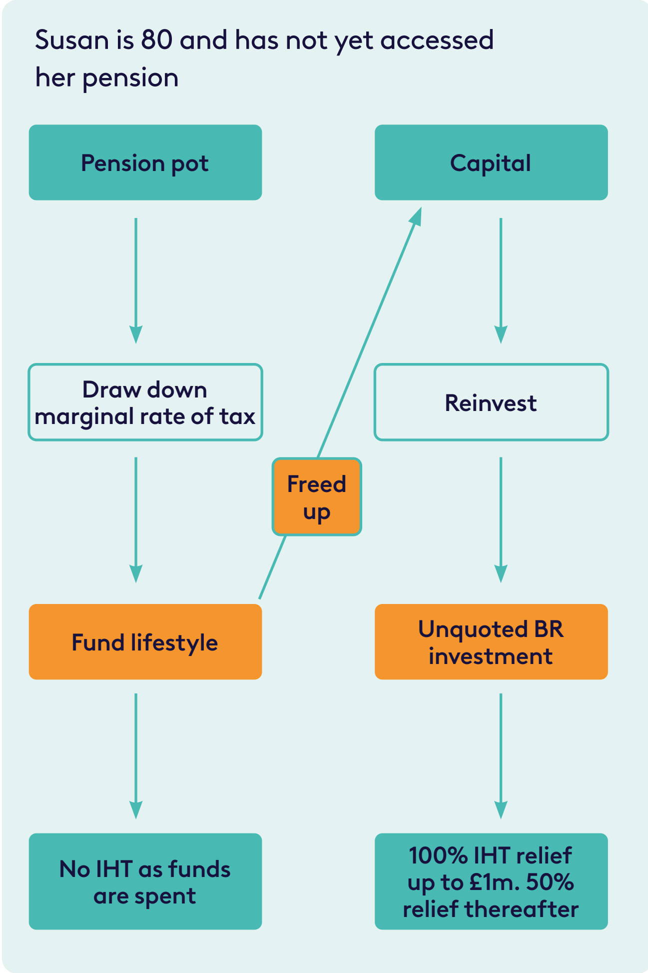
	Pensions
Reconfirmed	• Spousal and dependant transfers still exempt. • Death in service pensions exempt. • All other pensions subject to IHT.
New	• No BR in pensions: BR assets in pensions will not attract BR relief. • IHT relief on income tax: Beneficiaries can get deduction on income tax on the pension pot drawdown for any IHT they have paid on the pension pot. Note this relief is only available if the beneficiary ends up paying the IHT or reimburses the personal representatives (PR) of the deceased estate, if the PR pays the IHT on the pension pot. • Personal representatives liable for IHT: The personal representatives are also liable to pay the IHT to HMRC on the pension. The government originally suggested the pension providers would be liable for payment of IHT, which is no longer the case. • Pensions in drawdown: It does not matter if the pension is currently in drawdown, any unused amount should still be subject to IHT.

Source: https://octopusinvestments.com/resources/insights/dont-increase-the-cost-of-delay-government-moves-forward-with-iht-and-br-plans/, July 2025.

Investors over 75

- Susan is 80 and is worried that the change to the inheritance tax treatment of pensions could affect her estate.
- Even if she dies prior to 6 April 2027, income tax will be payable by her beneficiaries when they draw down her pension.
- She drew 25% of her pension, tax free, some years ago but has a large pension pot remaining.

Susan considers moving to pension drawdown in order to fund her lifestyle. This should then free up other capital that she could invest in BR investments.



Notes

Clients looking to invest their tax-free pension lump sum to reduce inheritance tax

- Bertha, 72, has always been a balanced investor.
- From April 2027, pensions will be included in the taxable estate for inheritance tax (IHT) purposes — a significant shift Bertha wasn't prepared for.
- She had planned to use her pension as a key part of her legacy, passing it to her children free from IHT.

Bertha's adviser recommends she draws £100,000 as a tax-free lump sum from her pension and re-invests the funds into a BR-qualifying investment.

"The looming IHT charge on death means that pensions may no longer be the go-to default for storing long-term, intergenerational wealth... This is presenting new tax planning opportunities for advisers, who now need to rethink the order of estate planning and consider potential alternative strategies much earlier than before."

Toyin Oyeneyin, Tax Product Specialist, Octopus Investments

Notes

Source: https://www.moneymarketing.co.uk/opinion/re-thinking-the-order-of-estate-planning-from-april-2027/

Bertha

OITSPlus

£97,020
invested in the service after the 2% initial fee and 1% dealing fee

Bertha dies after one year

Assuming an example growth rate of 3.6% per annum, and 0.5% + VAT Annual Management Charge (AMC)

£99,920
value of OITSPlus portfolio

£39,968
inheritance tax charged at 40% on the value of Bertha's investment in OITSPlus

£58,953
passed to children after 1% dealing fee to sell the portfolio has been paid

£40,000
paid to children to help mitigate Bertha's IHT bill, following a successful claim under our insurance cover. This is 40% of Bertha's initial investment before fees were deducted.

