



What are you doing after work?

The Canaccord Wealth guide to retirement

Canaccord
WEALTH

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You've probably asked yourself this question multiple times during your working life, but what happens when you choose to stop?

Today's retirement plans have become more flexible, with more ownership falling to individuals. Many are choosing to reduce their paid work gradually. By taking time to prepare for your retirement, you could be in a much better position to really enjoy the time ahead when you decide to no longer work full time.

At Canaccord Wealth, we are dedicated to helping people prepare for this change. Read on to discover our series of important questions and answers that will help you plan for your retirement journey.

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How much money will I need?

To enable you to answer this important question, and help ensure you don't run out of money in retirement, consider the following questions.

How long will I live?

We're living longer than previous UK generations. The Office for National Statistics says that from 2021 to 2023, a 65-year-old man could expect to live to 84, while a woman could expect to live to 86.¹

The number of centenarians in the UK in 2023 was 16,140, more than double the number in 2003.¹

How is my health?

We're healthier than previous generations, and therefore in a better position to enjoy our later years. 70-year-old men today have a similar level of health as 65-year-old men in 1997. 70-year-old women have similar health to women of 65 in 1981.²

Think about your health. Do you have any chronic health conditions, like diabetes or heart disease? What is your family's health history?

By asking key questions, we can make some estimates about your longevity that can help you plan. You could try a life expectancy calculator, like the one available from the Office for National Statistics.

How much will it cost me to live when I'm retired?

As a general rule of thumb, you will need 20-25 times your annual expenditure in retirement to be able to retire comfortably. Based on living costs of £100,000 per year, this would equal £2,000,000 – £2,500,000.

In reality, everyone's needs are different, and a financial plan can help you to ascertain what your needs will be.

How much do I spend on living costs now?

We find some people spend significantly less when they retire. Others don't. Making a note of what your outgoings are now can serve as a good starting point.

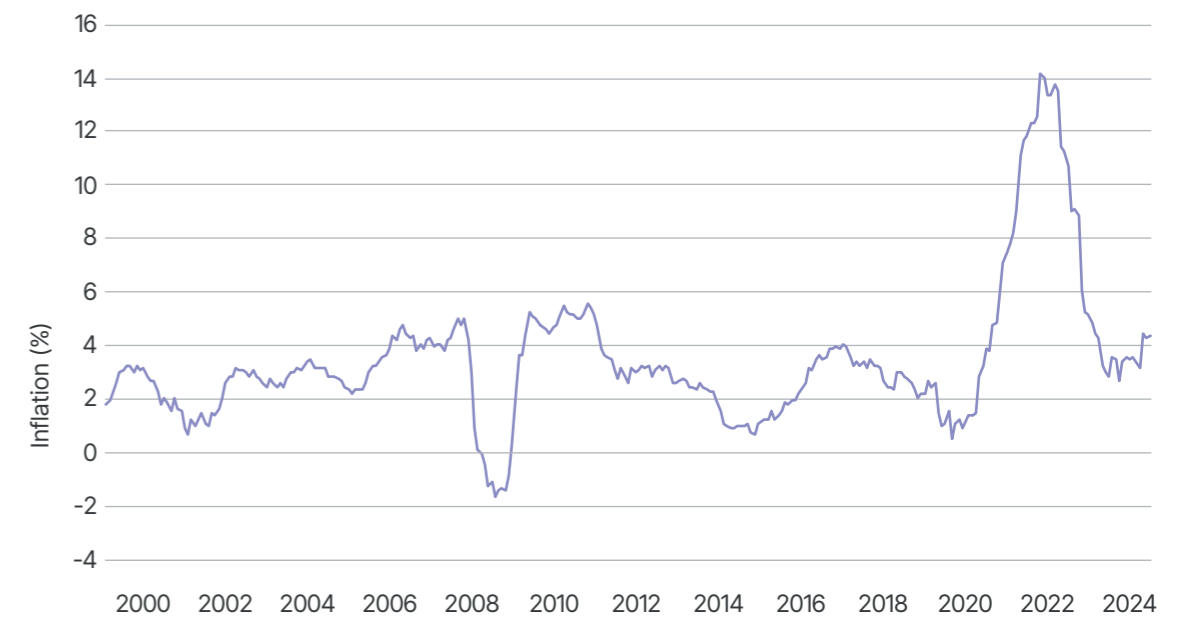




What about inflation?

