



DEFINED BENEFIT TRANSFER

TVC, INCOME MODELLING AND LIFETIME ALLOWANCE

User Guide

Contents

| | |
|--|----|
| Scheme Details..... | 2 |
| Retirement Benefits..... | 4 |
| Bridging Pensions and State Pension Deductions | 5 |
| Discretionary Increases..... | 6 |
| Early/Late Retirement Factors..... | 6 |
| Additional Benefit Groups | 7 |
| Death in Deferment | 8 |
| Additional Plan Benefits..... | 9 |
| Abridged Advice | 10 |
| Remuneration | 11 |
| Product Selection..... | 12 |
| Product Features..... | 12 |
| New Investment..... | 13 |
| Alternative Products | 14 |
| Workplace Pension Schemes | 16 |
| Results Summary..... | 17 |
| Full Comparison | 18 |
| Critical Yield Required..... | 18 |
| Death Benefits..... | 18 |
| Hurdle Rate | 19 |
| Single Life | 19 |
| PCLS..... | 19 |
| MP Underpin..... | 19 |
| Income Options and Income Modeller | 20 |
| Stress Testing | 21 |
| Include Recommendations | 22 |
| Print Options | 22 |

Scheme Details

| Scheme Details | | Help |
|--|--|--------|
| Calculation Date (dd/mm/yyyy) <small>If the calculation date is post 30/09/2020, the calculations will be using the rules as per PS20/6</small> | | |
| <input type="text" value="01/10/2020"/>  | | |
| Scheme Name | Autumn 2020 Updates | |
| Total Transfer Value | £ 800000.00 | |
| Transfer Value Guaranteed Until (dd/mm/yyyy) | 01/01/2021  | |
| Money Purchase / AVC (Included in Transfer Value) | <input checked="" type="radio"/> Yes <input type="radio"/> No | |
| Money Purchase / AVC Transfer Value | £ 4123.62 | |
| Is there a Money Purchase underpin? | <input checked="" type="radio"/> Yes <input type="radio"/> No | |
| Underpin Value | £ 1465.87 | |
| Scheme Contracted Out? | <input checked="" type="radio"/> Yes <input type="radio"/> No | |
| Contracted Out Pre '97? | <input checked="" type="radio"/> Yes <input type="radio"/> No | |
| GMP Cash Equivalent / Pre 97 PR Transfer Value: | £ 41563.44 | |
| Transfer Value to be enhanced by refund of Limited Revaluation Premium (LRP)? | <input type="radio"/> Yes <input checked="" type="radio"/> No | |
| Contracted Out Post '97? | <input checked="" type="radio"/> Yes <input type="radio"/> No | |
| Contracted Out Mixed Benefits (Money Purchase) included in Transfer Value? | <input type="radio"/> Yes <input checked="" type="radio"/> No | |
| S9(2b)/Post 97 PR Transfer Value: | £ 315648.59 | |
| Date of Joining Scheme (dd/mm/yyyy) | 02/01/1990  | |
| Date of Leaving Scheme (dd/mm/yyyy) | 01/01/2004  | |
| Include Commutation for PCLS option? | <input checked="" type="radio"/> Yes <input type="radio"/> No | |
| Max PCLS as of A-Day (if pre A-Day service) | £ 0.00 | |
| Do New Rules apply if better (i.e. 25% of benefit value)? | <input type="radio"/> Yes <input checked="" type="radio"/> No | |
| Total Pension as at A-Day £ 0.00 | Plus Lump Sum if applicable | £ 0.00 |
| Scheme Retirement | <input checked="" type="radio"/> Age <input type="radio"/> Date | |
| Scheme Retirement Age | 65 | |
| Desired Retirement | <input checked="" type="radio"/> Age <input type="radio"/> Date | |
| Desired Retirement Age | 60 | |
| Include Lifetime Allowance | <input checked="" type="radio"/> Yes <input type="radio"/> No | |
| Scheme Funding Status | <input type="button" value="Deficit"/> | |
| Overall Funding Position | 85.00 % <input type="button" value="73.00 %"/> | |
| Wind Up Position | <input type="button" value="Closed"/> | |
| Scheme Funding Status as at (dd/mm/yyyy) | 31/03/2020  | |
| Notes | <div style="border: 1px solid #ccc; height: 40px; width: 100%;"></div> | |

Using the information provided below, complete all relevant white fields and all mandatory fields in yellow.

| Field | Description |
|--|--|
| Calculation Date | The start date of the analysis. The yield required to match the former benefits will be calculated from this date to the chosen retirement age if the pension benefits are given at the scheme statement date. All assumptions used are as at this date. |
| Scheme Name | The name of the current Defined Benefit scheme. |
| Total Transfer Value | The total value of the transfer. |
| Transfer Value Guaranteed Until | The transfer value from the ceding scheme may be guaranteed if it is transferred before a certain date. It is therefore important that the report and advice take this into account. Enter in dd/mm/yyyy format. |
| Money Purchase AVC (included in Transfer Value) | Enter the amount in relation to the AVC. Please note that this value is taken off the Total Transfer Value. |
| Is there a Money Purchase underpin? | If there is, select yes and input the underpin value in the field that appears. |
| Scheme Contracted Out | Enter details as appropriate. |
| Date of Joining Scheme | Enter date in dd/mm/yyyy format or select from calendar. |
| Date of Leaving Scheme | Enter date in dd/mm/yyyy format or select from calendar. |
| Include PCLS Option | If Yes, the commutation factor will be required on the next screen. If the PCLS amount is enhanced, A-Day details can also be entered here. |
| Scheme Retirement Age/Date | Select whether this is to be entered as an age or date and enter the normal retirement age for the scheme. |
| Desired Retirement Age/Date | This field is optional and can be used to express an early or late retirement age or date. |
| Include Lifetime Allowance | Select yes here if the analysis is to include LTA charges. |
| Scheme Funding Status | Select from the drop-down list. |
| Wind Up Position | Enter as a percentage. |
| Overall Funding Position | If the scheme is not fully funded, enter the % funding position. |
| Scheme Funding Status as at | Enter the date in dd/mm/yyyy format or select from the calendar. Choose the option from the drop-down list. |

This information will be saved automatically when you click **Next**.