£98,953
total passed to children

Note: Tax legislation, rates and allowances are correct at time of publishing for the tax years 2024-25 and 2025-26. This example is for illustrative purposes only and each investor's own tax situation may be different. For ease of comparison, we've assumed an annual growth rate of 3.6%, and that annual management charges are calculated annually. This example does not include any charges paid for financial advice. OITSPlus has an initial charge of 2%, a deferred AMC of up to 0.5% + VAT and a dealing fee of 1% for investments and withdrawals. AMC is calculated daily. This example assumes that the investment will be held until death, the nil-rate band is offset against other assets.

OITSPlus insurance cover only applies to eligible deaths. Ineligible deaths, or a misrepresentation in the health declaration could result in the insurer refusing to settle a claim under the insurance policy.

Clients settling assets into trusts

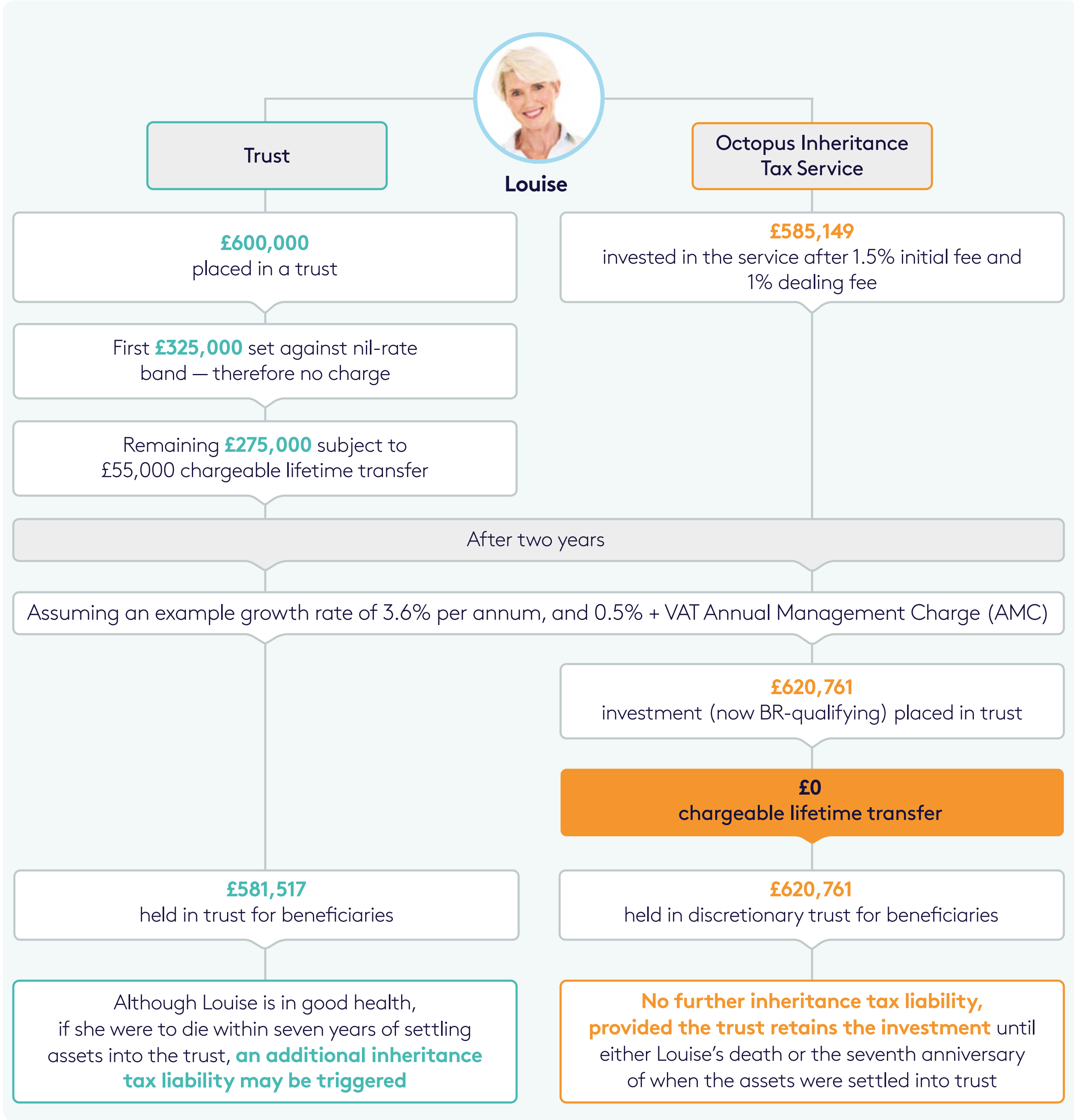
- Louise wants to plan for inheritance tax so that she can provide for her children and grandchildren after she dies.
- One of her biggest concerns is that the marriage of one of her children could end in divorce. Louise hates the idea of her assets being lost through divorce proceedings and wants to make sure that her grandchildren will benefit from her wealth when she dies.

Louise talks through her options with her financial adviser. She would like to settle £600,000 of her existing share portfolio into trust. A trust could help her plan for her estate, while giving her some control over what happens to her assets over the long term.

Taking into account Louise's objectives, appetite for risk and capacity for loss, her adviser feels an investment that qualifies for Business Relief (BR) could be suitable. He suggests selling £600,000 of her share portfolio and reinvesting the proceeds into a portfolio of BR-qualifying companies.