Your spending is, of course, influenced by rising prices. In 2022, inflation reached a 41 year high of 14.2%³ with living costs expected to continue to rise. We factor in these measures of consumer prices when we predict your income requirements.

UK Inflation - Retail Price Index



Source: Bloomberg 31/12/1999 to 30/06/2025.

What about care?

There's a lot to consider when it comes to long-term care planning, from choosing the right living arrangement for yourself or a loved one, to setting up the correct powers of attorney. In any case, your Wealth Planner can help you plan for care costs, giving you peace of mind for your next chapter.

Why a pension?

What's the best way to save for my retirement, or for when I choose to stop working full time?

While most people will benefit from a state pension, these are often far from sufficient to enjoy a comfortable retirement.

Making additional personal retirement savings is therefore very important.

Why choose a pension?

With pensions you might also benefit from tax relief on your contributions – but this does depend on your personal circumstances, so please do check this with your Wealth Planner to make the most of any tax relief that is available.

There are also rules around when you can access your savings, ensuring you resist temptation until you turn 55 (increasing to 57 in 2028).

Types of pension:

Workplace pensions

If you are enrolled in a 'defined benefit' pension (also known as a final salary scheme), you are guaranteed a percentage of your salary as income when you retire. More recently a 'defined contribution' approach has become the standard scheme offered, where contributions made by you and your employer (jointly a minimum 8% of salary) accrue in a tax advantaged pension fund, where the eventual retirement income is dependent of contributions, investment returns and potentially annuity rates at retirement.

Personal pensions

A personal pension is one that you arrange for yourself.

Whichever pension you have it is important to make sure you are happy with how the money is invested and keep an eye on charges or fees. Your Wealth Planner will be able to review the investment performance of your pension and will be happy to introduce you to one of our dedicated Investment Managers who can provide expert investment advice.



What about homes and property?

With steady long-term growth in the UK property market, many see their main residence, second homes and rental properties as a long-term retirement investment. Property has historically proven to be a resilient investment, even during economic fluctuations. For example, the average UK house price rose from around £76,000 in 1999 to over £268,000 in 2025⁴.

Please remember that there are fees and tax involved with moving home including Stamp Duty Land Tax, legal, surveys, valuations and estate agent fees.

If you want to access cash from your main home, you may have to downsize. However, this can be emotionally and logistically challenging, especially if you're leaving a long-term family home or relocating to a different area.

Average UK house price



Source: UK Land Registry. 31/12/1999 to 30/05/2025

Buy-to-let property?

A second property or rented property has proved popular as an investment, but you will have to pay tax on any rental income received. You may, however, be entitled to allowances for the cost of general repairs and maintenance to the property.

National Insurance contributions?

You need 39 qualifying years of National Insurance contributions to get the full state pension.

If you've paid less, you may be able to make voluntary contributions to fill the gap, which can be valuable. Otherwise, as long as you have 10 years of contributions, you will get a portion of the full benefit.

You can check your state pension forecast at gov.uk/check-state-pension.

Something completely different?

Do you love classic cars, wine, art or antiques? Anything of value could be a potential retirement investment.

Other financial vehicles?

You could choose a diverse retirement portfolio from the range of products available like funds, shares, bonds, investment trusts or private companies.

You could do the research yourself, or you could consider a multi-asset portfolio where a manager, like Canaccord Wealth, chooses different investments for you, or you could work with a financial adviser.

If the investment isn't through a tax-free vehicle, you may have to pay tax on any income produced.

Investment involves risk. The value of investments and the income from them can go down as well as up and investors may not get back the amount originally invested.

We don't offer tax advice at Canaccord Wealth, however we will work with your legal and tax advisers to ensure the most appropriate solution is recommended.

Consider your ideal retirement

If you are nearing retirement in three to five years, it's time to start the next phase of planning.

When do I want to retire?