Retirement Benefits

Add the benefits as they appear in the transfer illustration from the scheme. These can be quoted at the date of leaving, calculation date, retirement date or a specific date.

Primary Benefits for Retirement at 65

Add Benefit

| | | | | | | | |
|--|----------------------------|---------------------------------------|----------------|----------------------------|---|------|-------|
| Type: Post 88 GMP | Date: Date of Leaving | Amount: £ 373.41 | | | | | |
| Deferment Reval | Apply Min | Apply Max | Inc in Payment | Apply Min | Apply Max | Gtee | % DAR |
| 4.5 | <input type="checkbox"/> % | <input checked="" type="checkbox"/> % | CPI | <input type="checkbox"/> % | <input checked="" type="checkbox"/> 3 % | 5 | 50 |
| <input type="checkbox"/> Ignore until GMP age <input type="checkbox"/> Override Benefit Name | | | | | | | |

| | | | | | | | |
|--|----------------------------|---|----------------|----------------------------|---|------|-------|
| Type: Excess (pre 97) | Date: Date of Leaving | Amount: £ 17121.30 | | | | | |
| Deferment Reval | Apply Min | Apply Max | Inc in Payment | Apply Min | Apply Max | Gtee | % DAR |
| RPI/CPI | <input type="checkbox"/> % | <input checked="" type="checkbox"/> 7 % | CPI | <input type="checkbox"/> % | <input checked="" type="checkbox"/> 5 % | 5 | 50 |
| <input type="checkbox"/> Override Benefit Name | | | | | | | |

| | | | | | | | |
|--|----------------------------|----------------------------|----------------|----------------------------|---|------|-------|
| Type: Excess (post 97) | Date: Date of Leaving | Amount: £ 22365.15 | | | | | |
| Deferment Reval | Apply Min | Apply Max | Inc in Payment | Apply Min | Apply Max | Gtee | % DAR |
| S52a (RP) | <input type="checkbox"/> % | <input type="checkbox"/> % | CPI | <input type="checkbox"/> % | <input checked="" type="checkbox"/> 2.5 % | 5 | 50 |
| <input type="checkbox"/> Override Benefit Name | | | | | | | |

| | | | | | | | |
|--|--|--|----------------|----------------------------|----------------------------|------|-------|
| Type: Bridging Pension | Date: Date of Leaving | Amount: £ 1263.21 | | | | | |
| Deferment Reval | Apply Min | Apply Max | Inc in Payment | Apply Min | Apply Max | Gtee | % DAR |
| 0% | <input type="checkbox"/> % | <input type="checkbox"/> % | 0% | <input type="checkbox"/> % | <input type="checkbox"/> % | | |
| <input type="checkbox"/> GMP Bridge <input type="checkbox"/> Override Benefit Name | | | | | | | |
| Supplementary to main benefits | <input type="radio"/> Yes <input checked="" type="radio"/> No | | | | | | |
| Payable from: | <input checked="" type="radio"/> NRA <input type="radio"/> Age: <input type="text"/> | <input type="radio"/> Specify Date: <input type="text"/> | | | | | |
| Payable to: | <input checked="" type="radio"/> SPA <input type="radio"/> Age: <input type="text"/> | <input type="radio"/> Specify Date: <input type="text"/> | | | | | |

| | |
|---|----------|
| Commutation Factor as at NRA | 21.4 : 1 |
| Early Retirement Age Commutation Factor | 23.6 : 1 |

| | |
|--|---|
| Early Retirement | <input checked="" type="radio"/> Percentage Reduction <input type="radio"/> Pension Amount <input type="radio"/> Factor |
| Percentage Reduction at Age 60 | <input type="text"/> 4.00 % <input type="radio"/> Annual |
| Having been revalued to <input checked="" type="radio"/> Age 60 <input type="radio"/> Age 65 | |
| Earliest age without penalty <input type="text"/> 65 | |

Add New Group of Benefits

| | | | |
|--|---|--|-------------------------------|
| Amount of PCLS | <input checked="" type="radio"/> Estimate Maximum | <input type="radio"/> Scheme Maximum | <input type="radio"/> Specify |
| Early PCLS | <input checked="" type="radio"/> Estimate Maximum | <input type="radio"/> Scheme Maximum | <input type="radio"/> Specify |
| Partner's % calculated on member's full pension before commutation <input type="radio"/> Yes <input checked="" type="radio"/> No | | | |
| Basis of calculating revaluation of excess pension benefits | | <input type="radio"/> Whole Years <input type="radio"/> <input type="text"/> | |

Select **Add Benefit** to add a new benefit and **Save** once each element has been entered.



There are dropdown lists for benefit types, revaluation and increases in payment. Any guarantee period (Gtee) and death benefits in retirement (%DAR) can also be entered in the benefit details. To delete a benefit, click on the  icon.

There is also the option to override the benefit name, which will change the reported benefit name in the final document.

For GMP, the fixed rate basis is assumed at the appropriate rate according to the date of leaving. If this does not apply, select the correct option from the dropdown list.

