

PROMOTIONAL FEATURE



Neil Hewitt
Chartered & Certified
Financial Planner

INVESTING IN THE FUTURE

Neil Hewitt, chartered & certified financial planner at Scrutton Bland, shares his expert insight into the world of investing for your retirement

IN THIS series of articles we have considered the planning issues in the lead up to retirement, the decisions at the point of retirement and the need to review your strategy on a regular basis and passing wealth to family. What else may you need to consider?

As we retire, our expenditure can actually increase as we are initially more active – perhaps more travelling and eating out more often. The passage of life may lead to us becoming less active as we become older and therefore our expenditure falls and may remain low for the rest of our lives.

However, there is a big and increasing risk that, as we all live longer, we may need care or to enter a care home in later years. Care costs can be very high and so our expenditure needs may spike at this point.

Much of this care expenditure may be met from your pensions and/or investment income. It is unfortunately not uncommon in this situation for there to be a shortfall of income to be met.

It is for this reason that you need to ensure that you protect your financial security in earlier years and consider carefully your investment strategies

and ask if these allow for future possible care costs. You need to consider very carefully plans to gift capital asking yourself: will this have a detrimental impact on your financial security? Will you have access to all your capital?

Ideally any investment strategy you have put in place will be able to cater for a change in objectives/needs

Ideally any investment strategy you have put in place will be able to cater for a change in objectives/needs. If not, you may need to review and change the strategy.

What will happen to your home if you move into care? It will possibly be sold and the proceeds can then be added to your other capital to help fund your expenditure needs. Does your need for income conflict with inheritance tax objectives and can these be reconciled?

These can be quite daunting and complex issues and decisions to be made at a time when you may be very frail or even have lost capacity. Do you have in place the means for someone you know and trust to step in and act on your behalf as an appropriate power of attorney?

As you can see, there are many issues at this point in life that need to be addressed along with those covered in the previous five articles. You should look to address all of these as early as possible and review on a regular basis. Ideally you should seek advice from a chartered and/or certified financial planner who will guide you through the options and decisions you will face along the way to meet your ever-changing needs. ■

If you would like to arrange an initial meeting, without obligation, please contact 01473 259201 or email neil.hewitt@scruttonbland.co.uk. Scrutton Bland Limited is authorised and regulated by the Financial Conduct Authority.