

CALCULATOR GUIDE

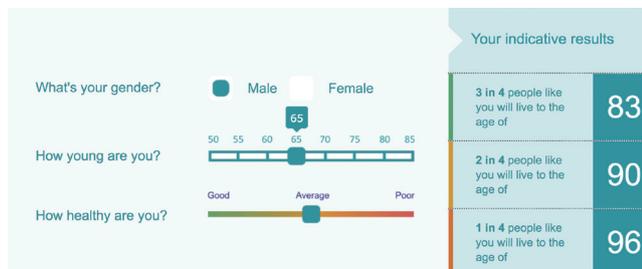
CAN YOU GUARANTEE HOW LONG YOUR CLIENT WILL LIVE FOR?



Many people underestimate how long they might live. This difficult – and sometimes sensitive – question lies at the heart of discussions around pensions, retirement income and guaranteed income for life solutions (GIFL). So, how can a client make sure their funds meet their retirement income needs when they can't predict how long their retirement might last?

The average life expectancy for a 65-year-old in average health today is 90 for men and 93 for women¹. But how many of us would predict that?

That's where our **longevity calculator** can help.



Easy to use

Simply select the gender and age of your client. Then add basic information about their health – and that's it.

Our longevity tool then quickly indicates the probability of the client reaching a particular age. This gives a starting point for talking to the client about how long their income might need to last, encouraging the discussion for a fully personalised illustration.

What information do I need?

You'll need to know your client's age and basic information about their health:

- If they're in 'good health', they might have had this confirmed by their doctor. Typically, they'll be a non-smoker who's neither overweight nor underweight. They'll look after their health and not be on any prescribed medication to control particular conditions.
- If your client's in 'average health', they're probably not perfectly healthy for their age. But, at the same time, they're not suffering from any serious ongoing illness. They might, for example, be a little overweight and/or their blood pressure may be higher than their doctor would like it to be. Or perhaps they suffer from high cholesterol and are taking medication to control it.
- A client in 'poor health' has probably had a more serious medical condition or risk factor such as cancer or diabetes. They might have suffered from a condition that's difficult to control. Or they've recently had a stroke or a heart attack.

¹ The Continuous Mortality Investigation, 2015 model for mortality improvements

What does our calculator show?

Our calculator helps give an indication of the chances of a person living to a certain age. It's based on UK Pensions Industry Data² and your own assessment of their general health.

You can print and save the output from this tool to add to your client's file.

What next?

Understanding how long a client may live is a powerful way of demonstrating how they should plan for their retirement income.

Once your client has a better understanding of what age they may live to – and how long their funds may need to last – they'll be better equipped to consider retirement decisions.

For example, they may prefer to have a part of their income guaranteed – to get peace of mind that minimum expenses and costs are likely to be covered. Or they might want to include protection against escalating costs or inflation – if it looks like they could live many years into the future.

You can follow this up with a more detailed look at your client's expectations for their retirement income. Our retirement budget planner can help show what level of provision they'll need to cover their personal minimum income requirement (PMIR). And our drawdown risk calculator can help demonstrate the risk of a client running out of money (in retirement) whilst still alive.

Drawdown risk calculator

Will your client run out of money whilst still alive? Help model the likelihood their income will last as long as they do by using our drawdown risk calculator at justadviser.com/calculators/

Pension taxation calculator*

If your client's thinking about making a taxable withdrawal, help them appreciate the full implications with our pension taxation calculator. This free and easy-to-use tool shows the likely tax bill due on any withdrawal. Find it at justadviser.com/calculators/

Helpful tips

Make sure you and your client make the most of your time in their review by suggesting they bring details of all their medical and lifestyle information with them. They could even complete the retirement health form before your review meeting. This'll save you time in your meeting so you can discuss the implications of this information – rather than simply capturing it

² The Continuous Mortality Investigation (2015)

* Our calculator is based on UK tax rates excluding Scotland.

FOR MORE INFORMATION

Call: **0345 302 2287**

Lines are open Monday to Friday, 8.30am to 5.30pm

Email: support@wearejust.co.uk

Or visit our website for further information: justadviser.com

Please contact us if you would like this document in an alternative format.

Just is a trading name of Just Retirement Limited. Registered Office: Vale House, Roebuck Close, Bancroft Road, Reigate, Surrey RH2 7RU. Registered in England and Wales Number 05017193. Just Retirement Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Please note your call may be monitored and recorded and call charges may apply.