Bridging Pensions and State Pension Deductions

If the scheme offers a temporary pension, this can be entered as a bridging pension and marked as supplementary to the main benefits.

| | | |
|---|--|--|
| Type: <input type="button" value="Bridging Pension"/> | Date: <input type="button" value="Date of Leaving"/> | Amount: £ <input type="text" value="690.04"/> |
| <input checked="" type="radio"/> Yes <input type="radio"/> No | | |
| Payable from: | <input checked="" type="radio"/> NRA | <input type="radio"/> Age: <input type="button" value=""/> |
| Payable to: | <input checked="" type="radio"/> SPA | <input type="radio"/> Age: <input type="button" value=""/> <input type="button" value=""/> |
| <input type="button" value="Show Details"/>  | | |

If there is a state pension deduction, this can be entered as above, but the benefit will not be supplementary to the main benefits.

There is also the option to enter a GMP Bridge, which will allow the system to increase the GMP at one rate until GMP age, then at another rate afterwards. To do this, tick the box **Ignore until GMP age** below the GMP benefit. A bridging pension will need to be added for the same amount as the GMP benefit and the **GMP Bridge** option selected.

| | | | | | | | |
|---|--|---|------------------------------------|----------------------------|----------------------------|------|-------|
| Type: <input type="button" value="Bridging Pension"/> | Date: <input type="button" value="Date of Leaving"/> | Amount: £ <input type="text" value="690.04"/> | | | | | |
| Deferment Reval | Apply Min | Apply Max | Inc in Payment | Apply Min | Apply Max | Gtee | % DAR |
| <input type="button" value="RPI/CPI"/> | <input type="checkbox"/> % | <input checked="" type="checkbox"/> 5 % | <input type="button" value="LPI"/> | <input type="checkbox"/> % | <input type="checkbox"/> % | | |
| <input checked="" type="checkbox"/> GMP Bridge | <input type="checkbox"/> Override Benefit Name | | | | | | |
| <input type="button" value="Hide Details"/>  | | | | | | | |

If the scheme has a cash or lump sum payable to the member at retirement in addition to the pension (i.e. not by commutation), add a new benefit and choose **Cash Sum** from the type dropdown list. This can be entered as a monetary amount or a multiple of the pension and can also have early/late retirement factors applied.

| | | | | | | | |
|---|--|---|----------------|-----------|-----------|------|-------|
| Type: <input type="button" value="Cash Sum"/> | Date: <input type="button" value="Date of Leaving"/> | Amount: £ <input type="text" value="354.20"/> | | | | | |
| Deferment Reval | Apply Min | Apply Max | Inc in Payment | Apply Min | Apply Max | Gtee | % DAR |
| <input type="button" value="RPI/CPI"/> | <input type="checkbox"/> % | <input checked="" type="checkbox"/> 5 % | | | | | |
| <input type="checkbox"/> Override Benefit Name | | | | | | | |
| <input checked="" type="radio"/> Monetary Amount <input type="radio"/> Multiple of Pension at retirement <input checked="" type="checkbox"/> Apply Early/Late Factors | | | | | | | |
| <input type="button" value="Hide Details"/>  | | | | | | | |

Discretionary Increases

If the scheme has paid discretionary increases either when revaluing the benefits or once in payment, select **Disc** from the dropdown list. When **Next** is clicked, an additional screen will appear where the historical increases can be entered.

History of Discretionary Increases

| Year | Increases to Deferred Benefits (before retirement) | Increases to Pensions in Payment (after retirement) | |
|------|---|--|---|
| 2006 | 4 | 0 | X |
| 2007 | 5 | 0 | X |
| 2008 | 5 | 0 | X |
| 2009 | 10 | 0 | X |
| 2010 | 8 | 0 | X |

Add Another Year

Are discretionary increases payable in addition to Normal Scheme Revaluation? Yes No

If these increases are in addition to the normal scheme revaluation/increases, this can be reflected in the option below.

Early/Late Retirement Factors

Note: The option for early/late retirement factors will only appear if a desired retirement age has been entered on the previous page.

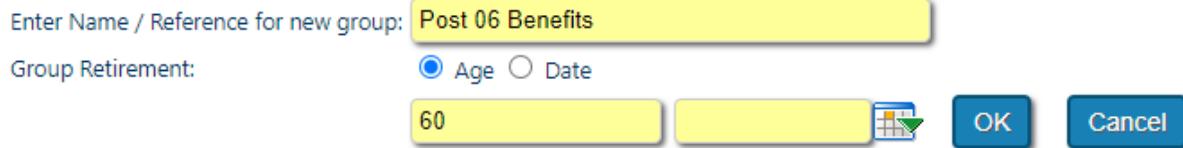
| | |
|--|---|
| Early Retirement | <input checked="" type="radio"/> Percentage Reduction <input type="radio"/> Pension Amount <input type="radio"/> Factor |
| Percentage Reduction at Age 60 | 4.00 % Annual <input type="button" value="▼"/> |
| Having been revalued to <input checked="" type="radio"/> Age 60 <input type="radio"/> Age 65 | |
| Earliest age without penalty <input type="text" value="65"/> | |

Early/late retirement details can be entered as a percentage, factor or a pension amount. Percentage enhancements/reductions can be entered as an annual reduction, e.g. 4% per year, or a total reduction, e.g. 20% total, by choosing from the dropdown list.

Where a percentage or factor has been chosen, the user can select whether the benefits are revalued to the normal or desired age before the penalty/enhancement is applied. There is also the option to specify that a penalty will only apply if the benefits are taken before a certain age.

Additional Benefit Groups

If a section of the benefits has a different retirement age, commutation factor or early/late retirement factor, this can be entered in an additional benefit group. To do this, select Add New Group of Benefits below the benefits already entered.



Enter Name / Reference for new group: **Post 06 Benefits**

Group Retirement: Age Date

60 

OK **Cancel**

Enter the name of this group and the normal retirement age or date for these benefits and click **OK**.

