



4.8 million workers over 50 concerned about job security due to Covid-19 pressures – but what does that mean for retirement?

- Ahead of the end of furlough, two out of five (41%) people over 50 and in work say they are worried about their job security
- Amidst career uncertainty, this group also faces significant money worries, with 58% concerned about the impact of the pandemic on their long-term savings
- To help those approaching retirement understand their options now, to manage their financial affairs better in later life, Legal & General has launched a free online course with The Open University, setting out a series of stepping stones to a financially secure retirement

4.8 million people over 50 and in work fear losing their job because of the Covid-19 pandemic, according to new research from Legal & General Retail Retirement¹. The research also reveals fears of finding a new role, with one in three (31%) concerned about finding new employment in the event of losing their job.

With the Government's furlough scheme set to end in October, recent data from the Office for National Statistics showed there were already 730,000 fewer employees on payroll in July than in March 2020, with over 65s one of the groups most likely to have been impacted². The Centre for Ageing Better also found that, when out of work, older staff are far more likely to face long-term unemployment, with just a third of over-50s returning to work after losing their job, compared with more than half (54%) of 35 to 49-year-olds³.

Amidst this career uncertainty, a large number of over 50s are now facing financial worries as a direct result of Covid-19. Over a third (37%) have seen their household income decrease during the pandemic, as companies furlough staff while cutting back on wages and head count. For workers who have seen their income drop, large numbers have turned to their reserves to counter this, with nearly a quarter (25%) having dipped into their savings to help meet every day living costs. Over two thirds (68%) are concerned about their cost of living currently, with a third (35%) reducing their daily expenditure as a result. With incomes impacted, well over half (58%) are also worried about how the pandemic will impact their savings long-term.

Retirement planning course launched with The Open University

To help address future financial uncertainty, Legal & General has developed a free online course with The Open University, called 'Retirement planning made easy', which is available on their OpenLearn platform and aims to equip those approaching retirement with the knowledge required to instil financial resilience in later life.

The introductory 3-hour course combines guidance, short videos and tools and covers various aspects of retirement planning, from how to budget for retirement, how different types of pensions work and what to do if pension income is at risk of falling short.

Legal & General hopes that by championing good quality, straightforward, informative content to encourage later life planning, it can reduce some of the anxiety currently being felt by older workers unsure how to plan their retirement.

“With the UK now formally in a recession, and the end of the furlough scheme on the horizon, many over 50s are feeling apprehensive about their job security. It's an unfortunate fact that this group is less likely

to secure another role once out of work, meaning redundancy can have serious long-term repercussions on their retirement.

“For those worried about their finances, it is better to be aware of the options available to them, rather than burying their head in the sand. To encourage people to do this easily, we have launched a free online course, so people can engage with their options now and help secure financial resilience later in life. We have also produced a downloadable guide to retirement income and produced a series of podcasts, called [‘Rewirement’](#), to help listeners get the best out of their retirement.

“Our research found that over 55s spend more time choosing a new car than they do planning their retirement⁴, despite the fact that they might have to live with the consequences of that decision for 30 years or more. Given 1.2 million over 50’s⁵ are now considering delaying their retirement because of Covid-19, there is a clear need for people to understand their options before making panicked decisions.

“With all the current uncertainty, having a solid understanding of retirement is a valuable tool to have in your back pocket. Our hope is that by encouraging older workers to engage with their later life finances, growing numbers will be equipped with the tools to enjoy a more comfortable retirement.”

Emma Byron, CEO, Legal & General Retirement Income

The information contained in this press release is intended solely for journalists and should not be relied upon by private investors or any other persons to make financial decisions.

Notes to editors

References

¹ Opinium Research ran a series of online interviews among a nationally representative panel of 2,004 over 50s from the 30th July to 5th August 2020.

Calculation: 1076 out of 2,004 UK adults on a separate nationally representative survey counted themselves as aged 50 and over. $1076 / 2002 * 52,673,000 = 28,281,511$. On the survey of 2,004 over 50s, 343 said they were currently working and were concerned about job security. $343 / 2004 * 28,281,511 = 4.8$ million.

² Office for National Statistics, [Labour market overview, UK: August 2020](#), (Section 4)

³ The Centre for Ageing Better: [A mid-life employment crisis](#) (Figure 4)

⁴ Legal and General research, [Over-55s spend more time buying a car than deciding how to use their pension](#)

⁵ Opinium Research ran a series of online interviews among a nationally representative panel of 2,004 over 50s from the 30th July to 5th August 2020.

Calculation: 452 out of 2,002 UK adults on a separate nationally representative survey counted themselves as aged 50 and over and not-retired. $452 / 2002 * 52,673,000 = 11,892,206$. On the survey focusing on the over 50s, 89 of the 1076 who did not count themselves as retired said that they would most likely need to delay retirement. $89 / 1076 * 11,892,206 = 1.2$ million.

About Legal & General

Established in 1836, Legal & General is one of the UK’s leading financial services groups and a major global investor, with international businesses in the US, Europe, Middle East and Asia. With over £1.1 trillion in total assets under management, we are the UK’s largest investment manager for corporate pension schemes and a UK market leader in pension risk transfer, life insurance, workplace pensions and retirement income.

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

Name: Robbie Steel

Company: Lansons

Email: robbies@lansons.com

Name: Millie Hyde-Smith

Company: Legal & General Retail Retirement

Tel: +44 7393 753 588

Email: millie.hyde-smith@landg.com