The adviser explains that once the BR-qualifying shares have been held for a minimum of two years, they should be exempt from inheritance tax. Louise can then settle the shares into a discretionary trust and no chargeable lifetime transfer will be payable.

If the trust continues to hold the BR-qualifying investment, there will be no future inheritance tax charge on the trust when she dies. In addition, this planning hasn't used any of Louise's nil rate band, so she can use it to offset against other assets.



Note: Tax legislation, rates and allowances are correct at time of publishing for the tax year 2025-26. This example is for illustrative purposes only and each investor's own tax situation may be different. For ease of comparison, we've assumed identical charging structures, an annual growth rate of 3.6%, and that annual management charges are calculated and paid based on the investment value at the end of each annual period. The dealing fee on shares sold to pay the AMC has not been factored. The risk profile of each portfolio, charging structure, and any growth or losses is likely to differ. This example does not include any charges paid for financial advice In practice the Octopus Inheritance Tax Service has an initial charge of 1.5%, a deferred AMC of up to 0.5% + VAT and a dealing fee of 1%. AMC is calculated daily and paid pro-rata, contingent on performance, when shares are sold. This example assumes that the investments will be held until death and the nil-rate band in the Octopus Inheritance Tax Service example is off set against other assets.

Notes

Clients who have sold a business and are worried about inheritance tax

- Alan, 68, isn't in the best of health.
- He sold his manufacturing business two years ago for £3 million.
- He then invested half of the proceeds to help generate a retirement income.
- Alan would like to be able to leave proceeds from his investments to his three daughters without them facing a large IHT bill.

Instead, Alan's adviser suggests that Alan invest £1 million of the cash proceeds from the sale of his business in a Business Relief-qualifying portfolio.

Notes

Alan

Non BR-qualifying portfolio	Octopus Inheritance Tax Service
£975,248 invested in stocks and shares, after 1.5% initial fee and 1% dealing fee	**£975,248** invested into the service after 1.5% initial fee and 1% dealing fee

Alan dies after one year

Assuming an example growth rate of 3.6% per annum, and 0.5% + VAT Annual Management Charge (AMC)

Non BR-qualifying portfolio	Octopus Inheritance Tax Service
£1,004,400 value of share portfolio	**£1,004,400** value of Octopus Inheritance Tax Service portfolio
£401,760 inheritance tax charged at 40% on Alan's share portfolio	**£0** inheritance tax charge, as replacement relief applies
£592,596 passed to daughters after 1% dealing fee to sell the portfolio has been paid	**£994,356** passed to daughters after 1% dealing fee to sell the portfolio has been paid

Note: Tax legislation, rates and allowances are correct at time of publishing for the tax year 2025-26. This example is for illustrative purposes only and each investor's own tax situation may be different. For ease of comparison, we've assumed identical charging structures, an annual growth rate of 3.6%, and that annual management charges are calculated and paid based on the investment value at the end of each annual period. The risk profile of each portfolio, charging structure, and any growth or losses is likely to differ. This example does not include any charges paid for financial advice. In practice the Octopus Inheritance Tax Service has an initial charge of 1.5%, a deferred AMC of up to 0.5% + VAT and a dealing fee of 1%. AMC is calculated daily and paid pro-rata, contingent on performance, when shares are sold. This example assumes that the investments will be held until death and the nil-rate band is offset against other assets.

Planning for clients invested in AIM Business Relief

Balancing unquoted and AIM Business Relief investments

Before April 2026

AIM

- Targeting high growth
- 100% IHT relief

Sale and replacement

Unquoted BR

- Targeting steady growth
- 100% IHT relief

After April 2026

AIM

- Targeting high growth
- 50% IHT relief

Sale and replacement

Unquoted BR

- Targeting steady growth
- >2 years: 100% relief on £1m and 50% thereafter

Planning for clients with a Business Relief-qualifying AIM portfolio

Notes

Clients to talk to

Here you can write down the names of your clients you wish to explore tax planning opportunities with.

Client	Notes

Scan to access all our estate planning scenarios

The home of estate planning

Three established services targeting qualification for BR

Octopus Inheritance Tax Service

- Discretionary fund management service that invests in one or more unlisted companies.
- Launched in 2007.
- Aims to deliver a consistent, predictable return of 3% per annum to investors.

OITSPlus

- OITSPlus invests in the same unquoted companies expected to qualify for Business Relief (BR) as the Octopus Inheritance Tax Service.
- It includes our two-year insurance cover for eligible advised investors.
- Our insurance aims to cover 40% of initial investment to mitigate inheritance tax liability if an investor dies within the two-year qualifying period to achieve relief from inheritance tax.
- No requirement for a medical examination or complicated questionnaire.

OITSPlus insurance cover only applies to eligible deaths. Ineligible deaths, or a misrepresentation in the health declaration could result in the insurer refusing to settle a claim under the insurance policy.

Octopus AIM Inheritance Tax Service & ISA

- A portfolio of 25-30 smaller companies listed on the Alternative Investment Market.
- Launched in 2005.
- Targets significant growth for investors.
- Also available in an ISA.