This will open a second group where the benefits can be entered as normal. There will be additional boxes for commutation factors and early/late retirement which can be completed to reflect the benefits in this group. Once the first benefit has been saved, there will be the option to toggle between the primary benefit group and this new group.

The secondary group will still be assumed to be paid at the normal and desired retirement ages entered on the previous screen, but the relevant factors will be applied. The commutation factors should be entered for the scheme retirement ages rather than the retirement age of this benefit group.

No additional benefit groups need to be added to reflect the GMP age, as this is already built into the system assumptions.

Death in Deferment

Death in deferment benefits will be automatically populated based on the information entered on the previous page, however, this can be manually overwritten.

Death in Deferment Benefits Help

Primary Benefits for Retirement at 65 Add Benefit

| | | | | | |
|--|----------------------------|----------------------------|----------------|----------------------------|---|
| Type: Post 88 GMP | Date: Date of Leaving | Amount: £ 186.70 | | | |
| Deferment Reval | Apply Min | Apply Max | Inc in Payment | Apply Min | Apply Max |
| 4.5 | <input type="checkbox"/> % | <input type="checkbox"/> % | CPI | <input type="checkbox"/> % | <input checked="" type="checkbox"/> 3 % |
| <input type="checkbox"/> Override Benefit Name | | | | | |

Type: Excess (pre 97) Date: Date of Leaving Amount: £ 7060.65

| | | | | | |
|--|----------------------------|---|----------------|----------------------------|---|
| Deferment Reval | Apply Min | Apply Max | Inc in Payment | Apply Min | Apply Max |
| RPI/CPI | <input type="checkbox"/> % | <input checked="" type="checkbox"/> 5 % | CPI | <input type="checkbox"/> % | <input checked="" type="checkbox"/> 5 % |
| <input type="checkbox"/> Override Benefit Name | | | | | |

Type: Excess (post 97) Date: Date of Leaving Amount: £ 10682.58

| | | | | | |
|--|----------------------------|---|----------------|----------------------------|---|
| Deferment Reval | Apply Min | Apply Max | Inc in Payment | Apply Min | Apply Max |
| CPI | <input type="checkbox"/> % | <input checked="" type="checkbox"/> 5 % | CPI | <input type="checkbox"/> % | <input checked="" type="checkbox"/> 2.5 % |
| <input type="checkbox"/> Override Benefit Name | | | | | |

Lump Sum Date of Leaving £ 0.00 Apply Min: % Apply Max: %

Return of Member's Contribution Date of Leaving £ 0.00 Apply Min: % Apply Max: %

Hide Details -

Hide Details -

Hide Details -

If a cash sum entered on the previous page is also applicable on death in deferment, this should be manually entered in the **Lump Sum** field. There is also the facility to add an additional benefit if there is an additional amount that has not been carried forward from the previous page.

Additional Plan Benefits

If there are any additional benefits that the member receives from the scheme, these can be reflected here. This information will not affect the calculation, but will be noted in the report to make the member aware of any additional benefits that they may lose out on if they move away from the scheme.

Existing Scheme Details - Additional Plan Benefits

 Confirm any benefits which apply, you can include standard text and / or your own comments.

| |
|--|
| <input type="checkbox"/> Transfer Club Member |
| <input type="checkbox"/> Early Retirement – Ill Health |
| <input type="checkbox"/> Dependants Pension (Other than spouse) |
| <input type="checkbox"/> Money Purchase Underpin |
| <input type="checkbox"/> Pension Status -Member |
| <input type="checkbox"/> GPP Member |
| <input type="checkbox"/> Scheme Under Funded- TV Reduced |
| <input type="checkbox"/> Scheme Over Funded- TV Enhanced |

General

Add comments here

There will be the option to enter any additional notes relating to these benefits by selecting on the options. Alternatively, the standard text may be included, as shown below.

Transfer Club Member

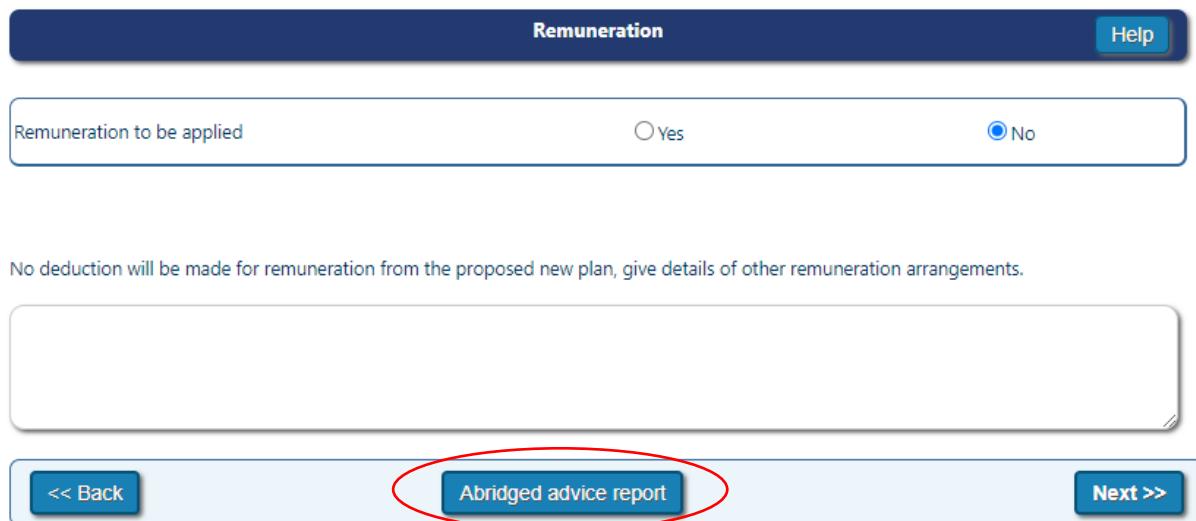
Include Standard Text

Your current scheme is a Transfer Club member, if you become employed by another Transfer Club scheme your benefits to-date would continue with the new scheme, therefore by transferring out valuable benefits may be lost.

