Retirement Income Planning - Advanced

Who should attend?	Paraplanners who are comfortable with retirement income products but want to enhance their skills in creating comprehensive, client-focused retirement strategies that meet FCA expectations.
How it works	An interactive scenario-based discussion where you'll work through client situations and explore different approaches.
What you'll gain	You'll explore sophisticated techniques for capturing client requirements, categorising needs into essential, desired, and legacy funds, and creating robust cash flow models.
Technical lead	Dale Cordrey - Barnett Waddingham Rob Henderson - Scottish Widows
Paraplanner leads	11 am - Dan Atkinson & Colin Stewart 12 pm - Benjamin Fabi & Leanne Pickering

Client scenario - Robert & Karen

Personal details

- Robert – age 59, married to Karen (57).
- Three adult children (mid-20s).
- Both in good health.
- Robert sold his family business two years ago, enabling both to retire early.
- Karen worked for the local council in her early career, then took a long career break to raise their children before joining the family business as a shareholder and director in her late 40s.

Income & spending

- Pre-retirement lifestyle spending: £110,000–£120,000 p.a.
- Current target expenditure: **£80,000–£90,000 p.a.**
- Living mainly off interest from cash savings, though lower rates have meant starting to draw on capital.
- No withdrawals yet from pensions or ISAs.
- Karen will receive a Local Government DB pension of c. £8,100 p.a. from age 65.

Balance sheet (2025 snapshot)

	Robert	Karen	Joint	Total
Property	-	-	£1,000,000	£1,000,000
Cash	£1,250,000	£1,250,000	-	£2,500,000
ISAs	£125,000	£125,000	-	£250,000
GIAs	-	£75,000	-	£75,000
Pensions	£650,000	£300,000	-	£950,000
Total	**£2,025,000**	**£1,750,000**	**£1,000,000**	**£4,775,000**

Notes:

- Cash: held primarily in NS&I Direct Saver, safe but now generating less income.
- GIAs: Karen inherited a FTSE 100 share portfolio (£75,000) that produces dividends, often gifted to children.
- Pensions: both defined contribution, uncrystallised.
- DB Pension: Karen entitled to c. £8,100 p.a. from 65.

Other information

- Mortgage repaid at business sale.
- Children starting to take on debt for property purchases.
- Potential grandchildren expected in coming years.
- Robert more comfortable with risk and spending; Karen more cautious.

Retirement goals

- Maintain a comfortable lifestyle in retirement, spending **£80,000–£90,000 p.a.**
- Ensure income is sustainable and tax-efficient.
- Retain flexibility for Robert's hobbies, which may involve occasional lump sums of c. £100,000.
- Support children with property purchases and, in time, grandchildren.
- Preserve long-term wealth and consider legacy planning.