

Technology and retirement planning

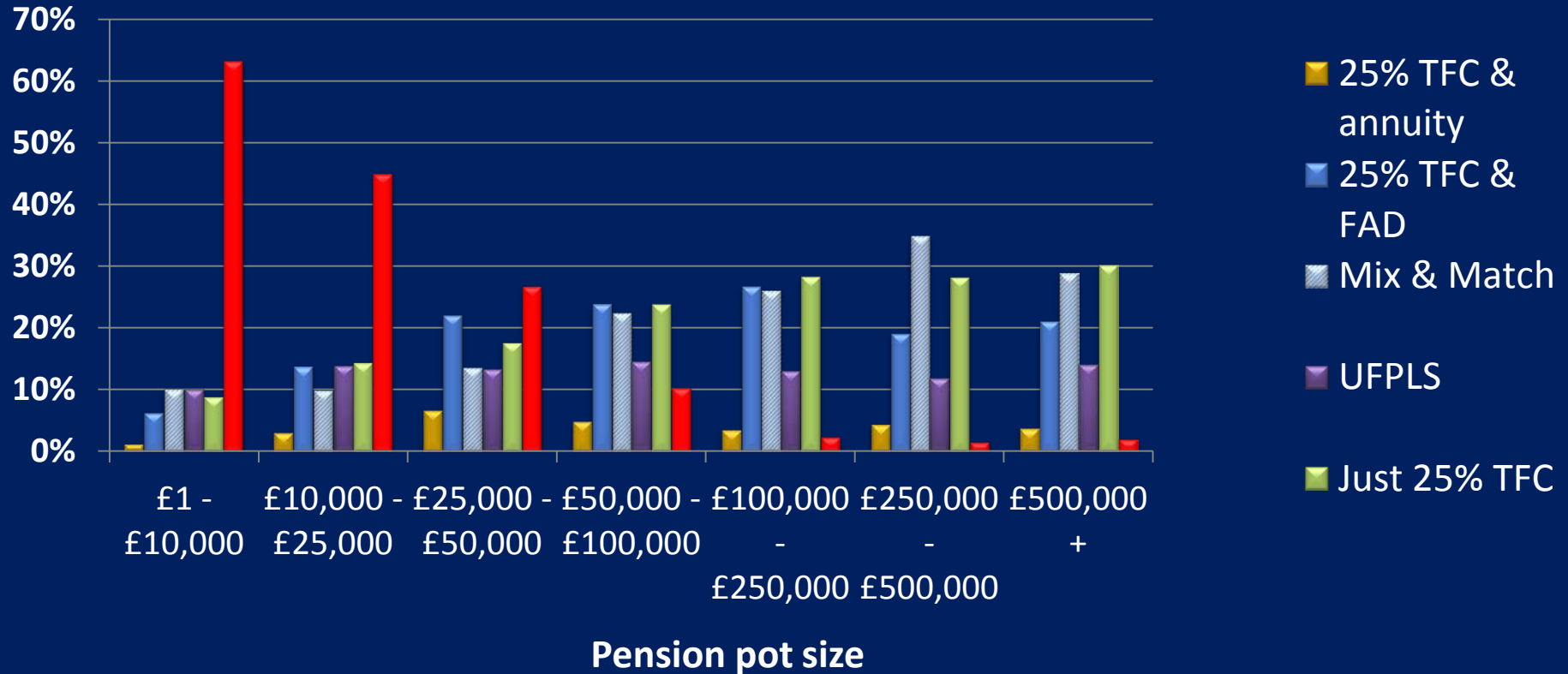
Tom McPhail, Head of Retirement Policy

Hargreaves Lansdown

Technology and retirement planning

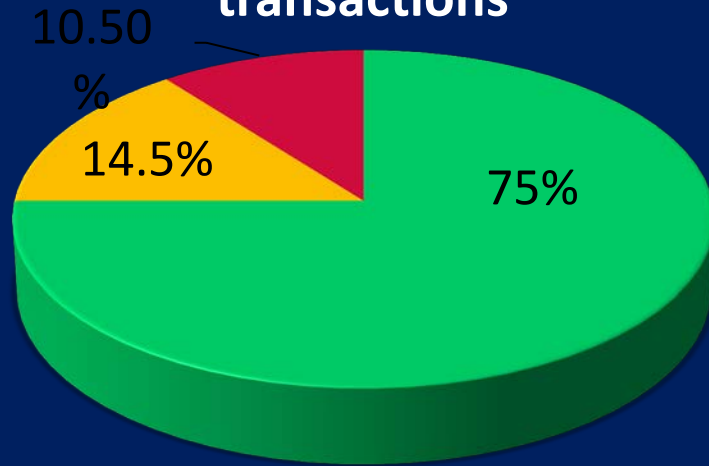
- What investors are doing – retirement trends
- Technology usage
- Advice
- Administration
- Ageing and risk