Do you have a retirement age in mind? Employers are no longer allowed to tell you when you must retire, unless they can justify it with good reason. If you run your own company, consider when you want to sell or pass it on. Important decisions like this could benefit from planning and advice – the more prepared you are, the better the likely outcome.

Are you ready to stop working? Are there opportunities to work part time – to do consultancy work, or continue with directorships? 1.1 million pensioners in the UK are still working full time or part time.⁵

The UK state pension age is currently 66, increasing to 67 in 2026. You can find your state pension age at [gov.uk/state-pension-age](https://www.gov.uk/state-pension-age).

What sort of retirement would I like?

How would you like to spend your time when you retire? Hobbies that didn't fit in around working life? Luxury cruising? Perhaps family have moved abroad, and you'd like to visit every year? The possibilities are endless.

Many of our clients haven't stopped to think about this, perhaps because they've been too busy working, or simply because they believe they have plenty of time to consider all the options. However, it is an important question which you should consider.

A good way to start is to calculate how much your favourite hobbies cost. For example what are the annual fees at your golf club or gym?

Would I like to leave a legacy?

Do you have loved ones or good causes that you'd like to leave a financial legacy to? A little forward planning could help reduce your tax bill too, during or after your lifetime.



Prepare for what's to come

How much do I have in pension schemes?

Before you tally up your pension schemes, ask yourself – have I forgotten any? In the UK there is over £31.1bn in unclaimed pensions.⁶

The pension-tracing service can help you track down any pensions you may have forgotten.

If you have a defined benefit scheme, what percentage of your final salary will you be entitled to? What will your final salary be?

Should I consolidate my pensions?

If you have collected various pensions over the years, you may want to bring them all together. This could make them easier to manage. You may prefer different investment options, or you could save on fees.

However, there are many factors to consider before you consolidate. For example, a pension may come with an attractive guaranteed annuity rate. An annuity is a product that allows you to buy an income that will last for the rest of your life or a set time. Some pension schemes come with life insurance and critical illness cover. You may have a defined benefit pension that guarantees you an income for life. Or you may want to avoid paying large exit fees.

What other investments do I have?

Are you planning to sell a business when you retire? Are you expecting to inherit anything? Do you have other assets or investments?

Should I rethink my risk profile?

Investments can experience ups and downs, which is fine when you have a lot of time before retirement. As you get closer, you may want to start moving your investments into lower-risk options.



What can I do with my pension when I retire?

Accessing your pension

You can start accessing your pension from 55 (rising to 57 in 2028). One of the most flexible options is drawdown, where you can take up to 25% of your pension tax-free and leave the rest invested, drawing income as and when you need it. The income you take is taxed and will depend on your total earnings in that year.

You don't have to take your tax-free cash all at once and can spread it out over time, giving you more control over how and when you access your money.

How to use the rest of your pension

Beyond the tax-free portion, you can choose how to use the rest of your pension: keep it invested and draw income flexibly, buy an annuity for guaranteed income, take lump sums, or combine these options. Your Wealth Planner can talk you through the different pros and cons of each option.

Should I make top-up payments into my pension?

You may want to top up your pension for a final savings push. You can get tax relief on contributions up to £60,000 a year or 100% of your earnings – whichever is lower. If you're a high-income earner, your allowance may be reduced, so it's worth checking before making large payments.

If you haven't used your full allowance in recent years, you may be able to carry forward unused amounts from the past three tax years. This could enable you to contribute more and still benefit from tax relief, making it a smart way to boost your retirement savings.

We don't offer tax advice at Canaccord Wealth however we will work with your legal and tax advisers to ensure the most appropriate solution is recommended.

How much is enough?

Back to the biggest question. Not surprisingly, almost half of all retirees are worried that their money will run out.⁷

With increasing life expectancies, our pension savings are having to last longer than ever before.

If you choose to manage your own income by making gradual withdrawals from your savings, it's down to you to assess whether you're setting aside enough to fund your retirement, in line with your future requirements.

What's coming in? What's going out?

If you've run a business in your working life, you'll be familiar with cash flow planning (or modelling) as a concept. What's coming in? What's going out?

