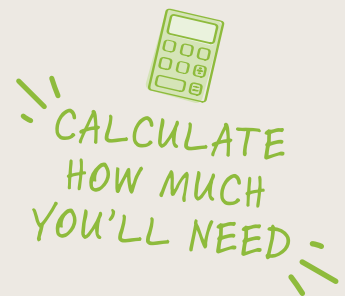




How much is  
enough for my  
retirement?  
Let's find out...



Real Advice, For Real People

joslin rhodes Pension & Retirement Planning

[joslinrhodes.co.uk](http://joslinrhodes.co.uk)

# HOW MUCH IS ENOUGH FOR MY RETIREMENT?

**Planning for retirement can be daunting. Thinking about how you'll fund it and whether you can afford to do the things you want can be a worry.**

You may be thinking "I'm going to retire therefore I'd better stop spending." However, with proper financial planning it's possible to see how your finances can be used to fund the life you want in retirement.

Over the course of this guide you'll discover some of the important things you really need to consider when it comes to calculating how much income you'll need for your retirement.

**So, let's get started.**



“ WITH PROPER FINANCIAL PLANNING IT'S POSSIBLE TO SEE HOW YOUR FINANCES CAN BE USED TO FUND THE LIFE YOU WANT IN RETIREMENT. ”



# WHERE SHOULD I START?

You may be thinking it's simply about working out how much you have, how long it needs to last and dividing one from the other to allow an annual income.

That seems reasonable, right?

After all you know what's in your ISA, bank account and with a bit of investigation, your pension pot. At some point you'll receive your state pension and that'll top you up.

Plus, you've considered what age you might live to, based on your own health and family history.



READ ON TO  
FIND OUT WHAT ELSE  
YOU REALLY  
NEED TO COST FOR...



## LET'S DO A QUICK CALCULATION



YOU HAVE AROUND  
£250,000 IN ASSETS



YOU'RE 55 AND THINK  
YOU'LL LIVE TO 80



$£250,000 \div 25 \text{ YEARS}$   
 $= £10,000 \text{ PER YEAR}$

£10,000 a year sounds ok, doesn't it?  
But is this the best way to work out  
how much you'll need in retirement?

**Read on to find out what else you  
really need to consider...**

# OK, WHAT ELSE SHOULD I COST FOR?

The problem with the method on the previous page is it gives you a limited lifestyle and doesn't account for so many important factors.



## What about inflation?

Costs rise every year, so you'll need to consider that outgoings will go up yearly. So, even to maintain the same lifestyle you'll need to factor in inflation.



## Do you want to live the same life for the next 25 years?

Experience tells us your retirement will progress through different stages depending on when you're most active and when you want to slow down.

In your active years you'll enjoy more hobbies and holidays whereas when you slow down it's likely you'll spend less.



“ YOUR RETIREMENT WILL PROGRESS THROUGH DIFFERENT STAGES DEPENDING ON WHEN YOU'RE MOST ACTIVE AND WHEN YOU WANT TO SLOW DOWN. ”



## HOW MUCH IS ENOUGH FOR MY RETIREMENT?



### Have you counted the cost of care?

The cost of support to continue living independently in your home in later years or the added need for residential care, needs to be factored in. The government assumes that people will pay for their own care, so this can be very costly.



### What about your big one offs?

What have you been working your whole life for if not to buy that dream car, take a once in a lifetime family holiday, help your children or finally get that new kitchen fitted?

By restricting yourself to a fixed annual sum, you're not allowing any level of flexibility and are in fact denying yourself so many of the things you might want to do in retirement.



“ THE COST OF SUPPORT TO CONTINUE LIVING INDEPENDENTLY IN YOUR HOME IN LATER YEARS OR THE ADDED NEED FOR RESIDENTIAL CARE, NEEDS TO BE FACTORED IN. ”



# WHAT WILL MY RETIREMENT LIFESTYLE LOOK LIKE?

To make things easier to work out, the Pension and Lifetime Savings Association (PLSA) has benchmarked three levels of everyday lifestyle costs.

Split across **Minimum**, **Moderate** and **Comfortable**, these show what you can expect to spend in retirement.

And, when PLSA figures say that 77% of pension savers have no idea how much they'll need in retirement.












Hopefully the information on the next few pages should help give a clearer picture of how much income you'll need for the retirement lifestyle you want.