Current retirement trends



Current retirement trends

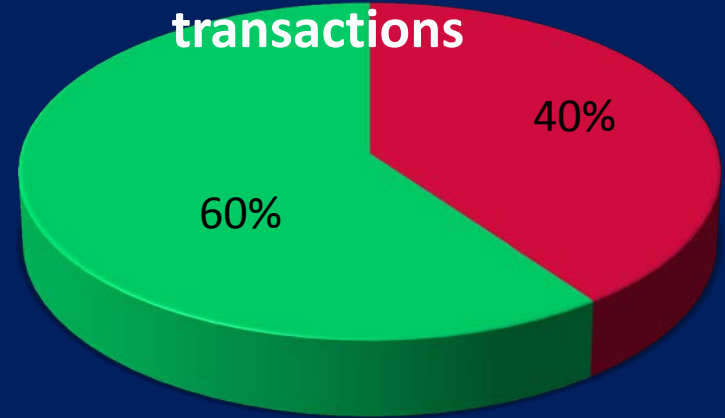
HL retirement income transactions



- Flexi-Access Drawdown
- UFPLS

Source: Hargreaves Lansdown (November 2015)

Life assurance co retirement income transactions

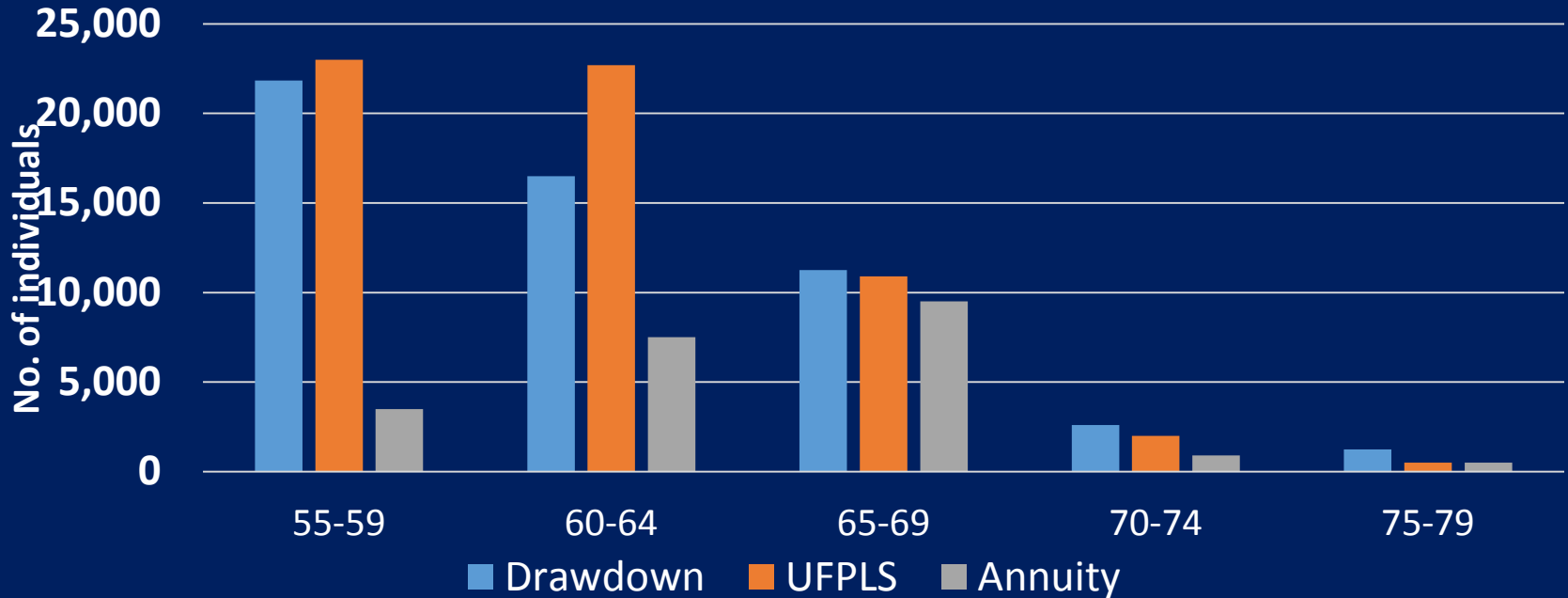


- Annuity
- Flexi-Access Drawdown

Source: ABI (November 2015)

Current retirement trends

Consumer Choices by Age



Source: FCA: Retirement Income Market Data -July-Sept 2015)

