

Changing or losing a job: review the whole benefits package

Prepared October 2026 | General information, not personal advice

An employment change needs a review of spendable income, pension arrangements and protection benefits, including transition dates. A higher salary or redundancy payment does not show the complete position. Keep records of old schemes and obtain written new benefits. Budget for any income gap before committing money to long-term saving.

Important risks

Where money is invested, its value and income can fall as well as rise and you may get back less than you invest. No return or retirement outcome is guaranteed.

Cover depends on policy terms, eligibility, exclusions and underwriting. Not every illness or inability to work results in a payment. Do not cancel existing cover before any appropriate replacement is confirmed and effective.

Tax treatment depends on individual circumstances and may change in the future. A general example does not establish your relief, allowance or tax liability.

General information only, not personalised financial, tax or legal advice. Suitability and available relief depend on your circumstances. Obtain appropriate advice before acting on a product, transfer or legal arrangement.

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Before you begin

Use the departure and joining dates as the centre of the review. Confirm the categories of any termination payment and when each benefit stops or starts. Check whether sick pay still aligns with an existing income-protection waiting period. Retain old pension records and assess them separately; a new job is not itself a reason to transfer. Where bills are under pressure, consider appropriate debt and budgeting help.

Terms in plain English

Defined contribution pension

An individual pot whose value depends on contributions, charges and investment results. The pot does not itself guarantee lifetime income.

Deferred period

The waiting period before an eligible income-protection claim starts paying. It is not a guarantee that a claim will be accepted.

How should I organise my finances after redundancy?

Obtain the payment breakdown, termination date and benefit end dates from the employer. Build a transition budget using essential spending and realistic timing for future income. Review pensions and protection without assuming they all stop or transfer in the same way. Any tax calculation needs the actual payment categories rather than one blanket treatment of redundancy money.

Decision boundary: A transition payment can be exhausted while income or employer cover remains uncertain. Ask the adviser: Which benefits end, what is the spendable payment, and how long can it support essentials?

Sources: G22, M09, G08

What should I review financially when changing jobs?

Create a side-by-side benefit schedule using the actual employment documents. Include probation periods or waiting rules where applicable, and confirm pension enrolment arrangements. Review whether personal protection's waiting period still matches sick pay. Store old scheme information even if the account is retained, so administrative changes do not become lost pension records.

Decision boundary: Benefits can have transition gaps or differ materially despite a higher headline salary. Ask the adviser: Where are the gaps between old and new benefits, and do existing policies still fit?

Sources: G08, M12, M06

Do I need personal life insurance if work provides death-in-service cover?

Obtain the employer's benefit booklet rather than estimating cover from a job advertisement. Check whether the benefit changes with salary, hours or employment status and whether nomination forms are current. Compare the benefit with household liabilities and support needs. The review should avoid double-counting workplace benefits that would cease on leaving the employer.

Decision boundary: A job change can remove or alter cover when family needs remain. Ask the adviser: What happens to this benefit if I change jobs, reduce hours or stop working?

Sources: M05, G08

Does employer sick pay make income protection unnecessary?

Obtain the written sick-pay policy and identify contractual benefits separately from statutory support. Map the amounts month by month rather than using the phrase full sick pay without an end date. Check whether bonuses or overtime would continue. A protection review should explain what happens after employer payments end and what existing resources can realistically support.

Decision boundary: A benefit lasting a limited period may not cover a prolonged inability to work. Ask the adviser: How much income continues, for how long, and what happens when that entitlement ends?

Sources: M06, M09

Should I opt out of my workplace pension to improve cash flow?

Compare the cash released with the employer contribution you would stop receiving. Review whether budgeting help, payment arrangements or debt advice can address the immediate pressure. Record how and when you would reconsider pension saving if you opt out. Statutory enrolment and re-enrolment rules do not replace a personal assessment of affordability.

Decision boundary: Missing employer contributions and time invested can affect long-term retirement resources. Ask the adviser: What benefits would I lose, and what alternatives could address the immediate shortfall?

Sources: G08, M09

Your preparation checklist

- Record the payment breakdown and benefit dates.
- Compare sick pay and death-in-service terms in writing.
- Budget for a longer transition than hoped.
- Keep old pension details without assuming consolidation.

Next steps

Compare the departure and joining dates, benefits and pension records before making long-term commitments. A change in employment does not itself justify a pension transfer. Any individual tax calculation or product recommendation needs the appropriate assessment using your actual

documents.

General information only, not personalised financial, tax or legal advice. Suitability and available relief depend on your circumstances. Obtain appropriate advice before acting on a product, transfer or legal arrangement.

Sources and further reading

G22: GOV.UK - Redundancy: your rights

<https://www.gov.uk/redundancy-your-rights>

Retrieved 2026-10-02. Source publication date not stated; retrieval is not a publication date.

M09: MoneyHelper / Money and Pensions Service - Emergency savings - how much is enough?

<https://www.moneyhelper.org.uk/en/savings/types-of-savings/emergency-savings-how-much-is-enough>

Retrieved 2026-10-02. Source publication date not stated; retrieval is not a publication date.

G08: GOV.UK - Workplace pensions

<https://www.gov.uk/workplace-pensions>

Retrieved 2026-10-02. Source publication date not stated; retrieval is not a publication date.

M12: MoneyHelper / Money and Pensions Service - Should I transfer or combine my pensions?

<https://www.moneyhelper.org.uk/en/pensions-and-retirement/pension-transfers-consolidation/transfer-or-combine-pensions>

Retrieved 2026-10-02. Source publication date not stated; retrieval is not a publication date.

M06: MoneyHelper / Money and Pensions Service - What is income protection insurance?

<https://www.moneyhelper.org.uk/en/everyday-money/insurance/what-is-income-protection-insurance>

Retrieved 2026-10-02. Source publication date not stated; retrieval is not a publication date.

M05: MoneyHelper / Money and Pensions Service - What is life insurance?

<https://www.moneyhelper.org.uk/en/everyday-money/insurance/what-is-life-insurance>

Retrieved 2026-10-02. Source publication date not stated; retrieval is not a publication date.

Related planning information

<https://castlestonebridge.co.uk/financial-advice-when-changing-jobs>

Discuss your questions

For a discussion of your circumstances, contact Castle Stonebridge on 01246 308249 or visit <https://castlestonebridge.co.uk>. Any personal recommendation requires an individual assessment.