

Two-thirds of UK adults are concerned about affording care in later life

Rising costs, independence and the necessity for proactive financial planning

Recent data highlights a growing concern about the affordability of care and the maintenance of independence in retirement. Research has shown significant worries among UK adults regarding how they will finance care needs and medical expenses in later life.

According to the findings, more than two-thirds (67%) of adults in the UK are extremely concerned about covering the costs of care, whether at home or in a residential facility^[1]. Alarming, 63% expressed worries about completely running out of money during their retirement years. These statistics underscore the necessity for early financial planning to address these future challenges.

TOP PRIORITIES FOR RETIREES HIGHLIGHT HEALTH AND INDEPENDENCE

When asked to identify priorities for retirement, respondents overwhelmingly emphasised good health (96%), maintaining independence (95%) and ensuring financial security (95%). Furthermore, 92% of individuals highlighted the significance of staying in their own homes as they age.

This desire for independence highlights the struggle many face when adapting their homes to accommodate evolving physical and medical needs. More than three-quarters (78%) of those surveyed valued the ability to make home modifications, such as installing stairlifts or walk-in showers. However, over half admitted to feeling anxious about how they would fund such renovations should their health deteriorate.

HOW LIFETIME MORTGAGES OFFER A SOLUTION

For many adults in the UK, the equity in their homes represents a significant yet often untapped resource. Lifetime mortgages, which enable homeowners to access a portion of their property's value while retaining full ownership, offer a potential solution.

By releasing equity tied up in their homes, retirees can secure funds to cover essential expenses, ranging from medical bills to in-home care or home

adaptations. This financial tool enables individuals to modify their surroundings in a way that supports independence, without the pressure to sell their home or downsize.

For example, an individual needing a home adaptation like a wheelchair ramp or lift might utilise a lifetime mortgage to finance these modifications, ensuring they can remain comfortable and self-sufficient in their home environment.

RISING COSTS, PUBLIC HEALTH STRAINS AND FINANCIAL PLANNING

The concerns highlighted by the research are affected by rising living costs and overburdened public health services, factors that also heighten individuals' anxieties about retirement.

Without a clear plan, individuals may become reliant on limited state provisions or struggle to meet care costs out of their own pockets. The study's findings indicate that the public in the UK is acutely aware of these risks but may lack the tools to address them. ■

Source data:

[1] Unless otherwise stated, the data used in this press release originates from a survey of 4,000 nationally representative UK adults conducted for LV= by Opinion in March 2025.

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EQUITY RELEASE, INCLUDING LIFETIME MORTGAGES, WILL REDUCE THE VALUE OF YOUR ESTATE AND CAN AFFECT YOUR ELIGIBILITY FOR MEANS-TESTED BENEFITS.

TALK TO US ABOUT YOUR RETIREMENT NEEDS

If funding for later-life care concerns you, there's no need to face these challenges alone. Contact us to discuss your needs and explore options. Together, we can help you find the most suitable choices to support your retirement goals.