

Delaying your retirement

Five key facts you should know

To help you think about retirement, we have summarised the key facts from the Financial Conduct Authority's most recent survey of UK consumers. This flagship survey tested how the Covid-19 pandemic was affecting people's management of their money.



1

Financial advice is important

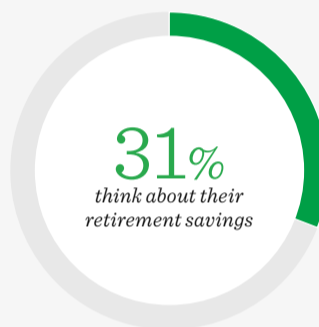
The evidence shows that professional advice can be worthwhile. The FCA found that::

those who have had regulated financial advice in the last 12 months are more engaged and have a better understanding of their pension than those who have not.

2

People aged 55 and over think about retirement a lot

If you're considering your retirement plans, you're not alone. The extent to which adults consider whether they are saving enough improves as they approach retirement: 31% of adults aged 55+ who have not retired say they have thought about it a lot.



adults aged 55+

3

Currently, people are most likely to delay retirement due to a drop in income

By far the most common reason why some adults aged 50+ have delayed their retirement plans is a reduction in household income, mentioned by nearly four in ten (38%). The good news is, if you can delay your retirement, this can provide valuable extra years to help build your pension pot.



38% of households

4

The pandemic has hit the finances of the self-employed the most

If you're self-employed, taking longer to plan your retirement may be a wise thing to do. By far the hardest hit have been the self-employed, where six in ten (60%) have seen their income fall; 27% say their household income has decreased a lot, and a further 34% say their household income has decreased a little.



60% have seen income fall

27% household income has decreased a lot

34% household income has decreased a little

5

Women are less likely to touch their pensions

Three-fifths (62%) of those who had withdrawn money from a pension under the new pension freedom rules are male, and just 38% are female. Men were also more likely than women to partially encash their defined contribution pension.



62% men spending pension

34% women spending pension

Financial Conduct Authority (FCA) Financial Lives Survey 2020

Financial Lives is the FCA's flagship survey of UK consumers, provides a wealth of information about consumers' attitudes towards managing their money, the financial products they have and their experiences of engaging with financial services firms. It is unique in the combination of its design, its breadth (over 1,300 questions covering all the retail sectors that the FCA regulate) and its size (over 16,000 respondents in the latest wave). As a tracking survey, it provides evidence of how things are improving, worsening or staying the same, from the point of view of the consumer.

To test how the pandemic had already affected UK consumers, the FCA ran a survey – their Covid-19 panel survey – in October 2020 with over 22,000 respondents.

Important information

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