Include Custom Text

Abridged Advice

The option to run an abridged advice report will appear on the remuneration page.



Remuneration

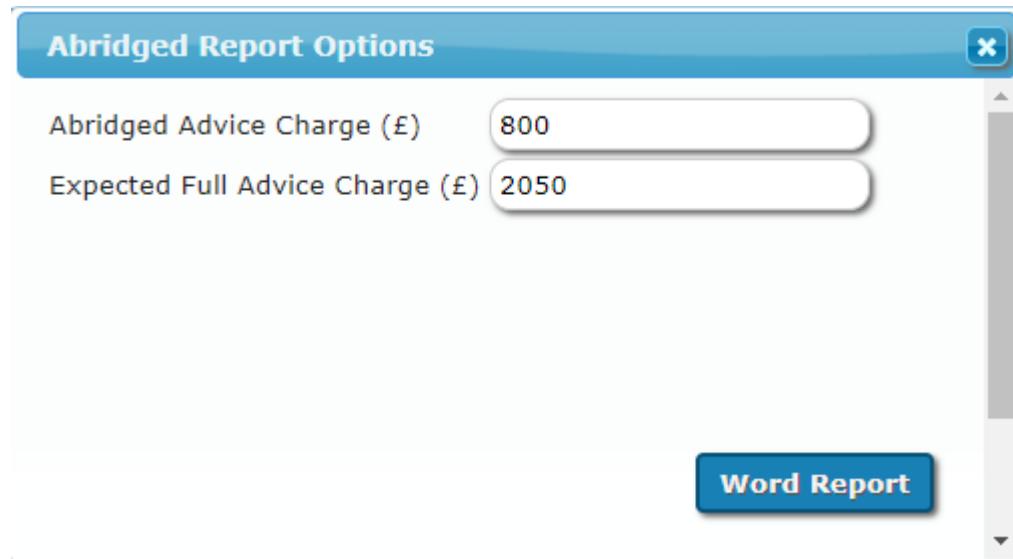
Help

Remuneration to be applied Yes No

No deduction will be made for remuneration from the proposed new plan, give details of other remuneration arrangements.

<< Back **Abridged advice report** Next >>

Clicking this option will allow the user to enter the remuneration applicable for this advice as well as the expected remuneration if the member were to proceed with the full advice.



Abridged Report Options

Abridged Advice Charge (£) 800

Expected Full Advice Charge (£) 2050

Word Report

This one-page document can be opened as a Word report and will show the estimated monthly benefits that the member will receive if they remain in the scheme. This document can be edited to include the adviser's recommendations.

If a full Defined Benefit Transfer report is required following this Abridged Advice report, this case can be continued from this point and the benefit details will not need to be reinput.

Remuneration

If remuneration is to be taken through the plan, select **Yes**. If remuneration is to be taken through other arrangements, select **No** and enter the details in the notes section at the bottom of the page.

Remuneration

Help

Remuneration to be applied Yes No

i Subject to product criteria being met, all providers' products will be included. Each product will have the providers' standard charges applied plus the specified level of remuneration. All remuneration taken from within the product (i.e. not a personal payment by the client) is on a 1:1 basis.

Please be aware that not all Providers may be able to support the style of remuneration selected.

Single Premium

| | | |
|---------|------|----|
| Initial | 3.00 | % |
| £ | | pa |

Regular Premium

| | |
|-------|---|
| Level | <input type="radio"/> Initial* <input checked="" type="radio"/> % |
| £ | |

| | | |
|------------|------|----|
| Fund Based | 0.50 | % |
| £ | | pa |

Advanced Fee Styles

Please give details of any other remuneration arrangements.

In the **Single Premium** fields, enter the initial fee in either the initial percentage or monetary fee boxes. Enter any ongoing fees in the **Fund Based** fields. The regular premium fields are not required for this tool.

Advanced Fee Styles can be used to further specify how adviser fees are to be taken. This will allow the user to specify whether the fees are to be deducted monthly or less frequently and will also give the option to split the initial fees over a longer period.

Any additional notes can also be included at the bottom of the page.

Product Selection

Product Features

If there is a requirement for the new product to have specific features, they may be selected from the options shown. Only plans that meet these criteria will be included in the results. A list of available products can be viewed by clicking on the 'Show Products' button to the right of **Products Available**.

Product Features

Please select the client's required product features.

Where specific features have been selected, these can be saved as a template for use in any future analyses.

Products Available: 66

Show Products

Selected Features

- AKG Company Profile - Overall Financial Strength Rating
- Fund Switches / Redirection
- Online Access
 - Online Applications
 - Online Literature
 - Online Quotations
 - Online Valuations
- Regular Contributions
- Single Contributions/Transfers
- Product Guarantee
- Investment Options
- Commercial Property
- Portfolio Options
- Drawdown Options
 - Capped Drawdown Available
 - Flexi Access Drawdown Available
 - Phased Drawdown Available
 - UFPLS
 - Dependants or Beneficiary Drawdown
- Other Features

Feature Templates

No Templates

Save as New Template

<< Back

Next >>

If the features selected are going to be used frequently, they can be saved as a new template and will appear in the list on the left in all future cases.

New Investment

The investment options for the new plan can be selected from **Funds & Sectors**, **User Templates**, **Managed Portfolios** and **Plan Default Settings**. See the Funds Functionality user guide for further information on how to use these options.

