Retirement and lifestyle planner

Technology is crucial when it comes to bridging the advice gap.

That's why we've developed a retirement and lifestyle planner to help you connect with people who are approaching retirement and could benefit from financial advice.

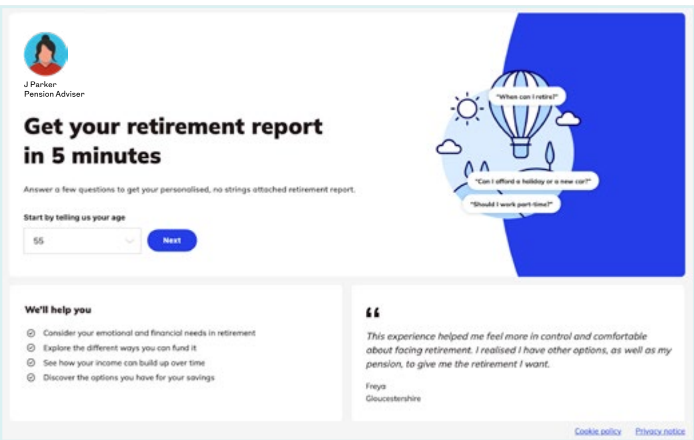
How does it work?

This standalone digital service gives you the opportunity to showcase your financial services and support your on-boarding of new retirement clients.

It's quick, easy to use and can be labelled with your company logo, contact details and testimonials or quotes around your business.

Potential clients 'click through' a few simple questions to complete a quick and easy interactive chat. The results are summarised in their personalised retirement report – designed to encourage them to think about the key emotional and financial areas of retirement. And, how a financial adviser can help.

All this comes at no cost.



Benefits

- Access to a free digital retirement support service you can use as part of your client on-boarding activities.
- Engage with more people through providing an easy and insightful digital client experience.
- Grow your business by connecting with new clients.
- Showcase the value of advice by providing clients with digital retirement guidance.
- Provide clients with a way to build their knowledge and confidence at their own pace.
- Build engagement and help change client perception of retirement.
- Showcase your expert services and create a great first impression for your business.
- Engage with clients about retirement planning and support their decision making.
- Bring the experience to life with personalised reports which support your client meeting/ conversation.
- Help bridge the advice gap and build better financial futures.

What's does the customer experience look like?

The service is designed to help customers understand their emotional and financial needs in retirement, explore the different ways they can fund their retirement and see how their income could build up over time.

They'll also find out more about their retirement income options and importantly, understand the value of advice.

The information in the service is guidance based and is presented in a clear, fair and non-misleading way.

Recommendations and advice are not given.

Assumptions

This service gives the customer an indication of the income they might need when they retire.

There are lots of factors involved which aren't considered, so some assumptions have been made.

We've calculated what their future pension could be worth in "today's money", (including inflation) and compared this to the PLSA Retirement Living standards to show the lifestyle the customer might expect.

State Pension

We've assumed you will receive a full State Pension entitlement of £11,502.40 per year

Income tax

We've used a basic income tax calculation using English tax rates. We've ignored any dividend tax allowances and assumed no additional income in retirement.

Growth rate

We've included an assumed standard growth rate of 5% per year and a fund charge of 0.75% per year. We apply these to the current pension value and investment amounts. We use the same rates for their future pension contributions (monthly) from now until retirement.

Cash savings are grown in line with inflation.

Tax-free lump sum

We've assumed no initial tax-free lump sum will be taken out of the pension, and the full amount of the projected pension will be taxed as income.

Assumed retirement living standards

We use estimations from the PLSA/Loughborough University Retirement Living Standards for a single person who lives outside of London.

Retirement income

We use the PLSA living standards to help customers visualise their retirement lifestyle and how much this might cost.

We check that their cash savings, investments, and personal pension funds, together with their other pensions, are enough to meet one of the PLSA lifestyle standards for life. Our calculations assume the customer will live until age 94 and all income figures are after tax.

Lifetime allowance and other restrictions

We've not included any other pension restrictions, such as the lifetime allowance or annual allowance.

Monthly contributions

We've assumed monthly pension contributions increase by 1.5% per year up to the point of their retirement (being the difference between National Average Weekly Earnings and inflation).

Net and gross figures

All the figures provided are net (i.e., after the deduction of income tax) except for the monthly pension contribution figure.

Defined Benefit pension

We've assumed Defined Benefit pensions increase each year in line with inflation.

Emergency fund

We've assumed 3 months' worth of the PLSA moderate retirement living standard for a single person who lives outside of London will be set aside for emergencies. This amount is deducted from our calculations.

What information do I get?

One of the main outcomes Royal London aim to achieve, is to bridge the advice gap and support the growth of your business.

By introducing this service, we believe we can help customers understand the value of advice and ultimately feel motivated to have follow up conversations with you.

Throughout the experience, the customer has the option to book a call or to speak with an adviser. If they opt to speak to an adviser, they'll be asked to enter some personal information – like their name and contact details.

This information, along with the data they've already provided and a copy of their personalised report, will be sent you – encrypted.

Royal London Group won't have access to any private information and will not utilise any of the details to engage with your client or prospective client.

We'll only utilise anonymous information to review trends.

What's the process for getting started?

We'll set up a personalised version of the service with your logo and contact details. We'll also provide you with a unique URL (using your company name) which you can embed into your client communications or use on your company website.

When you're ready to contact potential clients, you can use our marketing toolkit (with templates and tips) to help you get started.

For more information about the service and to discuss next steps, get in touch with your usual Royal London contact.

Royal London
royallondon.com

We're happy to provide your documents in a different format, such as braille, large print or audio, just ask us when you get in touch.

This product is made of material from well-managed FSC®-certified forests, recycled materials, and other controlled sources.

November 2024

PDFNAPD0008/1