Help with decision-making

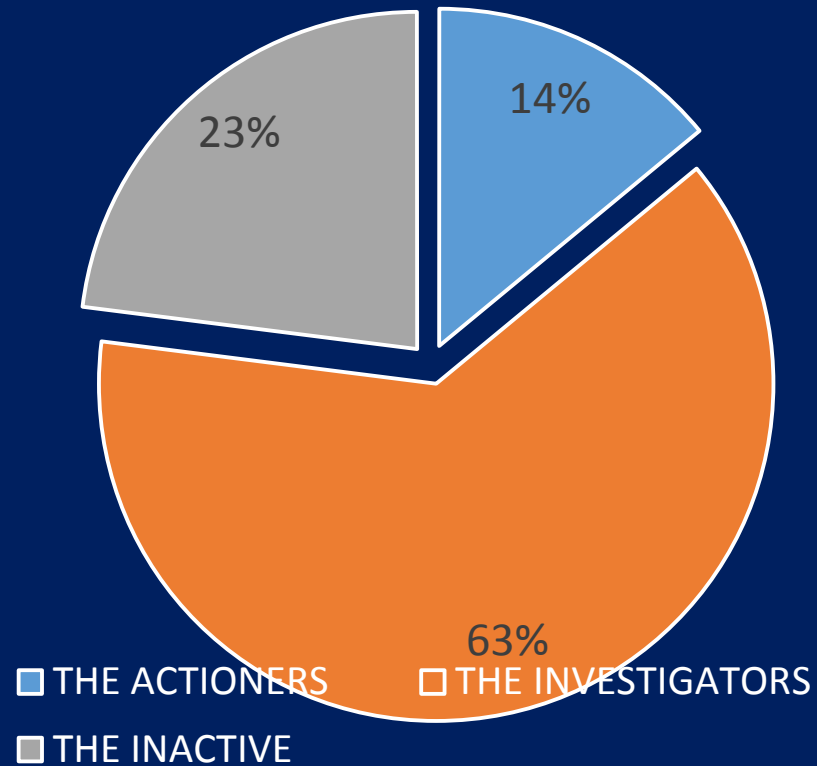
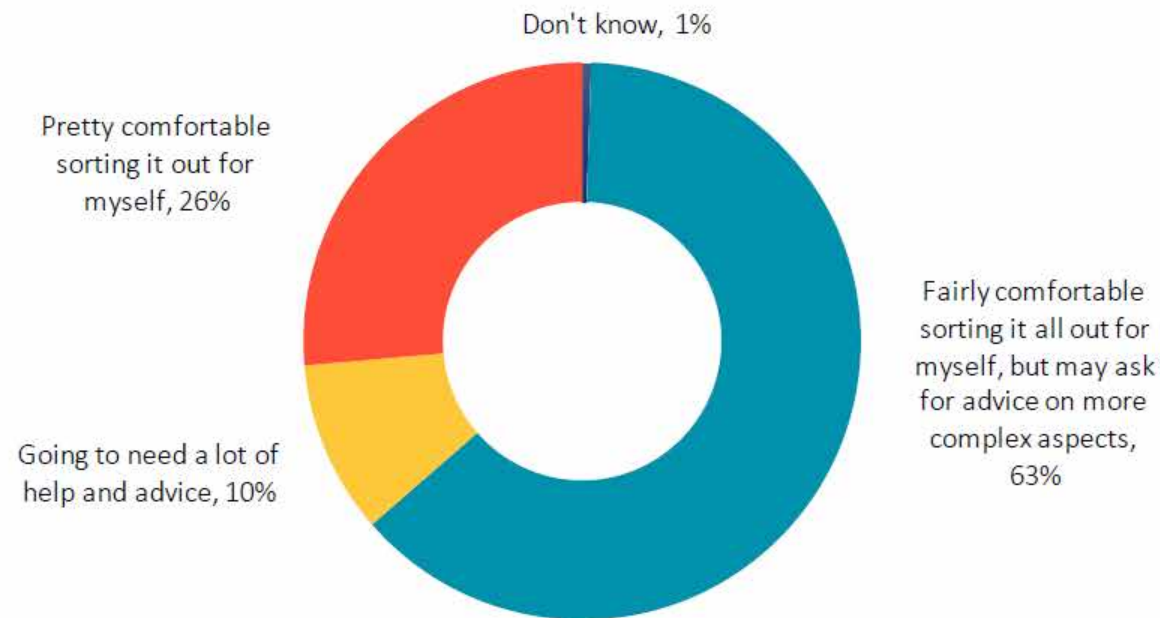




Figure 12: Demand for advice at retirement



Source: Platform, Active investors base, 252

How much would you be willing to pay to receive financial advice online? Please assume an investment of £50,000

Answer Options	Response Percent
£0	35.2%
£100	36.9%
£200	13.6%
£300	9.1%
£400	1.7%
£500	2.4%
More than £500	1.0%

An online advice service would provide you with a report showing our recommendations of where to invest. Before proceeding to invest, how important would it be for you to speak to a financial adviser?