New Investment

Products Available: 99

[Show Products](#)[Funds & Sectors](#)[User Templates](#)[Managed Portfolios](#)[Plan Default Settings](#)

When selecting a specific fund/template, the system will filter out any products that do not offer these funds. The products that do offer them can be viewed by clicking the **Show Products** button next to **Products Available**. Any products that were filtered out on the previous page will also show here under **Unavailable Plans** along with the reason that they were filtered out.

Available Plans

| Provider | Plan |
|--------------------------|---|
| abrdn Elevate | abrdn Elevate Elevate Pension Investment Account (1114) |
| abrdn Wrap | abrdn Wrap SIPP for Wrap (Provided by Standard Life Assurance Ltd)(28084) |
| Aegon Platform | Aegon Platform Pension Account(15806) |
| Aegon Platform | Aegon Platform SIPP(15340) |
| Aegon Retirement Choices | Aegon Retirement Choices One Retirement(3955) |

Unavailable Plans

| Provider | Plan | Reason |
|----------|------------------------------|---|
| @SIPP | @SIPP Collective SIPP(2398) | Does not include all the selected product features. |
| @SIPP | @SIPP Collective SIPP(27905) | Does not include all the selected product features. |
| @SIPP | @SIPP Full SIPP(2400) | Does not include all the selected product features. |

Alternative Products

Alternative Products Help

i Select the product types to be included in the comparison.

| | | | | | |
|------------------|-------------------------------------|-------------|-------------------------------------|------------------------|-------------------------------------|
| Buy Out | <input checked="" type="checkbox"/> | Hybrid SIPP | <input checked="" type="checkbox"/> | Open Architecture SIPP | <input checked="" type="checkbox"/> |
| Personal Pension | <input checked="" type="checkbox"/> | Platform | <input checked="" type="checkbox"/> | Stakeholder | <input checked="" type="checkbox"/> |

i Growth Rates for Analysis

Low: % Medium: % High: %

All product types will be included as a default, but can be adjusted according to the requirements of the analysis.

By clicking **Select all providers** and **Select all products**, all available providers and products will be included in the comparison. Alternatively, the user can select one or more providers and products manually from the list.

| | | | |
|--|---|-------------------------------|-------------------------------------|
| Select all providers <input type="checkbox"/> | Select all products <input type="checkbox"/> | << Back | Next >> |
| Bespoke Plans | <input type="checkbox"/> | LV= | <input type="checkbox"/> |
| @SIPP | <input type="checkbox"/> | Novia | <input checked="" type="checkbox"/> |
| AJ Bell | <input type="checkbox"/> | Nucleus | <input checked="" type="checkbox"/> |
| AJ Bell Investcentre | <input checked="" type="checkbox"/> | Old Mutual Wealth | <input checked="" type="checkbox"/> |

Below the list of providers will be a list of all of the products currently available that match the previously selected criteria. Plans that are greyed out will be unavailable and the reason is given directly beneath the plan.

| Plan Name | Select | Existing Plan |
|---|-------------------------------------|--|
| 7IM | | |
| 7IM 7IM SIPP (7IM Discretionary/Retirement Income Service)  | <input type="checkbox"/> | <input type="checkbox"/> |
| Reason: Does not include all the selected product features.  | | |
| 7IM SIPP  | <input type="checkbox"/> | <input type="checkbox"/> |
| Reason: Does not include all the selected product features.  | | |
| @SIPP | | |
| @SIPP Collective SIPP  | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| @SIPP Full SIPP  | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| @SIPP Solo SIPP  | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| @SIPP Solo SIPP +  | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| AJ Bell | | |
| AJ Bell AJ Bell Platinum SIPP  | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> £ 173500 |
| AJ Bell Investcentre | | |
| AJ Bell Investcentre Junior SIPP (investing in Funds and Shares Service)  | <input type="checkbox"/> | <input type="checkbox"/> |
| Reason: Client age above plan's maximum age limit (max: 18) | | |
| AJ Bell Investcentre SIPP (investing in Funds and Shares Service)  | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Notes: Charges assumed 100% investment in Funds & Shares Service | | |
| AJ Bell Investcentre SIPP (investing in Funds and Shares Service) - Retirement Investment Account  | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Notes: Charges assumed 100% investment in Funds & Shares Service | | |
| AJ Bell Investcentre SIPP-MPS Service (investing in Funds and Shares Service)  | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Notes: This plan is for MPS use only | | |
| Advance by Embark | | |
| Advance by Embark Retirement Account  | <input checked="" type="checkbox"/> | <input type="checkbox"/> |

If the member already has an investment with one of the companies in the product list, they may be entitled to a large fund discount. If this is the case, use the **Existing Plan** tick box to reflect this and enter the amount that they currently have invested. This amount will not be added to the results, but will be included to calculate the new product charges.

Workplace Pension Schemes

To include a Workplace Pension Scheme in the report, this will need to be created in Personal Settings – Bespoke Plans. Full details on how to create this can be found in the Building a Bespoke Workplace Pension Scheme guide.

Once this scheme has been created, it will show up in a dropdown list below the option to include a bespoke workplace pension.

| | | |
|--|--|--|
| Low: <input type="text" value="2"/> % | Medium: <input type="text" value="5"/> % | High: <input type="text" value="8"/> % |
| Include Bespoke workplace Pension: <input checked="" type="radio"/> Yes <input type="radio"/> No | | |
| Select Plan: <input type="button" value="Bespoke Plans Workplace Pension ▾"/> | | |
| Include Generic Stakeholder Comparison (to satisfy RU64): <input type="radio"/> Yes <input checked="" type="radio"/> No | | |

This will show up in the Results Summary and there will be additional information on this included in the Suitability Report Summary in the report.