“ PLSA FIGURES SAY THAT 77% OF PENSION SAVERS HAVE NO IDEA HOW MUCH THEY'LL NEED IN RETIREMENT AND ONLY 16% CAN GIVE ANY KIND OF FIGURE. ”














# CAN I SEE FIGURES FOR A SINGLE PERSON?

 SINGLE PERSON		Minimum 	Moderate 	Comfortable 
		£12,800 per year	£23,300 per year	£37,300 per year
Standard of Living		Covers all expenses with some left over for the fun stuff.	More financial security and flexibility.	More financial freedom and some luxuries.
House		DIY maintenance and decorating one room annually	Some help with maintenance and decorating annually.	Replace kitchen and bathroom every 10/15 years.
Food and Drink		A £54 a week food shop (incl. food away from the home).	A £74 a week food shop (incl. food away from the home).	A £144 a week food shop (incl. food away from the home).
Transport		No car.	3-year old car replaced every 10 years.	2-year old car replaced every five years.
Holidays and Leisure		A week and a long weekend in the UK every year.	2 weeks in Europe and a long weekend in the UK every year.	3 weeks in Europe every year.
Clothing and Personal		£580 for clothing and footwear annually.	£791 for clothing and footwear each year.	£1,500 for clothing and footwear each year.
Helping Others		£20 for each birthday present.	£34 for each birthday present.	£56 for each birthday present.

Figures sourced from PLSA. All these assumed figures are based people living outside of London.



# WHAT ABOUT FOR A COUPLE?

 COUPLE		Minimum 	Moderate 	Comfortable 
		£19,900 per year	£34,000 per year	£54,500 per year
Standard of Living		Covers all expenses with some left over for the fun stuff	More financial security and flexibility	More financial freedom and some luxuries
House		DIY maintenance and decorating one room annually	Some help with maintenance and decorating annually	Replace kitchen and bathroom every 10-15 years
Food and Drink		A £96 a week food shop (incl. food away from the home).	A £127 a week food shop (incl. food away from the home).	A £238 a week food shop (incl. food away from the home).
Transport		No car	3-year old car replaced every 10 years	2 cars, replaced every five years
Holidays and Leisure		A week and a long weekend in the UK annually	2 weeks in Europe and a long weekend in the UK annually	3 weeks in Europe annually
Clothing and Personal		£460 per person for clothing and footwear annually	£791 per person for clothing and footwear annually	£1,300 per person for clothing and footwear annually
Helping Others		£20 for each birthday present	£34 for each birthday present	£56 for each birthday present

Figures sourced from PLSA. All these assumed figures are based people living outside of London.





# OK, I CAN SEE THINGS CLEARER NOW

**Hopefully this guide has given you some useful information about totting-up what you'll need to fund your retirement.**

From factoring in things like inflation and residential care, to looking at some key facts and figures around different lifestyle costs, you should be in a better position to start working out what enough means to you.

## **What if I still need help?**

A Financial Adviser's job is to help you make good decisions, but if they're doing their job properly, what they're actually giving you is peace of mind.

Over the long term, the services of a quality financial planning business can help you make good choices and, maybe more importantly, avoid costly financial mistakes.



“ A FINANCIAL ADVISER'S JOB IS TO HELP YOU MAKE GOOD DECISIONS, BUT IF THEY'RE DOING THEIR JOB PROPERLY, WHAT THEY'RE ACTUALLY GIVING YOU IS PEACE OF MIND. ”



## A little bit about us

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**Joslin Rhodes Pension & Retirement Planning is all about people. We're passionate about making sure everyone has access to the financial planning that will really free them to love the retirement they've spent their lives working towards.**

From our lovely Planning Rooms in Stockton, we've been helping local people across Teesside for over 20 years.

As a 60+ team of Independent Financial Advisers, we're here to help you make the right choices for your money.

But, there's more to it than just financial advice.

Using the unique **PlanHappy Lifestyle Financial Planning process** we'll help you work out what you want to do in the future then do the money bit to work out how to get you it.

So, all you need to do is get on with enjoying life.

After all, isn't that what it's all about?



GET THE  
FINANCIAL PEACE  
OF MIND YOU'RE  
SEARCHING FOR



### Ready to talk?

Our friendly team are here to help.

Call **01642 52 55 11** or drop a line to [advice@joslinrhodes.co.uk](mailto:advice@joslinrhodes.co.uk)

**Real Advice, For Real People**

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