Answer Options

Not Important Slightly important Moderately important Important Very Important

Response Percent

17.7% 19.0% 24.3% 20.7% 18.4%

Which of the following would you be happy to receive advice about online? Please select all that apply

Answer Options	Response Percent
An investment portfolio	71.4%
A Stocks & Shares ISA	67.3%
A pension	30.3%
Whether I should choose an annuity or drawdown	17.5%
Inheritance tax planning	29.6%

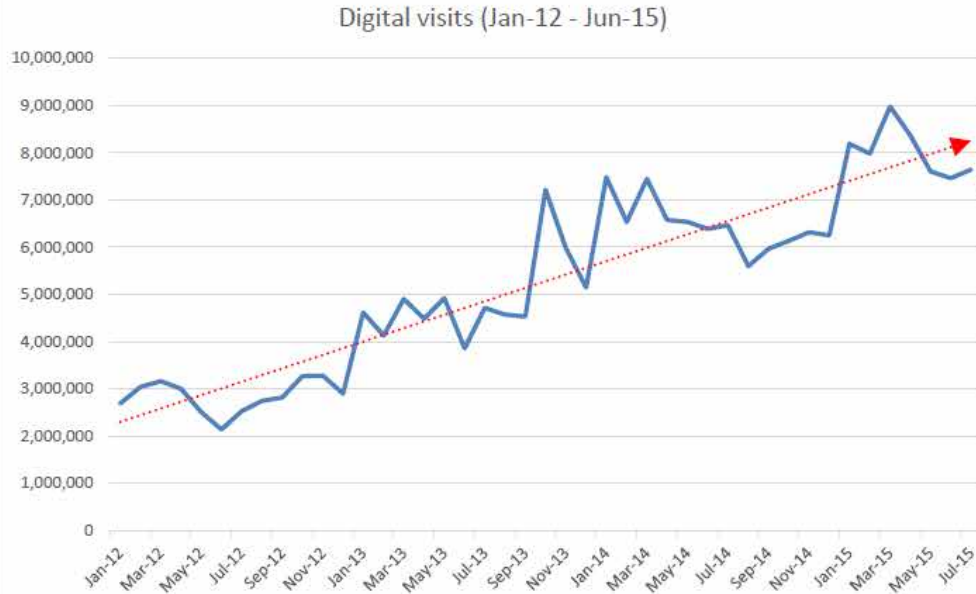


What investors want - Platforms

- Service
- Choice
- Information
- Security
- Quality
- Ease
- Lifetime one stop shop
- Value

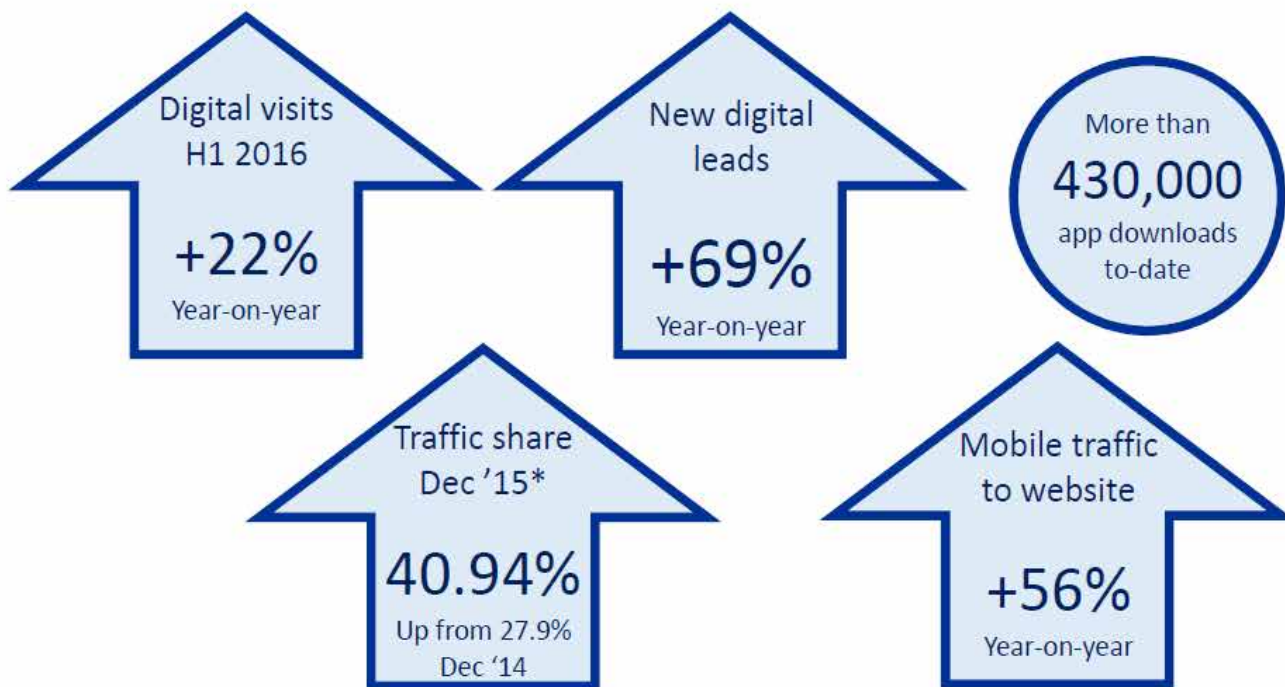
- What about cost?
- Guided solutions?