An Octopus AIM Inheritance Tax ISA is likely to be higher risk than more mainstream stocks and shares ISAs.

The Knowledge Base

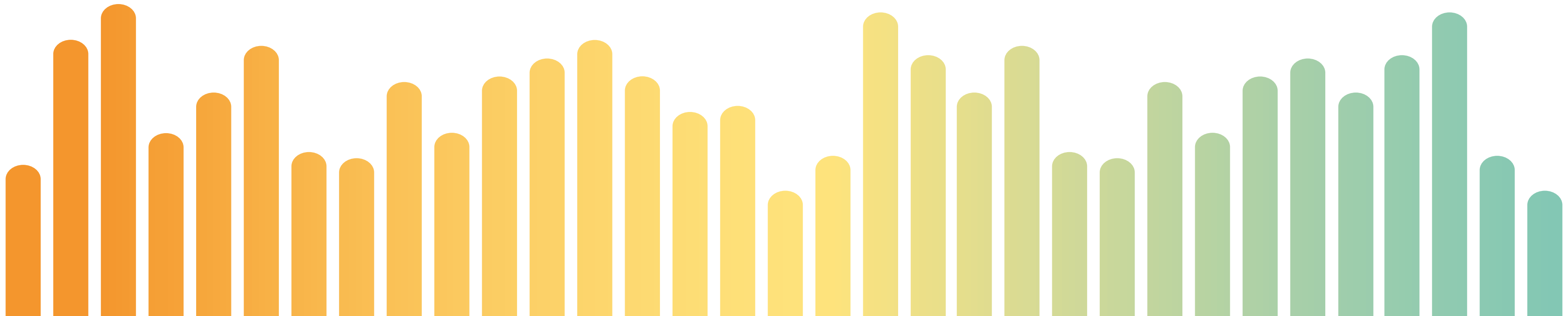
Deep dive with Octopus on estate planning

Scan to explore the Knowledge Base

Ask Octopus – our new IHT and estate planning helpdesk

Got a technical question about estate planning? We're here to offer advisers support.

Scan to access Ask Octopus



WORKSHOP

What every adviser needs to know to stay relevant and retain client assets

Learning objectives:

- Understand why getting intergenerational planning right is key to protecting (and growing!) the value of your business.
- Develop techniques to approach your clients' beneficiaries long before they pass away.
- Uncover tools and resources to support you.



Your speakers:

Jasmine Christy
Head of Intergenerational Planning
Octopus Investments

Chris Carr
Head of Commercial
Octopus Legacy

Martin McDermott
External Development Manager
Octopus Investments

Do you have a plan for the Great Wealth Transfer?

69% of adviser don't.

We all know that £5.5 trillion is set to pass between the generation in the next 20-30 years and we know IHT receipts are increasing significantly.

And alarmingly, regarding asset loss in the event of a client death, almost half of advisers surveyed (46%) are concerned about losing these assets under management. In fact, 50% of advisers surveyed who have had a client pass away, estimate they have lost a range of £300k-£5m+ worth of assets under management.

So how do you make the most of this opportunity?

Inheritance tax planning

What the research says:

31% of investors surveyed received advice on inheritance tax planning and this was because their adviser brought it up.

But the majority of investors surveyed would want their financial adviser to bring up estate planning more frequently to them.

And whilst investors surveyed were aware of the more common inheritance tax planning strategies such as trusts, gifting and pensions (68%, 60% and 60%, respectively) only 31% are aware of Business Relief, an alternative way to plan for inheritance tax. And when asked over half of investors surveyed would want their adviser to talk to them about Business Relief.

So, what does this tell us? It tells us there is a real appetite from investors for estate planning and for new ways of estate planning.

Source: Octopus via Opinium Research surveyed 1000 UK adults with investments partly or fully managed by an adviser and 200 UK financial advisers to uncover attitudes around intergenerational wealth. This survey was carried out during June 2024.

Unlock the chance to work with the next generation

Practical tips from the Octopus intergenerational planning team and Octopus Legacy

The family tree. Get clients to draw out their family tree and discuss how they want to support each member of the family.

Conduct an intergenerational audit. Use an intergeneration audit to fact find about family members and make this part of your annual review.

Meet the beneficiaries. You don't want the first time you meet the beneficiaries to be when your client has passed away. Depending on the age of the client, you'll want to start building the relationship with their beneficiaries now. Help them understand the planning you are putting in place. Prepare them for the wealth that will come to them. The more engaged they are now, the more likely they will seek your advice when they inherit.

Have a strategy for working with spouses. Ensure you are working with the spouse early on so you have built a good relationship and understand their planning goals.

1. Start with a conversation. Understand their situation and needs and what they are looking to achieve from estate planning.
2. Run through the different financial and taxation aspects of estate planning.
3. Discuss charitable donations, gifting and trusts, Business Relief — many people don't know what options there are.
4. Devise a plan.
5. Explain to them why wills and LPAs are important and follow up to ensure they are finalised.
6. Support them through the legal and practical parts of estate planning.
7. Let them know the importance of updating wills and when they should do it. Keep on top of their life events.

