



NEWS RELEASE

GRANDPARENTS TRAVEL DREAMS DELAYED BY DEBT

- **Almost half of retirees spend more time travelling in retirement**
- **49 per cent of the nation not saving adequately for retirement**
- **Two in five retirees who receive a lump sum spend their lump sum on clearing their mortgage or other debts**

Brits increasingly want to retire into a life of enjoyment but will struggle to afford to, according to research from the Scottish Widows UK Pensions Report 2008*.

Travel is the most popular activity for the retired with nearly half (45%) of retirees packing their rucksacks and taking time out. As well as travelling to keep active, 27 per cent have taken up a new hobby in retirement and nearly one in 10 (9%) keep their minds active with evening classes. Back in the home, nearly a third (30%) of retirees are spending more time on home improvements and almost half (46%) are taking advantage of the extra free time to potter around the garden.

However, the research also reveals that almost half (49%) of those still working are not saving adequately for retirement**, meaning for many people, dreams of a full and active retirement will remain just that. And among current retirees, one in six (17%) who received a tax-free lump sum from their pension arrangement used it to pay off a mortgage and almost a quarter (24%) used the lump sum to pay off other debts rather than spending it on enjoying their retirement.

Ian Naismith, head of pensions market development at Scottish Widows

comments: “It is encouraging to see that so many people are enjoying themselves after they retire, but it is vital that people who are still working realise the difference between wanting a good retirement and actually planning for one. It’s a shame that some people need to spend their hard earned savings on paying off a mortgage or clearing debts. Retirement should be about enjoying life.

“If people take action now to start saving enough, then they will be able to make their retirement dreams and aspirations come true, avoiding what can be the reality of having to struggle to get by in later years.”

Not all post-retirement pursuits are costly however some may even pay for themselves, with seven per cent spending time to pen a new best-seller and three per cent focusing more time trying their luck with the bingo balls.

Ends

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Notes to editors:

** The research to support the report was carried out by YouGov who interviewed a total of 6,381 people over the age of 18 between 6th and 12th March 2008.*

*** All respondents still working were aged 30 or above; male respondents below 65; female respondents below 60; all respondents must have a gross personal income of £10,000 p.a; excluding those who are retired but other non-working employment status is allowed*

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