Digital visits



- Mobile apps: 265,000+ downloads
- iPad app: 150,000+ downloads
- Total in-app share trades up 65% YOY
- Total in-app fund trades up 200% YOY
- Vast (and largely unseen) network of affiliate, PPC, PPA arrangements

Digital Performance



In this section

[Tax facts](#)

[Video hub](#)

[Interactive calculators](#) >

[Inflation calculator](#)

[Future inflation calculator](#)

[Regular savings calculator](#)

[Household budget planner](#)

Household budget planner

This calculator will help you compare your income and expenditure.

Please note:

- This calculator produces a snapshot of your budget at one moment in time based on the information you provide.
- You should re-calculate your budget regularly to reflect any changes in your circumstances.
- Remember when checking payslips and statements that tax on income can change throughout the year.
- You should not make, or refrain from making, any decisions based on this information alone. None of the information provided constitutes personal advice, if you are at all unsure you should seek advice.

Your details

Over what period would you like to calculate your budget?

Annual

Annual income - after tax and other deductions

Annual employment income

£ 0

Annual self-employed income

£ 0

Annual state pension

£ 0

Annual pensions in payment

£ 0

Annual savings & investment income

£ 0

Annual property income

£ 0

Annual state

£ 0

Annual other income

£ 0

Your results

Annual income - after tax and other deductions:

Employment income	£0
Self-employed income	£0
State pension	£0
Pensions in payment	£0
Savings & investment income	£0
Property income	£0
State benefits	£0
Other income	£0

Total: £0

Annual expenditure:

HL video hub - free investment and stock market videos



Featured videos



Pension rules explained: taking your pension as a lump sum and other freedoms (23:40)



How to profit from the UK recovery

Published 18/03/2014

12:06



How to buy an investment trust

Published 20/05/2014

2:35



What are investment trusts?

Published 20/05/2014

3:00

Explore video hub

All

Sort by: **Most recent** | Most popular



Assets under Administration:

£55 billion

(W)

Number of clients:

760,000

Company is bigger than:
J Sainsbury, Severn Trent Water,
Dixons, Carphone

Man Hours spent on
investment research every year:

36,000

05



Number of app downloads to
date: over

400,000

06



Investor guides downloaded
in 2015:

426,997

07



Online investor video plays in
2015:

142,087

08



Online article views in 2015:

12,792,869

09



Unique visitors to our website
in 2015:

20,551,955

10



Phone calls to our helpdesk in
past 12 months:

1,140,000

11



Phone calls to our pensions
helpdesk in first 2 months of
pension freedom:

65,000

12



Average time to answer
telephone:

9.5 seconds

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HL Portfolio+

Ready-made investing managed by our experts

[← Back to overview](#)

Portfolio+ is not personal advice. If you are unsure if it is an appropriate service for you or which portfolio is suitable for your circumstances, contact us for advice. As the value of investments can fall as well as rise you should anticipate holding it for at least 5 years and not invest monies you may need before then. Tax rules can change and the benefits will depend on your circumstances.



Choose your goal

You can invest for income or growth and select from three pre-determined risk levels.



Select portfolio

Once you have chosen a portfolio you can view it online as often as you like.



Rest assured

Sit back and leave the rest to our experts. We will rebalance it for you twice a year.

1

Select investment goal

[Investing for growth](#)[Investing for income](#)[Your portfolio](#)

2 Select level of risk for your portfolio

There are three portfolios to choose from based on the level of risk taken. Please read each objective carefully.

Conservative Growth



Aims for modest growth but with reduced risk, though it can still fall in value.

Balanced Growth



Holds a broad spread of investments, aiming for capital growth.

Adventurous Growth



Aims to maximise capital growth by focusing on higher risk, higher growth areas.