Clients who want to take advantage of succession relief

- Jeffrey is 67 and has recently lost his parents.
- Jeffrey's parents held a portfolio worth £500,000 for 2 years – meaning it is now free from inheritance tax.
- Jeffrey's parents left this portfolio to him in their Will.

Jeffrey's advisers suggests that he keeps the portfolio in his name, rather than withdrawing it, in order to pass it on free from inheritance tax to his beneficiaries.

Jeffrey

Selling an investment upon death	Transferring an investment to a beneficiary
£500,000 kept in Jeffrey inherited portfolio	**£500,000** kept in Jeffrey inherited portfolio
Jeffrey dies within 6 months	Jeffrey dies within 6 months
£500,000 value of share portfolio	**£500,000** value of the BR qualifying investment
£200,000 inheritance tax charged at 40% on the share portfolio due to the sale of the portfolio	**£0** inheritance tax charged, because Jeffrey's parents held their portfolio for 2 years and transferred it to Jeffrey's estate
£300,000 passed to beneficiaries	**£500,000** passed to beneficiaries

We have assumed no investment loss or gain in this example, nor the effect of any charges.

Note: Tax legislation, rates and allowances are correct at time of publishing for the tax year 2025-26. This example is for illustrative purposes only and each investor's own tax situation may be different. The risk profile of each portfolio, charging structure, and any growth or losses is likely to differ.

Notes

Clients to talk to

Here you can write down the names of your clients you wish to explore tax planning opportunities with.

Client	Notes

Octopus intergenerational planning team

We support financial advisers, executors and families before and after a client passes away

Support through bereavement

Adviser collaboration

Client retention and growth

Education and legacy planning

£328m
The amount the team supported the retention in BR assets

25%
of advisers the team has worked with have taken on beneficiaries as clients

4,500+
The team has helped over 4,500 estates

Every adviser is different, and so is every family. That's why we offer a bespoke service.

Find out more about our intergenerational planning team

Octopus Legacy: Supporting you and your clients

We work with IFAs to provide end-to-end estate planning and probate services

Octopus Legacy, part of the Octopus Group, can offer support for you, and when the time comes, your beneficiaries.

Octopus Legacy offers legal, practical and emotional support with estate planning and following a bereavement. Services include wills, power of attorney, grant of probate and professional executorship.

We have partnered with Octopus Legacy and arranged two lifetime estate planning packages of their services, offered at preferential rates for eligible customers making new investments of more than £250,000 in the Octopus Inheritance Tax Service.

Please speak to your Octopus Investments contact to find out more.

Scan to visit the Octopus Legacy website

The benefit to IFAs

- Get oversight of all the assets and beneficiaries via the will: allowing you to build relationships with younger generations.
- Retain management of assets even after clients lose mental capacity through LPAs.
- Ensure continuity with collaborative probate, regular updates, and help to manage intergenerational transfers.

The benefit to your clients

- Financial planning: Maximising the amount that is passed to the next generation.
- Saves them nine to twelve months of work and stress at an already overwhelming time.
- Clients receive best-in-class service from a trusted provider at a fixed-cost.

Break free from legacy platforms

With Seccl, the Octopus-owned embedded investment platform

We help financial planning firms to offer the digital experience their clients deserve – whether that's with a platform of their own, or one of the affordable, paperless adviser platforms that we power.

After all, while running your own platform might not be right for you, that shouldn't mean you can't benefit from modern technology...

Not ready to launch a platform of your own?
Use an off-the-shelf platform that we power, instead.

P1 PLATFORM	JUSTFA	timeline MONEY FOR LIFE
A paperless platform making life easier for advisers, so you can concentrate on advice, not admin.	The all-in-one advice and investment platform designed to help advisers run and grow their businesses digitally.	The integrated ecosystem built for modern financial advisers.
p1-im.co.uk	justfa.uk	timeline.co

SECCL
part of octopus

seccl.tech

octopusmoney

Trustpilot
TrustScore 4.7

Certified B Corporation

Helping the advice industry close the advice gap for good.

Powered by regulated advice technology, coach training and years of first-hand experience, Octopus Money gives advice firms a model to profitably serve and retain their smaller clients.

- Deliver advice at a lower cost*
- Acquire the next generation of advice customers
- Grow with clients as their wealth evolves

Scan here to find out more

* Based on a survey of 203 Financial Advisers researched by Censuswide (July 2024) for Lansons, conducted under MRS and ESOMAR standards.

From VCT rookie to rockstar: Writing your first case with confidence

Learning objectives:

This session is designed for financial advisers who have limited experience with VCTs:

- Understand venture capital investments and how your clients can access them through VCTs.
- Why VCTs present a growth opportunity for your business and your clients.
- Spotting opportunities in your client bank.
- Tools to write your first VCT case.

Olly Jacobs
Key Partnerships Manager
Octopus Investments

Why invest in a VCT?

- Tax relief
- Complement other financial planning
- Support the UK economy
- Help diversify investments
- Potential to generate tax-free income

VCTs are high risk investments. The value of an investment, and any income from it, can fall as well as rise. Investors may not get back the full amount they invest.

Tax treatment depends on an investor's personal circumstances and may change in the future.

Tax reliefs depend on the portfolio companies maintaining their qualifying status.

