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**1.5 million people plan to delay retirement because of Covid-19**

* **A large number of people over 50 and in work are set to delay retirement (15%) by an average of 3 years, or keep working indefinitely (26%), as a direct result of the Covid-19 pandemic**
* **However, Legal & General Retail Retirement suggests that people – particularly those who have been furloughed or seen a pay decrease –could benefit from a financial review to assess their options before changing their plans**

1.5 million workers aged over 50 will delay their retirement as a direct result of the Covid-19 pandemic, according to new research from Legal & General Retail Retirement.\* However, the retirement provider has suggested that worried households could benefit from a review of their savings before assuming they will need to delay.

According to the most recent data from the Office for National Statistics, the number of workers aged above 65 years is at a record high of 1.42 million\*\*. However, if people change their retirement plans in response to the pandemic, this could increase. One in six people aged over 50 and in work (15%) believes that they will delay, while 26% anticipate having to keep working on a full or part-time basis indefinitely, due to the impact of the virus.

On average, those who plan to delay their retirement expect to spend an additional three years in work. However, 10% admit they could delay their plans by 5 years or more.

These figures are significantly higher for the 26% of over 50s workers who have been furloughed or seen a pay decrease as a result of the pandemic. One in five of these workers will delay (19%) and 38% expect to work indefinitely.

**Chris Knight, CEO of Legal & General Retail Retirement said:** *“The financial impact of the Covid-19 pandemic seems to be particularly pronounced for people aged over 50 who are still in work. While some people will choose to work for longer, or indefinitely, the key consideration when it comes to this research is that it seems this decision has been driven by the financial impact of the pandemic, rather than personal choice. We know this is a key stage in people’s retirement planning so seeing a material impact on your household income will naturally lead to pessimism about achieving your retirement goals. While it would be naïve to say that these financial issues will not have an impact on people’s ability to retire, it’s important for people to have a strong understanding of the options available to them before concluding that their retirement needs to be delayed or forgotten indefinitely.”*

**Legal & General Retail Retirement’s top tips for managing retirement planning in the pandemic:**

**Develop a strong understanding of your total savings:** Those who feel like they might be forced to delay their retirement should make sure they’ve gone through the process of getting a comprehensive understanding of their total savings. Many people may have more saved than they anticipate in the form of forgotten pots from previous employment. Using a pot-tracing service to understand your total savings will help you plan better.

**Consider the role that different types of products might play:** In addition to pension savings, it’s also worth looking at a broad range of retirement products to get a holistic understanding of what you can utilise to fund your retirement. Equity release, for instance, can be a useful tool for people who have significant property wealth that they might benefit from taking advantage of.

**Check on what you’re entitled to:** There are lots of things being put in place to help people who have financially been impacted by the pandemic. Examine what your entitlements are and make sure you are receiving any relevant benefits, particularly if you have lost your job. Also, many people might want to consider looking at measures their bank has put in place to cover any recent hardship by offering short-term solutions to things such as mortgage payments.

-Ends-

**Notes to Editors**

\*Opinium Research ran a series of online interviews among a nationally representative panel of 2,004 over 50s from the 15th to the 18th May 2020.

\*\* [Office for National Statistics, Labour market overview, UK: May 2020](https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/bulletins/uklabourmarket/may2020)

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**About Legal & General Retail Retirement**

**Legal & General Retail Retirement (LGRR)’s mission is to help its customers lead longer, healthier, happier lives.**

**We believe everyone should be able to have a ‘more colourful retirement’. The Division comprises the Group’s individual annuity, lifetime mortgage and care solutions businesses - it has more than half a million customers and circa £21 billion of assets under administration. In 2019, LGRR wrote £970 million of annuity premiums and**issued**£965 million of lifetime mortgages.**

**Further Information**

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