Results Summary

When the analysis is run, a list is displayed of all of the products selected for comparison. The highest value, based on the medium growth rate, will be at the top.

| Proposed (60) | | Desired (60) | | Understanding your results... | | | |
|----------------------------------|--|--------------|--|-------------------------------|------------|------------|--|
| Provider | Product | | | 2% | 5% | 8% | RIY |
| Scottish Widows | Retirement Account | | | £870,000 | £1,000,000 | £1,160,000 | 0.3% <input checked="" type="checkbox"/> |
| Royal London | Pension Portfolio | | | £867,000 | £1,000,000 | £1,150,000 | 0.4% <input type="checkbox"/> |
| Old Mutual Wealth | Self Invested Personal Pension | | | £864,000 | £999,000 | £1,150,000 | 0.4% <input type="checkbox"/> |
| Old Mutual Wealth | Collective Retirement Account (Wealth Select) - Unbundled | | | £853,000 | £986,000 | £1,130,000 | 0.7% <input type="checkbox"/> |
| Aviva | Pension Portfolio (Choice) | | | £851,000 | £984,000 | £1,130,000 | 0.8% <input type="checkbox"/> |
| AJ Bell Investcentre | SIPP (investing in Funds and Shares Service) - Retirement Investment Account | | | £851,000 | £984,000 | £1,130,000 | 0.8% <input type="checkbox"/> |
| Workplace Scheme | | | | £850,000 | £983,000 | £1,130,000 | 0.8% <input type="checkbox"/> |
| Nucleus | Pension Account | | | £849,000 | £982,000 | £1,130,000 | 0.8% <input type="checkbox"/> |
| Novia | Novia Wrap | | | £845,000 | £977,000 | £1,120,000 | 0.9% <input type="checkbox"/> |

If the charges on the plan differ from the standard, these can be adjusted by clicking on the icon.

Scottish Widows
[Retirement Account](#)

Adjust Allocation
 %

Adjust AMC
 %
[Fund Splits](#)

Lump Sum
 Once only

Lump Sum
 Once only

[Edit](#)

In the example, above, the AMC has been reduced by 0.2%. To complete the fields to adjust the product charges, use the table below.

| Field | Description |
|--------------------------|--|
| Adjust Allocation | A positive value will enhance the fund. A negative value will reduce the fund to act as an additional initial fee. |
| Adjust AMC | A positive value will increase the AMC. A negative value will reduce the charge. |
| Lump Sum | A positive value will credit the fund with an additional sum. A negative value will create an additional charge. Choose a frequency from the dropdown. |
| Fund Splits | This can be used if the case has been run on Plan Default Settings to override the default fund. |

Once the adjustments have been made, click the **Recalculate** button at the foot of the page to update the reduction in yield. Select up to three plans in the right-hand column to proceed to full analysis.

17 *Defined Benefit Transfer User Guide*

 **Selectapension**

Full Comparison

Header tabs at the top of the page allow the user to toggle between various screens, as detailed below. If the analysis has been run to two different ages, the toggle buttons at the top of the screen can also be used to display the results at each age.

Proposed Age 65 Desired Age 60

| | | | | | | | |
|-------------------|-------------------------|----------------|-------------|-------------|------|-------------|------|
| Retirement Age 65 | Critical Yield Required | Death Benefits | Hurdle Rate | Single Life | PCLS | MP Underpin | Help |
|-------------------|-------------------------|----------------|-------------|-------------|------|-------------|------|

Critical Yield Required

The investment return required to match the value of the former scheme benefits is shown for each provider's product that has been selected in the comparison.

To match benefits provided by Autumnn 2020 Updates at Age 65 an annual investment return of 15.33% is required from a Royal London - Pension Portfolio.

| | |
|---|--|
| Member's Pension at Scheme Pension age from Autumnn 2020 Updates | £62,873.20 (This includes a pre-state pension of £1,263.21) |
| Reduced Pension & Lump Sum (Commutation Option) | Alternatively you may take a reduced pension benefit of £47,984.60 p.a. with a cash lump sum of £313,171.92. |
| Spouse's Death After Retirement Pension | £31,436.60 |
| Capital value of death benefits available immediately following transfer, a return of the transfer value would be payable, less any day one charges. | Capital value of the spouse's pension at calculation date if the member were to continue in the scheme. |
| Royal London - Pension Portfolio | £772,000.09 |
| | Autumnn 2020 Updates |
| | £937,747.88 |

Below this, the full pension, spouse's pension and reduced pension with PCLS from the existing scheme will be displayed. The system will also calculate the capital value of the benefits at retirement for both the new and existing schemes.

Death Benefits

The death benefits that the spouse will receive will be calculated at regular intervals for the two schemes.

Investment at 5%

| | Former Scheme | | Royal London Pension Portfolio | |
|---------|---------------|----------------|--------------------------------|----------------|
| | Lump Sum | Pension Amount | Lump Sum | Pension Amount |
| Day One | £0 | £26,233 | £772,000.09 | £0 |
| 1 Years | £0 | £26,767 | £803,737.94 | £0 |
| 2 Years | £0 | £27,312 | £836,780.58 | £0 |
| 7 Years | £0 | £30,214 | £1,023,522.05 | £0 |

Hurdle Rate

The hurdle rate will show the growth rate required to match the starting pension of the existing scheme, assuming no increases, no guarantee period and no spouse's pension.

To match pension benefits provided by Autumnn 2020 Updates at Age 65, excluding increases, spouses pension and or guarantee period an annual investment return of 8.67% is required from Royal London - Pension Portfolio

To match pension commencement lump sum and pension benefits provided by Autumnn 2020 Updates at Age 65, excluding increases, spouses pension and or guarantee period an annual investment return of 8.38% is required from Royal London - Pension Portfolio

Single Life

The single life results show the growth rate required to match the existing scheme, but not to provide and spouse's pension.