VCT shares could fall or rise in value more than other shares listed on the main market of the London Stock Exchange. They may also be harder to sell.

What tax reliefs are available with VCTs?

1. Income tax relief

In terms of income tax relief, investors can claim up to 30% upfront income tax relief on the amount invested, provided VCT shares are held for at least five years. So if £10,000 is invested in a VCT, £3,000 can be taken off an investor's income tax bill, although the amount of income tax claimed cannot exceed the amount of income tax due.

2. Tax-free dividends

Then, if a VCT pays dividends, there is no tax to pay, and investors won't need to declare them on their tax return. The tax-free dividends paid by a VCT can provide a supplementary income, which could be useful, especially if investors are approaching or in retirement.

3. Tax-free capital gains

And lastly, if investors decide to sell VCT shares and make a profit, the proceeds won't be liable for capital gains tax.

An option to diversify a client's portfolio

Hardman & Co conducted research, which shows that private market venture capital investments can add the opportunity for growth in a diversified portfolio without adding risk if balanced with other asset allocations.

Dr Moretta's research found that by adding relatively small exposures to venture capital, investors can improve potential annual returns by 0.5% to 1%* without changing overall portfolio risk.

This doesn't include tax reliefs which may be available as a valuable benefit, subject to qualifying criteria.

Read the full Hardman & Co report

> **"With the inclusion of venture capital in a diversified portfolio, you can potentially raise expected returns while being mindful of an investor's overall risk appetite.**
>
> **Toyin Oyeneyin, Tax Product Specialist, Octopus Investments**

*Source: Hardman & Co report.

Why VCTs are more relevant for advisers than ever

Pension reforms
Recent changes in pension rules have reshaped the retirement planning landscape, making VCTs an increasingly attractive complement to traditional pension strategies.

Government support
Continued backing, including the extension of the sunset clause, part of the legislation behind VCT, provides advisers and clients with much-needed certainty when considering VCTs as part of their financial plans.

Established track record
With over 30 years of history, VCTs have offered a compelling option for clients seeking diversified growth opportunities.

“VCTs have significant untapped potential to play a larger role in investors' portfolios.”

Chris Lewis, Chair of the VCTA

Read the article: 'From optional to essential: Are VCTs the tax-efficient tool advisers can’t afford to ignore?'

VCT Academy

The VCT Academy is an exclusive, CPD-qualifying series packed with videos, guides, and investor-friendly resources designed specifically to help advisers who haven’t yet written VCT business get started.

Visit the VCT Academy

Notes

Clients who want to reduce their income tax bill

- Anthony, director of a media company, has accumulated significant Individual Savings Account (ISA) savings (more than £200,000) and pays large amounts into his SIPP each year.
- With a high annual tax bill, and substantial pension and ISA investments already, Anthony is interested in other government-endorsed ways to reduce the amount of income tax he pays.
- He would consider investing in UK smaller companies and is comfortable with the associated investment risk.

Anthony's financial adviser makes an assessment of his profile and suggests investing £50,000 of Anthony's annual income in a VCT each year.

Client scenarios

- We created these tax planning scenarios to help advisers develop suitable planning strategies for clients.
- They do not provide advice on investments, taxation, legal matters, or anything else.
- Tax-efficient investments aren't suitable for everyone.
- Any recommendation should be based on a holistic review of a client's financial situation, objectives and needs.
- Before recommending an investment, you should also consider the impact of charges related to the product, such as initial fee, ongoing fees, and annual management charges.

Please note that the above applies to all of the scenarios presented in this workbook.

Notes

How Anthony could reduce his yearly income tax bill by £15,000

Anthony makes a **£50,000** investment in year one which allows him to claim **£15,000** in tax relief.

He continues to invest an additional **£50,000** into a VCT in years two, three, four and five, claiming income tax relief of **£15,000** in each tax year.

YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6
Invest £50,000 in a VCT	Invest £50,000 in a VCT	Invest £50,000 in a VCT	Invest £50,000 in a VCT	Invest £50,000 in a VCT	Re-invest sales proceeds from original £50,000 VCT investment
£15,000 income tax relief	**£15,000** income tax relief	**£15,000** income tax relief	**£15,000** income tax relief	**£15,000** income tax relief	**£15,000** income tax relief

In year six, Anthony can choose to sell his first year's VCT investment, tax-free. By investing the proceeds of the sale into another VCT, he is able to use the capital from his first year's investment to claim further income tax relief. In this example, Anthony claimed a total of **£90,000** in income tax relief, investing **£250,000** over five years and re-investing **£50,000** of the proceeds from selling his year one investment. By reinvesting sales proceeds in subsequent years, Anthony could continue to use this cyclical approach to claim up to **£15,000** tax relief each year, without having to invest more than his initial **£250,000** stake of **£50,000** per year over the first five years.

Note: Tax rates and allowances are correct for the tax year 6 April 2025–5 April 2026. For purposes of this illustrative example, we have assumed no gain or loss on investments, and it does not take into account any initial fees or ongoing charges that will be incurred. VCTs are high risk and inherently different from pensions and ISAs. When clients choose to sell VCT shares, they are often sold at a small discount to the value of their underlying net asset value, so the impact of this should also be considered when assessing any specific products. Please note, after selling shares in a VCT, it is not possible to claim tax relief on new shares bought in the same VCT within six months of the initial sale.