By projecting these numbers forward, and making assumptions, we can challenge the potential future numbers with all kinds of 'what if' scenarios. For example, what happens if an investment delivers a 3% rather than a 4% return? What happens if you pay the deposit for your child's new home?

What happens if you work until age 68? If you allow yourself an income of £100,000 per year – is it likely to last your lifetime? Or would £80,000 be wiser?

Cash flow modelling allows you to explore possible scenarios with a Wealth Planner and see the potential outcomes. If you would like more information and to see some cash flow planning examples, please ask for our 'quick guide to lifetime cashflow planning'.

This is an important tool to help with decision making and bring clarity to your financial future. We've had clients change the whole look of their retirement based on what they've learned from cash flow modelling. They say it helps them sleep at night which is a terrific way to improve retirement!



Review your plans

What's changed?

The world changes, as do your ideas. Your investments can go up as well as down. Regulations and financial solutions evolve. When you're approaching retirement, it's important to review your plans regularly. We like to sit down with our clients at least once a year to check on the progress of their investments and plans.

Are you ready to plan a better retirement?

We can help you plan a retirement to really look forward to. With our help, you can feel confident exploring your many options and deciding what might suit you best. We can put your plans in place and monitor your progress both before and during retirement.

About us

We are one of the top 10 UK wealth managers (as measured by assets under management), with offices throughout the UK and Crown Dependencies.

We have successfully grown our business and reputation over the years, and now provide large numbers of high-net-worth clients with expert wealth management to help them reach their objectives. Our investment management and wealth planning specialists work in combined teams to ensure these services work holistically together.



What our clients are saying about us

We invited over 18,000 private clients to take part in a short, independent online survey* to discover how they feel about using Canaccord Wealth. With over 2,000 responses, we're excited to share some highlights with you.

"I am now retired and Canaccord Wealth's advice over the years has enabled me to feel financially secure."

"I have been with Canaccord for some 17 years and can honestly say that it was the best thing I have done as far as guidance of my financial affairs has been concerned. Their professionalism and reaction to issues that have arisen in that period have been exceptional."

"A professional and bespoke service which I can fully trust."

"I have full confidence in the service. My queries are always answered quickly, and my Account Executive is always brilliant."



* For further information, please ask for a copy of 'Above and beyond for our clients' which summarises the results of our client survey undertaken independently by Savanta in February-March 2024.

Important information

Investment involves risk. The value of investments and any income from them can go down as well as up and you may not get back the amount originally invested. The investments discussed in this document may not be suitable for all investors. Investors should make their own investment decisions based upon their own financial objectives and financial resources and, if in any doubt, should seek advice from an investment adviser.

Any tax benefits depend upon the investor's individual circumstances and clients should discuss their financial arrangements with their own tax adviser before investing. The levels and basis of taxation may be subject to change in the future.

Past performance is not a reliable indicator of future performance.

Where investment is made in currencies other than the investor's base currency, the value of those investments, and any income from them, will be affected by movements in exchange rates. This effect may be unfavourable as well as favourable.

This document is for information purposes only and is not to be construed as a solicitation or an offer to purchase or sell investments or related financial instruments. It has no regard for the specific investment objectives, financial situation or needs of any specific investor.

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The products and services offered by Canaccord Wealth in the UK may differ from those offered by other Canaccord Genuity Group Inc. offices.



Sources:

- 1 ons.gov.uk. Release date March 2025. Accessed September 2025.
- 2 ons.gov.uk. Release date November 2019. Accessed September 2025.
- 3 Bloomberg 31/12/1999 to 30/06/2025.
- 4 UK Land Registry. Accessed August 2025.
- 5 ageuk.org.uk. As at 27 December 2024. Accessed September 2025.
- 6 abi.org.uk. As at 24 October 2024. Accessed September 2025.
- 7 thisismoney.co.uk. As at 28 January 2025. Accessed September 2025.

For further explanations of any terms used in this document, please see our glossary of investment terms at canaccord-wealth.com/glossary.

Ready to talk?

To find out more about how we go above and beyond to understand your wealth planning needs and aspirations – and empower you to achieve them – get in touch. We'll be delighted to answer your questions and provide further details of our services.

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