Your portfolio

1. Investment goal:
Investing for growth



2. Risk level:
Balanced Growth

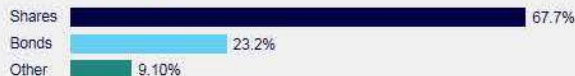


3. Investment account:



Portfolio overview - **Balanced Growth**

A multi-asset portfolio holding a mixture of shares, bonds and total return funds. It should be less volatile than more adventurous options.



[+ More on portfolio allocation](#)

Portfolio holdings (%)

HL Multi-Manager Special Situations	45%	KF
HL Multi-Manager Balanced Managed	37.5%	KF
HL Multi-Manager Strategic Bond	17.5%	KF

Top 5 underlying holdings (%)

CF Woodford Equity Income	7.1%
Findlay Park American	6.8%
FP CRUX European Special Situations	6.1%
GI G. Japan Core Alpha	6.1%

Information and charges

Minimum investment	£1,000
Net initial charge	0%
Tiered Vantage charge (max)	0.45%
Ongoing charge (OCF/TER)	1.45%
Biannual rebalance	Free

Backtested, and since launch, performance

Feb	Feb	Feb	Feb	Feb 15 -	Jun 15
					Feb

3 Select an investment account

Invest in an existing account

[Log in to my accounts](#) >

Open a new account

Choose which of our accounts you would like to hold your Balanced Growth portfolio within.

[Not sure which account to choose? Find out the features of the different accounts](#)

Stocks & Shares ISA

Shelter your portfolio from tax and still have access to your money at any time.

Fund & Share Account

Flexible account with no investment limits. Investments within account are subject to tax.

SIPP (Self

invested personal pension)
Build your pension pot and help it grow with our award-winning SIPP.

Your portfolio

1. Investment goal:
Investing for growth



2. Risk level:
Balanced Growth



3. Investment account:



Transfer existing investments and pensions

If you have ISAs, pensions or investments held with other companies you can transfer them to Hargreaves Lansdown and invest in a portfolio of your choice. [Download a Portfolio+ transfer form.](#)

Frequently asked questions

+ Can I view or print the portfolio factsheets?

Contact us

If you have any questions about HL

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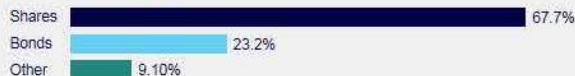


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LV=RetirementWizard*

Professional online advice service

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What is online advice?

Many people haven't the expertise or time to deal with the issues they face at retirement without expert help. Here's three reasons to consider advice:

- ✓ The stakes are high. Your pension savings will usually provide an income for the rest of your life.
- ✓ You only retire once. It can seem complex and few people have much experience of what to do with their pensions so advisers can help you
- ✓ Making the right choice at retirement is important. Some decisions are irreversible, e.g: a poor decision can mean a smaller income each year.

Our LV= Retirement Wizard is an online advice tool available to you if you're within three months of wanting to access your pension and have a pot size of up to £150,000. Our tool is also useful if you're looking for specific product recommendations from a range of leading providers including:



HODGE
LIFETIME
Retirement solutions since 1968



 justretirement

 Canada Life

 retirement
advantage

 LVE
LIVERPOOL VICTORIA

 PRUDENTIAL

Administration

The Best			
Company	Type	Average days to complete transfer	Supports Electronic transfers
A	Insurance company	4.33	Yes
B	Wealth Manager	5.94	Yes
C	Insurance company	7.07	Yes
D	Insurance company	7.43	Yes
E	Insurance company	7.53	Yes
F	Insurance company	7.71	Yes
G	Insurance company	8.19	Yes
H	Bank	8.38	Yes
I	Insurance company	8.68	Yes
J	Insurance company	8.83	Yes
The Worst			
Company	Type	Average days to complete transfer	Supports Electronic transfers
Q	Benefits consultancy	34.97	No
R	Pension administrator	35.13	No
S	Benefits consultancy	35.21	No
T	Pension administrator	36.23	No
U	Benefits consultancy	39.43	No
V	Master Trust	42.03	No
W	Benefits consultancy	42.72	No
X	Benefits consultancy	44.03	No
Y	Pension scheme	45.88	No
Z	Benefits consultancy	53.37	No

Your name here

Your pension passport

An overview of your pension to help you as you decide what to do with your pension in retirement.

Value of your pension as of 1 July 2015

£45,806.67

Scheme type	Employer	Membership
Group defined contribution scheme	Employer name here	2 January 1998 –
Provider / scheme	Reference number	
LV=	SEN 000/0000	

Selected retirement date

23 April 2015

Date of birth

National Insurance Number

Marital status

Please call your pension provider on 0300 300 9030 if these details are incorrect

Additional details

Your pension has a guaranteed annuity rate (GAR) starting on 16 November 2015.

Read the accompanying booklet to see what this means for you.