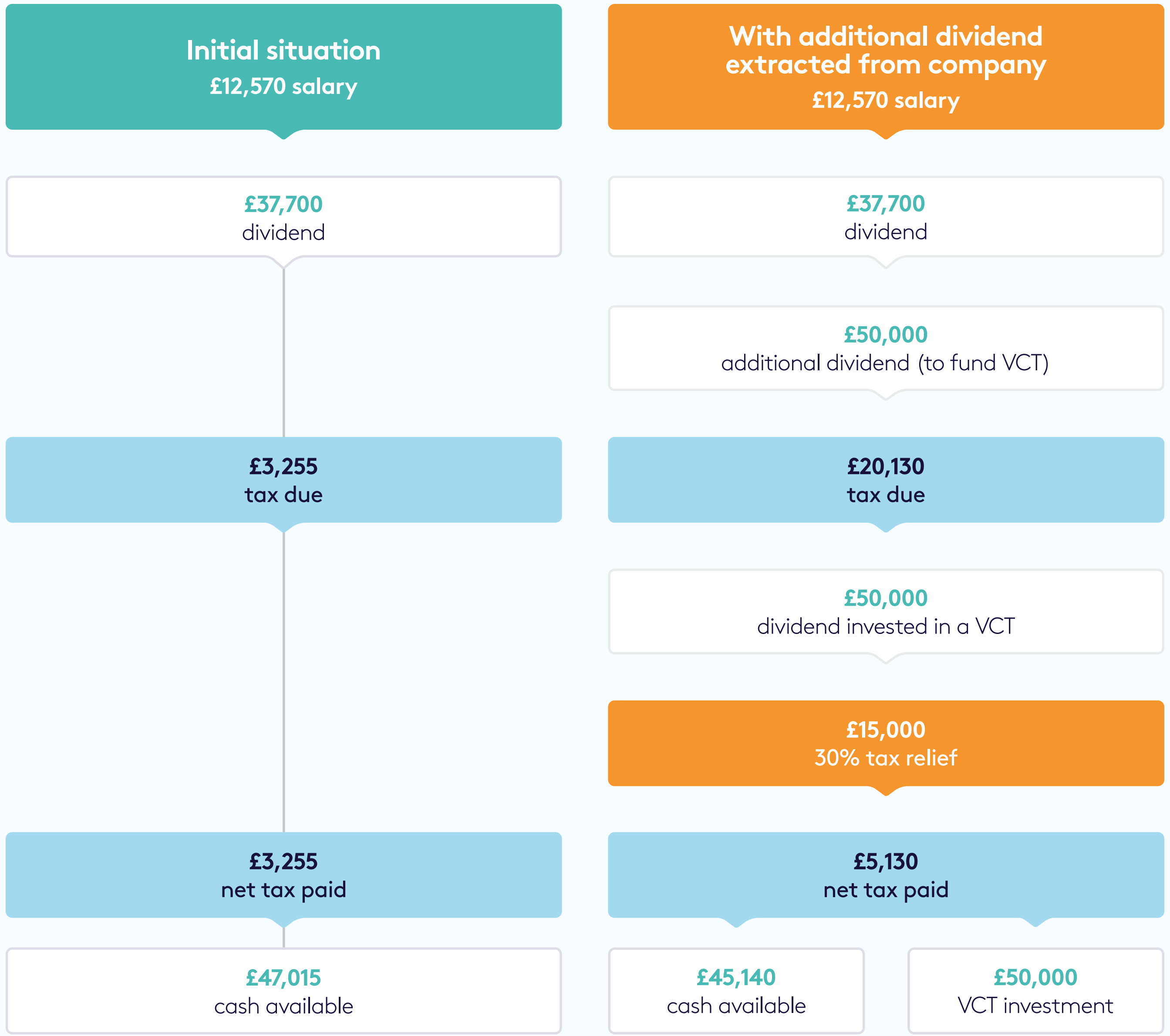
Clients looking to extract profits from a business tax efficiently

- Vijay is an independent IT contractor. Because he works as a consultant for a number of different companies, he has established a limited company.
- He pays himself with a combination of a salary of £12,570 (within his National Insurance Contribution threshold) and a dividend of £37,700. He owes £3,255 in tax, meaning after tax, he'll be left with £47,015 in available cash.
- Vijay also pays into his pension and chooses to invest in some new technology for his business. However, even after this, he is still left with surplus money which is building up in his business.

Given Vijay's goal of extracting surplus money tax efficiently, his adviser suggests that he pay himself an additional £50,000 dividend and invest it into a VCT, holding this investment for at least five years.

Notes

How Vijay reduced his income tax bill by investing additional dividends paid from his business



Note: Tax rates and allowances are correct for the tax year 6 April 2024–5 April 2025. For purposes of this illustrative example, we have assumed no gain or loss on investments, and it does not take into account any initial fees or ongoing charges that will be incurred. VCTs are high risk and inherently different from pensions and ISAs. When clients choose to sell VCT shares, they are often sold at a small discount to the value of their underlying net asset value, so the impact of this should also be considered when assessing any specific products. Please note, after selling shares in a VCT, it is not possible to claim tax relief on new shares bought in the same VCT within six months of the initial sale.

