



MEDICS MONEY

**The State of Medics Money 2025: A
Comprehensive Report**

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Introduction

This report provides an overview of the financial landscape for medical professionals, drawing insights from a survey of over 6,100 doctors in the UK. The report highlights key trends and areas of focus concerning personal finance among medics, specifically examining their approaches to tax, saving, investments, and personal protection and insurance.

Perhaps the most troublesome statistic was that 52% of doctors feel worried about their financial position relative to their age. Medicine is always talked about as being a secure profession, where income levels are good, but the pressures now facing younger people may not reflect that long standing view.

This represents a call to action for doctors but also those making policy – your workforce may not feel as secure as you may think they are. In our section on what can be done we highlight some of the key learnings that individuals and organisations can take away.

Key areas of consideration

1. Tax

Understanding and optimising tax obligations is a crucial aspect of financial well-being. The survey data suggests that many medics may not be fully aware of the tax implications of their income or the strategies available to reduce their tax burden.

- **Tax Awareness:** A significant majority of respondents appear to indicate a lack of awareness regarding the tax implications of their income and the necessary steps to reduce their tax bills. This suggests a potential gap in financial literacy concerning tax planning. Only 35% reported being confident about what tax allowances are available.
- **Lost tax relief:** Unexpectedly, despite our efforts, many are still not even doing the basics and claiming tax relief back on the many subscriptions doctors pay to medical bodies such as the GMC or Royal Colleges. 26% reported they hadn't claimed tax relief which will mean that many £millions of tax is being overpaid by doctors.
- **Tax-Efficient Investments:** Similarly, the data indicates that a large proportion of medics are not currently taking advantage of tax-efficient investment vehicles such as Individual Savings Accounts (ISAs), pensions, or schemes like the Enterprise Investment Scheme (EIS) and Seed Enterprise Investment Scheme (SEIS). This highlights an opportunity for improved financial planning to maximise net income.

2. Saving

Savings form the foundation of financial security, providing a buffer against unexpected expenses and a pathway to achieving future goals. The survey reveals mixed but generally concerning trends in this area.

- **Budgeting:** A substantial number of medics do not appear to maintain a monthly budget, which is a fundamental tool for managing income and expenses effectively. This lack of structured budgeting could hinder saving efforts.

The good news is that 81% of doctors reported that they are saving money regularly. A core part of the remuneration package is the NHS pension which will provide a platform to ensure financial independence long term. But with many doctors looking beyond the NHS having alternative savings will be a core part of planning.

Could this be better? The responses show that less than 50% of doctors have a monthly personal budget, only 33% review what they are spending and 41% have made impulse purchases they have regretted afterwards. The latter perhaps is simply human nature, but a cornerstone of good financial control is being aware of what you spend and how much you have to spend.

- **Emergency Savings:** While 76% of respondents indicate having savings that could sustain them through difficult financial periods, a notable portion do not have enough money to cover unexpected expenses or emergencies, underscoring a vulnerability in their financial resilience.

3. Investments

Beyond day-to-day savings, strategic investments are vital for wealth growth and long-term financial objectives. The survey points to a general hesitancy or lack of engagement in investment activities among medics.

- **General Investments:** A large majority of respondents indicate that they do not engage in investing with 57% not having any investment in stocks and shares. This suggests that diversified investment portfolios might not be common.
- **Property Investment:** While some medics do hold rental properties, the data suggests that for most (82%), rental property income does not constitute a significant portion of their total income, indicating it's not a widespread primary investment strategy.

- **Retirement Planning:** A significant number of medics appear to lack concrete plans for their retirement income, which is a critical component of long-term financial security and investment strategy.

4. Personal Protection and Insurance

Protecting oneself and one's assets against unforeseen circumstances is a cornerstone of comprehensive financial planning. The survey indicates a significant gap in this area.

- **Life, Critical Illness, and Income Protection:** A large majority of medics do not appear to have essential personal protection policies such as life insurance, critical illness cover, or income protection.

51% reported having no life insurance – the good news is that the NHS Pension provides some cover, but many may not be aware of that. Only 35% have income protection – again the NHS pension may provide some cover, but the concern would be is it adequate? This leaves them and their dependents vulnerable to financial hardship in the event of illness, injury, or death.

- **Wills and Estate Planning:** The data suggests that a significant proportion of medics have not prepared a will or considered their estate planning, which is crucial for ensuring their assets are distributed according to their wishes and for protecting their families. Only 29% reported having a will.

A call to action

Doctors are very good about looking after the health of others. But this report clearly shows they are not as good about looking after their own financial affairs. That may be reflective of earnings levels, cost pressures or simply time. Medical School doesn't teach doctors those skills. An honest reflection is that Colleges are often keen to bring in external help – but they are less about education and more about selling, less about the interest of doctors more about securing the finances of the colleges. This needs to change.

- **Doctors** – creating a secure financial future is within your control. Educate yourself and take some simple steps to take control of your finances starting with a budget and claiming the tax back on your professional expenses.
- **Employers** – a financially secure workforce is a healthier one. How much time has been lost to financial disputes in the last two years? Supporting your workforce to make the right decisions would be a good start for the NHS and relieve some of these pressures. That extends to all who look after doctors. Education is not put high enough on the agenda.
- **Financial advisors** – low take up of protection policies and poor understanding of tax issues gives you an opportunity. A good accountant or independent financial advisor helps people make better decisions. Only 19%

of our survey had contacted an advisor in the last 2 years – that means 81% did not. Perhaps the message isn't getting through on value.

Conclusion

The "State of Medics Money 2025" report, suggests that while many medics harbour financial goals, there are considerable opportunities for improvement across various aspects of their personal finance. Key areas requiring attention include:

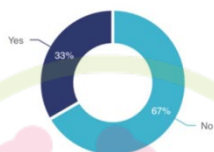
- **Enhanced Financial Literacy:** Particularly concerning tax implications, budgeting, and the benefits of tax-efficient investment vehicles.
- **Proactive Planning:** Encouraging more active engagement in retirement planning, diversified investing, and the establishment of robust emergency funds.
- **Comprehensive Protection:** Emphasising the critical importance of personal protection insurance (life, critical illness, income protection) and estate planning (wills).

Addressing these areas through education, accessible financial advice, and proactive engagement can significantly enhance the financial well-being and security of medical professionals in 2025 and beyond.

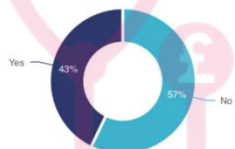
Appendix 1: Underlying Data



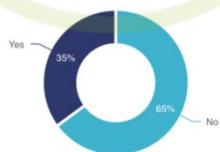
Do you review your expenses each quarter and look for waste?



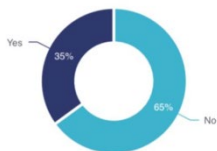
Do you regularly invest into stocks, shares or funds?



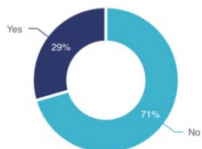
Are you confident what **tax** allowances and reliefs you should use to reduce your tax bill?



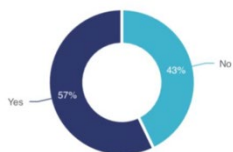
Do you have income protection insurance?



Do you have a will?



Do you consider yourself to be organised when it comes to managing your finances?



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