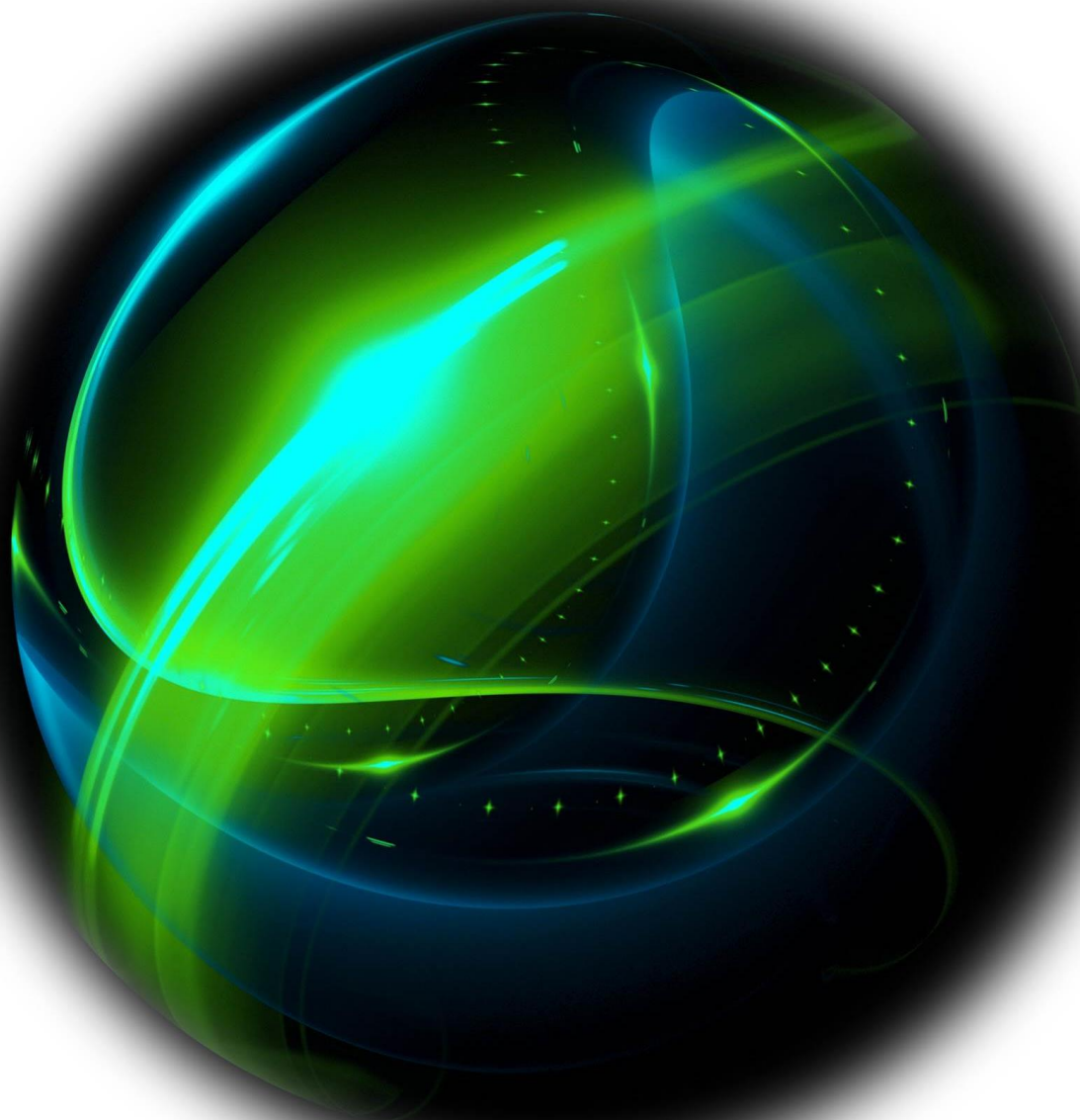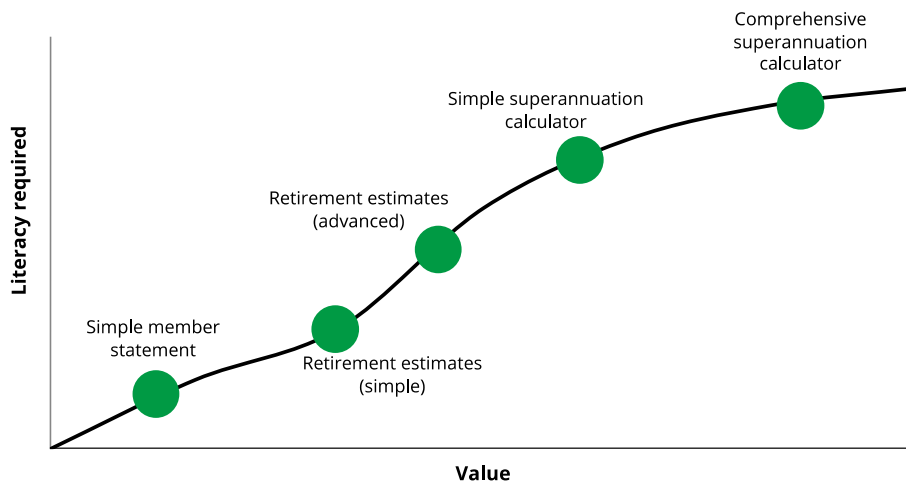# Deloitte.