Clients looking to transfer wealth from their pension tax efficiently

- Cynthia, a retiree, spent her career building up a large pension worth £1 million, which she had planned to preserve as a tax efficient way to pass wealth to her children.
- From April 2027, unused pensions will be brought into the taxable estate for IHT purposes.
- Cynthia is now considering to annually withdraw from her pension and gift the value to her children but is concerned about the potential tax implications of doing so.

Based on her profile, Cynthia's adviser suggests withdrawing funds from her pension, using the proceeds to invest in a VCT, and use the VCT tax free dividend income to gift to her grandchildren.

Notes

If tax free cash is still available in the pension	If tax free cash isn't available in the pension
£50,000 extracted from pension	**£50,000** extracted from pension
£15,000 tax due on pension: 25% tax-free, 75% at higher rate	**£20,000** tax due on pension: 100% at higher rate
Invests **£35,000** in a VCT*	Invests **£30,000** in a VCT
£10,500 tax relief	**£9,000** tax relief
£45,500 VCT investment remaining after tax	**£39,000** VCT investment remaining after tax

After 5 years, Cynthia can sell her VCT shares with no tax to pay on sales proceeds.

*Cynthia could choose to add an extra £16,800 to her VCT investment from another source. This would mean a VCT investment of £66,800, generating £20,040 tax relief and completely offsetting her pension tax bill. Please also note that the amount of tax relief Cynthia can claim cannot exceed the amount of income tax she pays. VCT dividends are not guaranteed.

Tax rates and allowances are correct for the tax year 6 April 2024 – 5 April 2025. For purposes of this illustrative example, we have assumed no gain or loss on investments, and it does not take into account any initial fees or ongoing charges that will be incurred. VCTs are high risk and inherently different from pensions and ISAs. When clients choose to sell VCT shares, they are often sold at a small discount to the value of their underlying net asset value, so the impact of this should also be considered when assessing any specific products.

Access all our VCT planning scenarios

Scan to access all our VCT planning scenarios

Investors who want to reduce their income tax bill

Investors looking to extract money from a business tax efficiently

Investors in the medical profession looking to invest for retirement

Investors selling a buy-to-let property and targeting a tax-free income

Investors who want to extract money from their pension

Investors who are landlords looking for a tax-efficient income stream

VCT investors need to be comfortable with the risk profile associated with this type of investment.

Clients to talk to

Here you can write down the names of your clients you wish to explore tax planning opportunities with.

Client	Notes

Explore our VCTs in more detail

Octopus Apollo VCT

A portfolio of around 45 established smaller companies with high growth potential focusing on business-to-business (B2B) software, that have already brought their product or service to market successfully.

Octopus Future Generations VCT

The Octopus Future Generations VCT invests in businesses that are helping to build a sustainable planet, empower people, or revitalise healthcare.

Octopus AIM VCTs

Two VCTs featuring established portfolios of around 80 AIM-listed companies from a diverse range of sectors with growth potential.

Octopus Titan VCT

The UK's largest VCT invests in a portfolio of over 145 early-stage tech-enabled businesses with high growth potential operating in a diverse range of sectors.

This advertisement is not a prospectus. Investors should only subscribe for shares based on information in the prospectus and Key Information Document (KID), which can be obtained from octopusinvestments.com.

Scan to explore our VCTs

About Octopus Investments

When we launched Octopus in 2000, we wanted to create an investment company that put its customers first. We started by looking at what didn't work very well, and found ways to do things differently.

We have since been recommended by more than 20,000 advisers and are the market leader in investments that qualify for relief from inheritance tax.

Largest specialist tax-efficient manager in the market

£9.9bn FUM[1]

AKG rated. Financial strength is rated:

Strong

Institutional mandates and grade assets

nest

Samsung Fire & Marine Insurance

KB Insurance

nationalgrid

Household name

octopus
A brighter way

B Corp since 2021

Certified B Corporation

Award-winning service and in house expertise

Financial Adviser Service Awards 5 stars 11 years in a row

Source: [1]Octopus, as of 30 June 2025. Funds Under Management data includes undrawn commitments, funds under advisory mandates and funds monitored, and is based upon the latest information available at the time of the calculation. The figure includes Octopus Investments, Octopus AIF Management and Octopus Investments Australia.

How we can help you and your clients

Dedicated intergenerational planning team to support you when your client dies

More than 100 office and field-based product experts

100s of educational materials and webinars available

Get in touch

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The investments discussed are not suitable for everyone. This document does not constitute advice on investments, legal matters, taxation or any other matters. Any recommendation should be based on a holistic review of a client's financial situation, objectives and needs. Investors should read the product brochure before deciding to invest. This is available at octopusinvestments.com. All information, unless otherwise stated, is sourced from Octopus Investments and is correct at 30 June 2025. Issued by Octopus Investments Limited, which is authorised and regulated by the Financial Conduct Authority. Registered office: 33 Holborn, London EC1N 2HT. Registered in England and Wales No. 03942880. We record telephone calls. Issued: September 2025. CAM015192