SABRE FINANCIAL

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SABRE INSURANCE SERVICES

PLANNING FOR A SUCCESSFUL RETIREMENT

One of the major banks recently announced that their research indicated that in order to enjoy a 'modest but comfortable retirement' individuals needed to receive a pension in retirement of around £17,500 per annum. To put this into context this would mean that individuals would need to have a pension fund of around £350,000.

Whilst at first glance this may seem a challenging task there are a number of steps that people should consider in order to try and turn retirement into something that is worth looking forward to.

The first building block is to try to establish precisely how much State Pension you are entitled to, and this can be done online at Gov.UK or by contacting the Pension Service. The second step is by gathering all your previous pension plans together and establishing their values. Most people will have a number of plans particularly when they have worked for several employers. Having gathered these you need to think about the type of plans that you have, and what benefits they might provide in retirement.

This area can be quite difficult particularly when individuals have some private schemes and some occupational or final salary schemes. Confusingly going forward there will also be workplace pension schemes to take account of. It might well be sensible to contact an Independent Financial Adviser at this stage in order to ensure that the plans are what you think they are, and consider such things as guarantees, market value adjustments, and the range of options available to you. Sometimes it will be possible to either consolidate plans or switch between plans to improve the potential in the term to retirement, but advice should be sought in this area.

Depending on your term to retirement and the type of plan that you have strong consideration should be given to the investment philosophy that underpins your retirement plan. Key to this is an assessment of your attitude to risk, your investment timeframe, and your individual capacity for loss. Once more guidance would be helpful in this area, both to assess your personal views on risk but also to evaluate the choices that you have available in terms of both products and funds.

It should also be considered what would happen if you do not survive until retirement. Individuals should consider their spouse, and provide clear direction as to who should benefit in terms of an expression of wishes.

Once you have a clear understanding of what pension plans you have and what they might potentially provide in retirement, then you will be in a position to plan to meet any shortfall between the benefits that you have and the benefits that you would like to enjoy at retirement.

Making additional contr-ibutions to pensions to help meet any shortfall is extremely tax efficient. Tax relief would be available at your marginal rate of tax at either basic or higher rate of tax. Equally the pension funds themselves will grow virtually free of tax. Pension payments can be structured as either single or regular payments, and so it is possible to speed fund pensions (within regulatory limits) to compensate for previous years.

Stuart Read
Pension Specialist

Flood Insurance

A cut in government spending on flood defences will lead to higher than expected claims numbers under the Flood Re scheme, according to rating agency Fitch. In the short term this could expose insurers to additional risk, and in the long term push up the cost of buildings and contents insurance, it warned.

Under new funding arrangements, government investment in flood defence will remain below the 2010 - 2011 peak until at least 2020 - 2021.

Mel Tucker
Insurance Adviser

Improving flood defence is an essential aspect of the Flood Re scheme, a not-for-profit fund expected to begin operating in 2015 that will ensure flood insurance remains available when the current Statement of Principles expires.

The government has pledged an extra £140m in funding for flood defence. But a study by the independent Committee on Climate Change estimates that spending would need to increase by about £20m a year above inflation until 2035 just to keep the numbers of significant risk properties at today's level.

Without extra spending on flood defence, Flood Re's Funds and reinsurance cover could prove inadequate, warned Fitch. Insurers would then be called on to meet the shortfall, and would look to pass the cost on to consumers.

With the amount of torrential rain that the country has been experiencing recently the insurance industry will be aware that many households are excluded from the Flood Re scheme because of being newly built or of high value, many of which will also have a high risk to flooding.

Mel Tucker of Sabre Insurance Services said "We are still in the fortunate position of being able to get flood cover for 99% of our clients".

Prestige Home Insurance

At Sabre Insurance Services our aim is to provide bespoke, quality cover for unique homes. Each policy is individually tailored to meet the specific needs of the homeowner. Peace of mind is one the most valuable commodities you can own, and when you have a lifestyle worthy of a little extra protection, that peace of mind comes only from bespoke, high net worth insurance that safeguards what's yours.

A complimentary appraisal service can be offered to ensure that your property is not underinsured as many people are completely unaware of the rebuilding costs of their home and the value of their personal possessions.

Covering non standard construction can often be difficult on a standard household policy. The high net worth polices offer the flexibility you need.

We will look at your property on an individual basis, using our knowledge of the local area if your home is listed, is a coastal property or perhaps you share your time between homes.

Policies for Prestige Homes offer cover for:-

- Buildings & Contents
- All Risks
- Priceless Antiques
- Pieces of Fine Arts
- Jewellery
- Collectables
- Guns
- Expensive Wines
- Warranty Free policies
- Competitive Rates
- Family Legal protection
- Holiday Homes

High value motor vehicles, classic cars, sports cars & family fleets can be added to the high net worth household polices along with annual travel.

Tips for surviving recession

ISA's

From 1 July 2014, everyone aged 16 or above can contribute up to £15,000 in a cash ISA, or from aged 18 £15,000 into a Stocks & Shares ISA. It is now possible to split the investment between the two types although you can only open one of each type of plan in any tax year. Importantly you can now switch between the two types of Plan making them incredibly tax efficient and very flexible. In the space of a very short period of time substantial ISA's can be built up with the prospect of producing tax free income.

Staff News

Sabre's Commercial Account Executive Daniel Barge (pictured on the right) recently took collection of a new Suzuki SX4 S Cross from Simon Loxton, Sales Manager at Quay Auto Centre.

Daniel will use the vehicle as a Company Car for visiting commercial clients at their homes and business premises whilst assisting with their insurance requirements.

Sabre's Managing Director Dale Came remarked 'the car looks fantastic in the pearlescent white, although a few of our regular farming visits might prove challenging!'. He added that it had been a pleasure dealing with long standing partner Quay Auto Centre and thanked Simon Loxton who admirably managed the process, delivery and branding.