To match pension benefits provided by Autumnn 2020 Updates at Age 65, excluding spouses pension an annual investment return of 14.31% is required from Royal London - Pension Portfolio

To match pension commencement lump sum and pension benefits provided by Autumnn 2020 Updates at Age 65, excluding spouses pension an annual investment return of 12.92% is required from Royal London - Pension Portfolio

PCLS

The PCLS results compare the existing scheme PCLS amount with the PCLS amount that could be available from the new scheme at various growth rates.

| Cash Lump Sum based on IR Maximum | | | |
|-----------------------------------|----------------------------------|-------------|-------------|
| Former Scheme | Royal London - Pension Portfolio | | |
| | 2% | 5% | 8% |
| £313,171.92 | £212,259.10 | £270,909.85 | £343,398.30 |

MP Underpin

If a Money Purchase Underpin has been included, the tool will calculate the growth required for the underpin value to match the scheme benefits.

From the Money Purchase Underpin, a net critical yield of 140.77% is required to match the scheme benefits.

From the Royal London - Pension Portfolio, a net critical yield of 13.87% is required to match the scheme benefits. A gross yield of 15.33%, which takes into account all the charges, would be required.

Income Options and Income Modeller

Income Modeller

Income Options

Income Options will show the potential income from the proposed plan, via an annuity purchase or a sustainable drawdown arrangement.

Annuity Level Indexed RPI CPI

Type Single Joint

Income Modeller

The Income Modeller can show an income withdrawal via a drawdown arrangement to match the existing scheme income or a specified amount.

Projection Basis Monetary Inflation Adjusted

Override Personal Allowance(s) Yes No

Enter Own Required Income

Other Assets

| Name | Fund Value | Valuation Date | Growth Rates | |
|------------------|------------|----------------|--------------|---|
| Existing Pension | £800000 | 01/10/2020 | 2/5/8 |  |

Show Results in Gross or Net? Gross Net

Target Age 82  Use ONS Life Expectancy 

Other Guaranteed Income

| Name | Amount | Start Age | End Age | |
|------|--------|-----------|---------|---|
| | | | |  |

Income Options and Income Modeller can be added to the report. The income options add on will allow the user to show the potential income from the proposed plan, via an annuity purchase or a sustainable drawdown arrangement. The annuity type can be specified using the options above.

Income Modeller compares the existing scheme income against the potential income via a drawdown arrangement. The income required can be specified or, if the income is not specified, the tool will match the existing scheme income.

Enter Own Required Income

Proposed Retirement Age 65

| | | |
|----------------------|------------|--------------------------|
| Annual Income Amount | Gross | £ 30000 |
| | Net | £ 26500 |
| | Indexation | 0% <input type="radio"/> |

There is also the option to include guaranteed income sources, such as state pension, within these sections. Additional assets to be used to provide the income can also be included within Income Modeller.

Guaranteed Income

Other Guaranteed Income entered will be used to determine the income withdrawals required from your pension and other assets to achieve the target income

Guaranteed Income Type: State Pension

Name: State Pension

Use System Assumptions? Yes No

Annual Income Amount: £ 1000

Indexation: Other %

Income Payable From Age: 67

Income Payable To Age: Guaranteed for Life

Cancel **Save**

Stress Testing

Within Income Modeller, there is also the option to include stress testing. To include this, tick the option for **Stress Testing** and click **Add Stress Test Group**.

Stress Testing

The Stress Test comparison will include a separate set of graphs to show you the effect of various stress testing models. You can choose from the pre-build scenarios, or simply create a bespoke model for your client.

Select Type of Stress Test Market Event Randomiser

Market Event: 2020 Covid-19 | From Age: 65 | Assets to include in Stress Test: Existing Pension

Add Stress Test Group

There is the option to choose a Market Event, e.g. 2020 Covid-19 or 2008 Stock Market Crash, or to use the Randomiser, where the user can enter high and low parameters and the tool will use a random set of growth rates between these limits.

Enter the age that the stress test is to apply from and the assets that will be affected. When the report is run, there will be a set of additional results within the Income Modeller section that will show the effects of the stress test.

Include Recommendations

The **Include Recommendations** option will open a text area where any additional notes or a full suitability letter can be typed.

[<< Back](#) [Include Recommendations](#) [Report >>](#)

This information will appear in the report.

Print Options

The Additional Notes box allows for free text to be typed in here, which will appear in the report along with the selected product information. If an adjustment to charges has been made, details of this should be included here.

The **Analysis Label** is optional. Any text entered here will appear on the report cover. This label can be used to identify a report when different versions have been produced.

Click **Create Report** to produce a PDF or Word document, which can be printed and saved. All reports produced will be stored within Archived Reports for future reference.

Additional Notes [Help](#)

Analysis Label:

Print Options

| | |
|---|--|
| Select All | <input type="checkbox"/> |
| Report | <input checked="" type="checkbox"/> |
| Summary Comparison | <input checked="" type="checkbox"/> |
| Details Entered | <input checked="" type="checkbox"/> |
| Remuneration | <input checked="" type="checkbox"/> |
| Early Transfer | <input checked="" type="checkbox"/> |
| PPF | <input checked="" type="checkbox"/> |
| Include Fund Fact Sheets | <input type="checkbox"/> |
| Include Morningstar Portfolio X-rays | <input type="checkbox"/> |
| Include Single Life | <input checked="" type="checkbox"/> |
| Include Hurdle Rate | <input checked="" type="checkbox"/> |
| Include Nil Remuneration | <input checked="" type="checkbox"/> |
| Include Transfer Value Comparator | <input checked="" type="checkbox"/> |
| Include Transfer Value Comparator for Desired Age | <input checked="" type="checkbox"/> |
| Include Suitability Report | <input checked="" type="checkbox"/> |
| Report Date Label | <input type="button" value="Report Print Date"/> |

[Create Word Report >>](#)

[Create PDF Report >>](#)



Selectapension