What to do next

1 Go to Pension Wise

Set up by the government, Pension Wise gives free and impartial information on your pension options, taxes and fees.

Go to pensionwise.gov.uk/passport to understand how to turn your pension pot into income for your retirement.

2 Book a phone or face-to-face appointment

Call **0300 330 2001** or go to pensionwise.gov.uk/appointments to book a phone or face-to-face guidance appointment.

You'll talk about the different ways you can take money from your pot, what each option means for you and the next steps you can take.

3 Make sure to shop around before you buy a product

You don't have to stay with your current pension provider. Research shows you can often get a better deal by shopping around.

Comparing retirement income products can be complicated. You may wish to speak to a financial adviser to help you. For help finding an adviser near you, go to moneyadvice.service.org.uk/directory.

Pension Dashboard

- A virtual aggregator for all your disparate pension pots
- A one-stop shop where you can view all your retirement savings
- What we don't know:
 - Who will build it
 - How it will be paid for
 - What it will cover
 - How it will be accessed
 - Whether you'll have any functionality

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February 19, 2016 9:48 am

Hello, this is your bank speaking: HSBC unveils voice recognition

Emma Dunkley, Retail Banking Correspondent

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EDITOR'S PICKS

PODCAST



Re-emerging markets? Are the Brics worth investing in again?

MEET THE TEAM



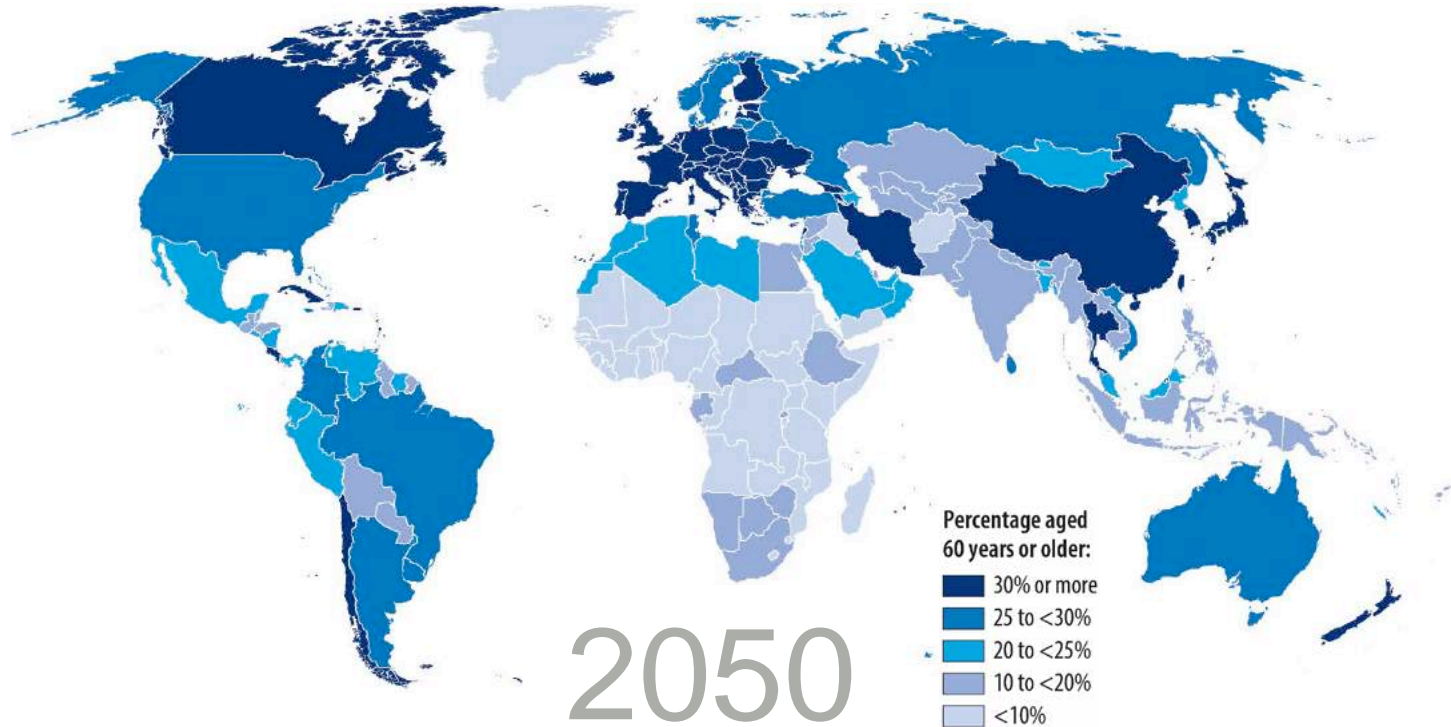
Find out about the FT Money team of writers and contributors

Technology Solutions

- Fact Finding
- Financial Planning
- Advice recommendations
- Portfolio construction and rebalancing
- Identifying and managing change

Dealing with ageing clients

Populations are getting older



Dealing with ageing clients

- Cognitive decline

Cognitive Signs of Dementia

- Short term memory loss
- Language and communication problems
- Comprehension problems
- Calculation/arithmetic problems
- Lack of mental flexibility
- Loss of judgment

Dealing with ageing clients

- Cognitive decline
- Physical challenges
- Validation and revalidation of decision making
- Increasing demand for advice?
- Mandatory advice for vulnerable investors?

