# ONRETIREMENT

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.





### PLEASE NOTE:

#### Annual cost

The amount needed will be larger if you are in a couple or if you live in London.

#### Housing and other costs

The living standards do not incorporate mortgage or rent payments. You may also need to consider other costs, depending on your circumstances, such as social care costs and tax on pension income.





## **ALLOWANGE**

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 Couple







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.

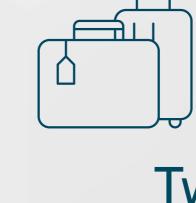


#### **ANNUAL COST**

Single L4J,JUU Couple £60,600







Moderate (£)

#### **ALLOWANCE** Two weeks in Europe and

three weekends away in the UK.

Comfortable (£)

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

Annual cost (single)	13,400	31,700	43,900
Annual cost (couple)	21,600	43,900	60,600
Annual cost in London (single)	15,800	33,000	45,700
Annual cost in London (couple)	24,800	45,500	62,700
1 The Pensions UK/Loughborough University Retirement Living Standards are the property of and provided by Pensions UK and Loughborough University.			

Minimum (£)

personal, and other costs. Amounts are recalculated on an annual basis based on a series of assumptions.

HOW WILL MY SPENDING CHANGE?

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

#### 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 my



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

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.

To understand what you will most likely need, and what you will be able to