



case study

Flexible Planning: Semi-Retirement with a Modest Pension

Andrew is 60 and beginning semi-retirement after building up a defined contribution pension pot of £225,000 over his career. He is now navigating the transition from accumulating to decumulating. His financial goal is to maintain flexibility — continuing to take on ad hoc consultancy work while also making time to travel, including touring Europe in a camper van. This will mean he needs to be able to adjust his income accordingly.

To achieve this balance, Andrew decided to take his 25% tax-free cash to repay his mortgage, create an emergency fund, cover larger one-off expenses, and purchase the camper van. With the remainder of his pension, he sought advice from his financial adviser.

After discussing the options, Andrew chose a flexible drawdown arrangement rather than purchasing an annuity, valuing the potential for growth and income this wrapper could provide over the course of his retirement. Andrew recognises that market volatility could affect the longevity of his fund, but he is confident that by adjusting his work and lifestyle balance, and by investing cautiously, he can sustain his retirement income.



Client Profile

- Andrew, age 60
- **Savings:** £225,000 personal pension (defined contribution)
- **State Pension:** commence at 66
- **Lifestyle Goal:** Flexible semi-retirement income while continuing some consultancy work and travelling



The Challenge

- Fund lifestyle needs flexibly alongside part-time work income
- Managing tax implications of pension withdrawals
- Avoid running out of money later in retirement
- Manage risk in line with his cautious profile
- Retain flexibility should his health or circumstances change suddenly

A client's risk profile and capacity for loss should be carefully assessed by their adviser before recommending an appropriate decumulation portfolio. These factors vary between individuals and the suitability of any investment solution will depend on a client's unique circumstances.

The Solution

His adviser recommended IBOSS Decumulation range because it offers:

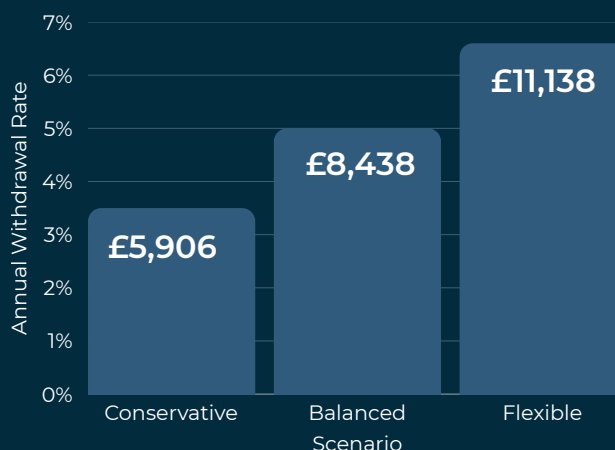
- **Sustainable withdrawals:** Portfolios designed to manage drawdown without exhausting capital
- **Natural yield options:** Part of Andrew's income can be covered by yield, reducing the need to sell assets
- **Diversification:** Designed to smooth returns and reduce the impact of market downturns
- **Flexibility:** Ability to move between 7 risk levels as his needs evolve
- **Ongoing oversight:** Regular reviews to adapt to changing income, health, or family circumstances

The Numbers

75% of pension pot invested in the IBOSS Decumulation Range.

Pension Pot: £225,000

- £56,250 taken as tax-free cash
- £168,750 invested in IBOSS Decumulation Portfolio 4



Illustrative only, not guaranteed. Source: IBOSS data/FE Analytics

Evidence #1



Maximum Withdrawals:

Since inception, investors in the Decumulation Portfolio 4 have been able to withdraw up to **6.6% annually** without reducing their initial capital.

Evidence #2



Range of Risk Options:

IBOSS offers **seven risk-rated decumulation portfolios**, giving Andrew the flexibility to move up or down the risk scale if his circumstances change.

The Outcome (Illustrative)



- Andrew can withdraw between £5,906 and £11,138 annually, **flexing his income needs**.
- His pot **remains resilient**, ranging from ~£160,000-£190,000 after 5 years depending on withdrawals.

Key Takeaway for Advisers

The IBOSS Decumulation range demonstrates that even with modest pension savings, advisers can help clients achieve a sustainable and flexible retirement income strategy — combining tax-free cash for immediate needs with a portfolio designed to support long-term withdrawals.

Capital at risk. This communication is designed for informational purposes only and is not intended as investment advice, you should obtain expert advice from a professional financial adviser. Investment values and generated income can fluctuate and are not guaranteed. Past performance is not a guide to future performance and clients may get back less than they invested. Any examples, figures, or case studies provided are fictional and for illustrative purposes only; they should not be relied upon as an indicator of future outcomes. The figures do not take into account the taxation of income withdrawals, which will vary depending on individual circumstances. Risk profiles and capacity for loss also vary between individuals, and any investment strategy must be assessed for suitability on a personal basis, taking into account each client's objectives, financial situation, and tolerance for risk. In addition, inflation risk, sustainable withdrawal rate and longevity risk (the possibility of outliving one's assets) should also be carefully considered when planning retirement income. Since inception (31/01/2017), IBOSS Decumulation Portfolio 4 has delivered a cumulative return of +218.5% (FE Analytics, as at 11/08/2025). Over the past 5 years it returned +33.3%, which historically would have supported sustainable annual withdrawals of 6.6%. IAM 252.9.25 | approved September 2025.