

# PUTTING A PRICE ON RETIREMENT

Have you considered how you would like to spend your retirement, and how much it might cost?

It's a tricky question to answer, but Pensions UK in conjunction with Loughborough University has created the Retirement Living Standards<sup>1</sup> framework to help you answer exactly that!

When considering how much you will need, Pensions UK has categorised the cost of retirement into three possible standards of living – **minimum**, **moderate** and **comfortable**.

## Let's look at minimum...<sup>2</sup>

This covers the basics.

**ANNUAL COST**

Single  
**£13,400**

.....

Couple  
**£21,600**



**WEEKLY FOOD BUDGET PER COUPLE**

**£125**

**ANNUAL HOLIDAY ALLOWANCE**

One week coach package holiday in the UK.

## Let's look at moderate...<sup>2</sup>

This covers more than just the basics.

**ANNUAL COST**

Single  
**£31,700**

.....

Couple  
**£43,900**



**WEEKLY FOOD BUDGET PER COUPLE**

**£213**

**ANNUAL HOLIDAY ALLOWANCE**

Two weeks in Europe and a long weekend in the UK.

## Let's look at comfortable...<sup>2</sup>

This would allow for some luxuries.

**ANNUAL COST**

Single  
**£43,900**

.....

Couple  
**£60,600**



**WEEKLY FOOD BUDGET PER COUPLE**

**£275**

**ANNUAL HOLIDAY ALLOWANCE**

Two weeks in Europe and three weekends away in the UK.

## TO SUM UP<sup>2</sup>

	Minimum (£)	Moderate (£)	Comfortable (£)
Annual cost (single)	<b>13,400</b>	<b>31,700</b>	<b>43,900</b>
Annual cost (couple)	<b>21,600</b>	<b>43,900</b>	<b>60,600</b>
Annual cost in London (single)	<b>15,800</b>	<b>33,000</b>	<b>45,700</b>
Annual cost in London (couple)	<b>24,800</b>	<b>45,500</b>	<b>62,700</b>

1 The Pensions UK/Loughborough University Retirement Living Standards are the property of and provided by Pensions UK and Loughborough University.  
2 Amounts shown are based on prices of a range of common goods and services as at April 2024. These include household, food, transport, holidays and leisure, clothing and personal, and other costs. Amounts are recalculated on an annual basis based on a series of assumptions.

## HOW WILL MY SPENDING CHANGE?

Another way to plan for retirement is to look at what you spend today and consider how this may change when you stop working.



Will I still spend as much on transport?



Will my energy bills increase?



How often will I go out for dinner?



Will I buy as many takeaway coffees?



Where will we travel to with our free time?



How might future inflation impact our plans?



What kind of hobbies will I have?

As you can see, planning for retirement requires thinking up and answering lots of questions. This can be overwhelming!

To understand what you will most likely need, and what you will be able to afford in retirement, a financial adviser can help you draw up a detailed plan. They can work with you to ensure that your plans remain up to date as the years go by, so you can focus on enjoying your life beyond work.

Find out more about the ‘Retirement Living Standards’ at [retirementlivingstandards.org.uk](https://retirementlivingstandards.org.uk).