Comprehensive Superannuation Calculators

**A Trustee Checklist**

1. Introduction

Superannuation funds have many tools available to them to help increase the retirement literacy and confidence of their members.

Superannuation funds frequently offer Superannuation Calculators which project a user's expected superannuation balance and potential retirement income over time, typically via their public website or within their member portal. Increasingly, there is a focus from funds to uplift the capability of these calculators, as average balances increase and access to advice is limited. The following checklist is intended to support funds in considering the features an industry-leading or Comprehensive Superannuation Calculator would possess.

It should be noted that different members require specific assistance depending on where they are in their superannuation journey. A member that is 30 years from retirement benefits little from detailed projections accounting for varying retirement products and complex drawdown strategies. Conversely, a member retiring in two years has comparatively minimal ability to affect their retirement outcomes through ongoing contribution strategies.

We have therefore separated Superannuation Calculators into two categories:
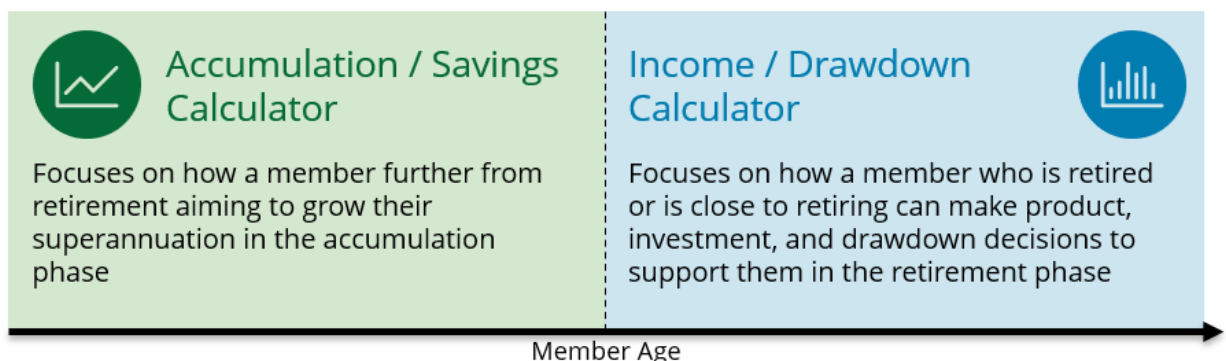
We consider these two calculator types to have distinct expected characteristics, particularly for those that would be considered industry-leading, although many are shared across both. Further, we have identified design considerations we would consider appropriate for all types of Comprehensive Superannuation Calculators.

2. Accumulation Calculator Checklist

For Superannuation Calculators that focus on the user's accumulation or savings phase, we consider the below items to be best-practice features.

2.1 Content

We expect the content within an industry leading Accumulation Calculator would allow the user to:

☐ Clearly see how their superannuation assets are projected to change over time.

☐ Clearly see how their projected income changes over time.

☐ Clearly see the components that make up this income.

☐ Include Government Age Pension in their projected income.

☐ Benchmark how long they may need their income to last (e.g. Life Expectancy) or how much they may need (e.g. ASFA standards or percent of pre-retirement salary).

☐ Include a partner in their projection.

☐ Export their results with all required inputs and outputs to contextualise them.

2.2 Comparison

We expect the Accumulation Calculator would allow the user to:

☐ Clearly compare the before and after results for changes they have made to their projection to assess the impact of a chosen strategy.

2.3 Contributions

We expect the Accumulation Calculator would allow the user to:

☐ Input variable ongoing concessional contributions.

☐ Input variable ongoing and one-off non-concessional contributions.

☐ Input planned career breaks and periods of working part time.

2.4 Retirement

We expect the Accumulation Calculator would allow the user to:

☐ Update intended retirement age.

☐ Update intended retirement income or age retirement income will last until.

☐ Understand how superannuation balance at retirement links to income in retirement.

2.5   Investments and Market Risk

We expect the Accumulation Calculator would allow the user to:

- [ ] Update their investment option or asset allocation.
- [ ] View and compare the range of outcomes under different market projections.
- [ ] Compare both the expected return and either the risk or the range of outcomes for different investment options or asset allocations.