Comparison of Key Indicators



**Her Majesty
Queen
Elizabeth
the Second
(born 1926)**

	UK	Japan
GDP per capita (USD)	39567	38491
GDP growth (%)	1.7%	1.5%
Life expectancy at birth (both sexes)	81	84
Total expenditure on health (% GDP)	9.4%	10%
Per capita total expenditure on health (USD)	3659	4656
Health expenditure (% government expenditure)	16%	19.4%
% population over 65 in 2014	17.8%	25.8%
Birth Rate	1.92	1.43



**His Majesty the
Emperor
(born 1933)**

Reference

JETRO; <https://www.jetro.go.jp/world/europe/uk/>

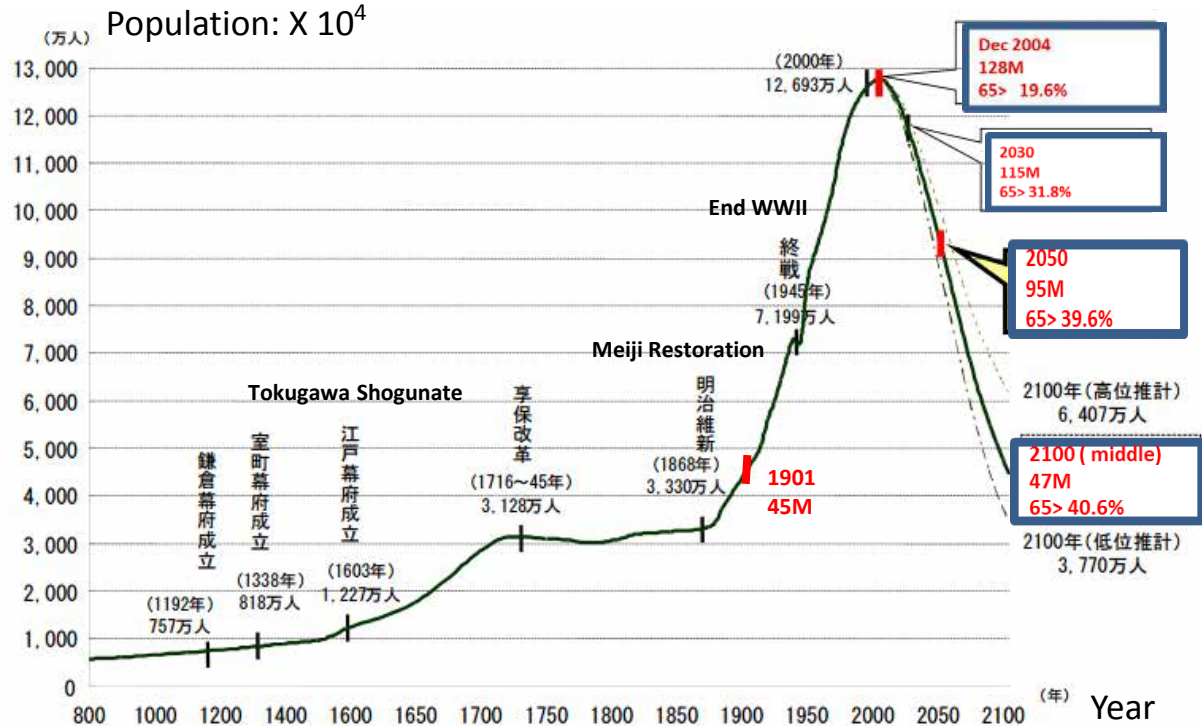
WHO: World Health Statistics 2014

http://www.who.int/gho/publications/world_health_statistics/EN_WHS2014_Part3.pdf?ua=1

Global Note: <http://www.globalnote.jp/post-3758.html>

Population Trend in Japan: Rapid Increase and Decrease in 100 years

- In 2100, the population size will return to Meiji Era → drastic impact on society and health market



(出典)総務省「国勢調査報告」、同「人口推計年報」、同「平成12年及び17年国勢調査結果による補間推計人口」、国立社会保障・人口問題研究所「日本の将来推計人口(平成18年12月推計)」、国土庁「日本列島における人口分布の長期時系列分析」(1974年)をもとに、国土交通省国土計画局作成