

New research reveals: Financial stability is the UK's ultimate retirement dream

- 94% of the UK say their most important retirement dream is to feel financially secure for the rest of their life
- 41% say they have needed more money than expected in retirement
- The mean average amount in a pension pot at retirement is just over £185,000

A Legal & General-commissioned survey of more than 2,000 people across Britain examined whether later life dreams really do become retirement realities.

The survey looked into attitudes among adults **aged 50-plus and whether their original retirement dreams had turned out as planned**. The research also delved into people's hopes for retirement, the reality, and why preparation matters.

Hopes for retirement

When asked about their retirement priorities, nearly all respondents (94%) emphasised the importance of feeling financially secure, such as keeping up their desired lifestyle.

- Family comes first for many people – 90% said that spending quality time with family was very important.
- 81% said that affording necessary care and assistance was a key priority for them.
- 73% said that financing major family events – like weddings – was of great importance.



Ahead of retirement, people had various expectations for their post-work life. Top of the tree was the desire to have more time to themselves – selected by 56% of respondents. This was followed closely behind by the 53% who expressed their excitement about spending more quality time with family.

But which retirement activities were respondents most looking forward to? Travelling or going on holiday (52%), spending more time on existing hobbies (38%), and DIY and renovations (28%) were the most popular options selected.

So, what is the reality?

For many, retirement has been everything they hoped for. The survey revealed that 47% of respondents have travelled, which is similar to the 52% who hoped they'd be able to. Similarly, 22% of retirees have embarked on new hobbies, only slightly below the 25% who had anticipated they would.

Despite this, the financial reality didn't always match people's needs. Just under half (41%) of respondents said they have ended up needing more money than planned – and 1 in 5 said they needed 'significantly more' than anticipated. Among those who have recently chosen to retire early (50–59-year-olds), there was a higher number of respondents (53%) who said they needed more money than expected.

Why preparation matters

In terms of pension pots, our research found that the typical (mean) amount in a pension pot at retirement is just over £185,000.

However, there were wide differences in people's retirement savings. Around 16% of people retire without any funds in their pension pot, while 21% have saved between zero and £49,000. In contrast, roughly 12% of respondents have amassed over £500,000, while 5% have saved between £700,000 and £899,000. In terms of the decisions people make about what to do with their retirement savings, over a third (31%) didn't go anywhere for advice – the highest-ranking answer – and just over a quarter (26%) spoke to a financial adviser. With money worries cited as the biggest cause of pre-retirement angst (41%), these findings highlight the importance of seeking financial advice to help people make the right decisions for them, and ensure they have enough money to last a lifetime.

“There's a lot you can do to help you live your ideal retirement when you finally get there. Start by imagining it! Sketch out your later life hopes and dreams. Then you can see if you're saving enough and making the right pension pot choices to support them, and take action if you're not.

“Of course, in our tough financial times that probably won't be as easy as it sounds. But even if all that planning's a bit stressful and confusing, our research shows that it will be well worth doing. Looking at your financial situation, setting later life goals and getting advice on the best way of achieving them are key steps toward a happy retirement.

“So whether you're looking to spend more time with loved ones, travel the world or just keep up your current lifestyle, our advice is the same: Plan ahead and you can do it.”

Lorna Shah, Managing Director, Legal & General Retail Retirement

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Notes to editors

- Further information and supporting assets are available upon request.
- Legal & General commissioned this survey on 2,004 individuals aged 50+ between 14-19/04/2023

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*at 31 Dec 2022