

Quick Guide to Income Modelling within APTA with TVC Reports.

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

Growth Rate Type Headline (e.g. 2%, 5%, 8%) Adjusted Rate (e.g. 0%, 2.94%, 5.88%)

Enter Own Required Income

The Income Modeller feature compares the client's existing Defined Benefit income with a drawdown arrangement, taking into account the other guaranteed incomes and assets that the client may wish to use to fund their retirement. For example state pension, Annuities, ISAs, Bonds and other savings plans.

The Income Modeller feature can be found past the full analysis stage of the case. In the report, the Income Modeller information will appear just after the estimated benefits page, towards the beginning of the report.

The Income Modeller allows the user to enter the client's target retirement income and any applicable increases at the proposed and desired retirement ages. If a desired target income is not entered, the system will assume benefits to match the clients existing Defined Benefit income.

Details of other assets that the client wishes to use in the analysis can be included. An unlimited number of assets can be added and, by clicking and dragging the relevant boxes, repositioned into the order in which they are to be used to provide income.

Other Assets

Include in Analysis	Name	Fund Value	Valuation Date	Growth Rates
	Existing Pension	£151692	15/01/2014	5/7/9

Gross Net

Target Age Use ONS Life Expectancy 

Other Guaranteed Income

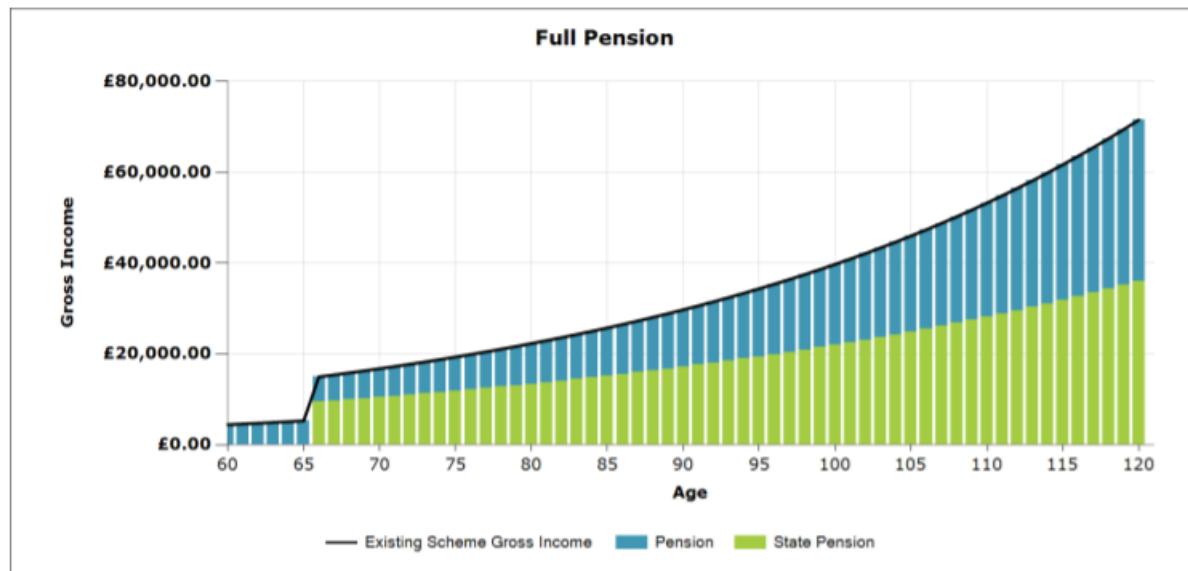
Include in Analysis	Name	Amount	Start Age	End Age
<input checked="" type="checkbox"/>	State Pension	£9500	66	Life

Other guaranteed incomes can be entered to help reach the desired target income. The system calculates the level of income withdrawal required from the existing pension fund and other assets to meet the desired target income.

The report includes the full pension without PCLS and a reduced pension and PCLS result, where commutation factors have been entered in the main analysis.

A graph in the report shows how the pension, guaranteed income and other assets could be used to achieve the target income. The system will begin using the next asset once the previously listed asset has been exhausted. A table in the report shows the figures that have been used to generate the graph at five-year intervals, as well as the effect that this will have on the fund and other asset values during the period. Example Graph: Existing DB Pension vs Flexible Income Arrangement



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