2.6   Assumptions and Methodology

We expect the Accumulation Calculator would allow the user to:

- [ ] Access and review a description of the assumptions made and methodology utilised by the calculator.
- [ ] Update assumed fees and insurance premiums.
- [ ] Update Age Pension details, including homeownership, coupled status, and other assets and income.
- [ ] Update economic and deflation settings.
- [ ] Reset these values to reasonable default values.

3. Drawdown Calculator Checklist

For Superannuation Calculators that focus on the user's retirement or drawdown phase, we consider the below items to be best-practice features.

3.1 Content

We expect the content within an industry leading Drawdown Calculator would allow the user to:

- ☐ Clearly see how their superannuation assets are projected to change over time.
- ☐ Clearly see how their projected income changes over time.
- ☐ Clearly see the components that make up this income.
- ☐ Include Government Age Pension in their income.
- ☐ Include other sources of income external to superannuation.
- ☐ Benchmark how long they may need their income to last (e.g. Life Expectancy) or how much they may need (e.g. ASFA standards or percent of pre-retirement salary).
- ☐ Include a partner in their projection.
- ☐ Export their results with all required inputs and outputs to contextualise them.

3.2 Comparison

We expect the Drawdown Calculator would allow the user to:

- ☐ Clearly compare the before and after results for changes they have made to their projection to assess the impact of a chosen strategy.

3.3 Retirement

We expect the Drawdown Calculator would allow the user to:

- ☐ Update intended retirement age.
- ☐ Update intended retirement income or age retirement income will last until.
- ☐ Understand how superannuation balance at retirement links to income in retirement.
- ☐ Make a lump sum withdrawal from their super.
- ☐ Set a drawdown strategy with income that changes over time.
- ☐ Include longevity protection in their retirement product allocation.

3.4   Investments and Market Risk

We expect the Drawdown Calculator would allow the user to:

☐   Update their investment option or asset allocation.

☐   View and compare the range of outcomes under different market projections.

☐   Compare both the expected return and either the risk or the range of outcomes for different investment options or asset allocations.

3.5   Assumptions and Methodology

We expect the Drawdown Calculator would allow the user to:

☐   Access and review a description of the assumptions made and methodology utilised by the calculator.

☐   Update assumed fees.

☐   Update Age Pension details, including homeownership, coupled status, and other assets and income.

☐   Update economic and deflation settings.

☐   Reset these values to reasonable default values.

4. Design Checklist

Regardless of the phase targeted by the Calculator, we would expect an industry-leading Comprehensive Superannuation Calculator to consider the following:

4.1 Ease of Access

- [ ] Related questions are surfaced together or in the same location.
- [ ] Assumptions and settings easily accessible throughout the user journey.
- [ ] Help text readily available for industry and fund specific content.
- [ ] Additional resources linked to where relevant.

4.2 User Experience

- [ ] The user can easily navigate through each of the Calculator screens.
- [ ] It is clear where the user is in the intended Calculator journey.
- [ ] Required fields are indicated appropriately.
- [ ] The inputs, results, assumptions, and actions all clearly differentiated to the user.
- [ ] The inputs have suitable functionality for mobile screens.
- [ ] The outputs are clearly readable for mobile screens.

4.3 Content Design

- [ ] The Calculator content avoids long sentences and passive voice.
- [ ] The Calculator content has a suitably low reading level.

4.4 Accessibility

- [ ] All content is operable and accessible to non-mouse users.
- [ ] The colours used for the graphs utilise appropriate colours and contrast.
- [ ] All interactive elements have a visible focus indicator.
- [ ] There is a visible progress bar for multiscreen journeys.
- [ ] The Calculator informs users of the input requirements up front.

4.5   Authenticated Experience

While not relevant to every fund or member journey, we would expect industry-leading Comprehensive Superannuation Calculators to utilise member details in several ways to target and improve their experience[1]. When a member is logged in to a fund's member portal (or is provided the option to do so within the Calculator) we would expect:

☐   The appropriate content and Calculator (e.g. Accumulation or Drawdown Calculator) is provided to members based off their age, balance, and other details where relevant.

☐   The member receives Calculator and supporting content that increases their financial and product literacy over time.

☐   The member's information such as age, balance, investment option, fees, etc are pre-populated in the Calculator if the member consents for it to do so.

☐   The member is able to save and revisit sessions.

☐   The member is directed to relevant resources to apply the options they explored e.g. linked to a resource to apply a change in investment option or additional contributions.

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[1] We note that utilising member data should be considered within the context of the disclaimer content utilised, the consent provided by the member, and the relevant legislation regarding Superannuation Calculators within ASIC Corporations (Superannuation Calculators and Retirement Estimates) Instrument 2022/603.

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