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**CLASS OF 2017:
'PRETIEMENT' IS THE NEW REALITY FOR MANY RETIREES**

- **For a fifth year in a row, more than half of people planning to retire this year will consider working past their State Pension age**
- **Around one in three (33 per cent) of these people say they enjoy working**
- **And more than a quarter (26 per cent) don't like the idea of retiring and being at home all the time**

The shift to 'pretirement' – where people gradually scale back on work or change jobs altogether rather than stopping work entirely – has become the new retirement reality, according to Prudential's latest annual research¹ into the finances and aspirations of those planning to retire in the year ahead. This year is the fifth in a row in which more than half of those due to retire are considering working past their State Pension age or are already doing so.

Many of the people who are planning to retire this year but are now considering working past their State Pension age would do so in the hope of guaranteeing themselves a greater retirement income. Just under one in 10 (nine per cent) would continue full-time in their current job, while 28 per cent would prefer to cut their hours with their current employer. A further three in ten (29 per cent) would look for a new employer altogether.

Meanwhile, an entrepreneurial one in five (20 per cent) would hope to either start a new business or earn some money from a hobby.

Prudential's unique annual study – which over the past ten years has tracked the financial plans and aspirations of people planning to retire in the year ahead – shows that for the *Class of 2017* working on is not just about money. People planning to give up work this year expect their retirement to last for an average of just over 20 years, and with that in mind around a quarter (26 per cent) of those who would consider working past their State Pension

age say they do not like the idea of retiring and being at home all the time for such a long period.

Meanwhile, more than a third (34 per cent) of those considering working beyond the State Pension age say they do not feel ready to retire, while 30 per cent would like to continue saving more into their retirement fund.

However, financial worries are an issue for a number of those who are not retiring in 2017, with around one in 12 (eight per cent) saying they can't afford to retire. Of those who can't afford to retire, more than half admit that they haven't saved enough into their pensions.

Stan Russell, a retirement income expert at Prudential, said: "Our research has shown that a period of 'pretirement', where people choose to delay their retirement plans, change jobs, earn a living from a hobby, or go part-time, instead of giving up work altogether, has become the new norm for retirees in recent times. However not everyone is lucky enough to be able to make the choice – many will find themselves having to work on for financial reasons while others may be forced to give up work for health reasons.

"Saving as much as possible as early as possible in their working life is the best way for many people to ensure they have control over their financial futures, and are well-prepared for a comfortable retirement that can begin when they want it to.

"As retirement becomes more of a process than a single moment in time, the majority of us will have an idea of how we would ideally like it to pan out. While speaking to a professional financial adviser can often help to ensure that retirement finances are sufficient enough to realise these dreams, there is also a great deal of free impartial guidance out there from sources such as The Pensions Advisory Service or the Government's Pension Wise service."

The research also shows that those who are delaying retirement this year because they can't afford it, feel that realistically they are unlikely to be able to give up work completely until they are nearly 70 years old. This is in contrast to 64 years of age, which is the average age at which they would ideally have preferred to retire.

- Ends -

Media enquiries:

Ben Davies 020 7004 8082
Louise Bryans 020 7004 8280

ben.davies@prudential.co.uk
louise.bryans@prudential.co.uk

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Yearly breakdown

Would you consider working past the State Pension age if it meant you could guarantee yourself a greater income in retirement (or have you already done so, if you are already aged over your State Pension age and still working)?

People planning to retire in...	Proportion considering or already working past their State Pension Age
2017	51%
2016	51%
2015	51%
2014	54%
2013	57%

Notes to editors

¹ Research Plus conducted an independent online survey for Prudential between 8 and 22 November 2016, among 10,605 non-retired UK adults aged 45+, including 1,000 planning to retire in 2017.