

Do our later life dreams really become retirement reality?

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UK adults aged 50 and above were asked about their retirement dreams and whether they had turned out as planned. The survey revealed various insights into retirement hopes, realities and the importance of preparation.

When it comes to retirement priorities, financial security was emphasised by 94% of respondents, as they wanted to maintain their desired lifestyle. Spending quality time with family was important for 90% of participants, while affording necessary care and financing major family events were key priorities for 81% and 73%, respectively.

MOST ANTICIPATED RETIREMENT ACTIVITIES

Regarding post-work life, UK adults aged 50 anticipated retirement activities that included travelling or going on holiday (52%), dedicating more time to existing hobbies (38%) and engaging in DIY and renovations (28%).

However, the financial reality didn't always align with people's needs. Approximately 41% of respondents stated they needed more money than initially planned, with one in five individuals requiring significantly more. This trend was more prevalent among early retirees aged between 50 to 59, where 53% expressed needing more money than anticipated.

IMPORTANCE OF SEEKING PROFESSIONAL ADVICE

The research also sheds light on pension pots, revealing that the average amount saved for retirement was just over £185,000. However, there were significant variations in retirement savings, with 16% of people retiring without funds in their pension pot. On the other hand, 12% had saved over £500,000, and 5% had

accumulated between £700,000 and £899,000.

When deciding about their retirement savings, 31% of respondents did not seek advice, while 26% consulted a financial adviser. Given that financial concerns ranked as the primary cause of pre-retirement anxiety (41%), these findings underscore the importance of seeking professional advice to make informed decisions and ensure a financially secure retirement.

MAKE THE RIGHT FINANCIAL DECISIONS

While planning for retirement may seem daunting, individuals must imagine their later life hopes and dreams, evaluate their savings and make appropriate pension pot choices. Seeking professional financial advice can help you to make the right financial decisions and secure enough money to last a lifetime. Despite the challenges of our current financial climate, research suggests that planning ahead is essential.

Ultimately, whether one's retirement aspirations involve spending time with loved ones, exploring the world or maintaining one's current lifestyle, the key takeaway is to plan ahead. By doing so, individuals can take the necessary steps towards a fulfilling retirement.

WANT TO DISCUSS YOUR RETIREMENT PLANS?

There's a lot to think about when planning for retirement, from deciding when to retire to what to do with different pension pots. It can be both exciting and daunting. To discuss your retirement plans and to make sure that you are on track, please get in touch with us.

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