

# JUST.

## NEWS RELEASE

Monday 10<sup>th</sup> June 2024



### One in 10 early pension dippers regret withdrawing from pot before retiring as half fail to seek advice or guidance

- Around one in 10 retirees who withdrew from their pension between the age of 55 and leaving full-time work said they regretted it
- Half of these early pension dippers didn't receive any advice or guidance before accessing their pension

Research<sup>1</sup> from **retirement specialist Just Group** reveals that around one in 10 retirees (8%), aged 55 and older, who withdrew money from their pension before leaving full-time work, say they regret it.

The survey of 1,050 retired over 55s found that nearly three in 10 (28%) had withdrawn pension cash between the age of 55 and when they finished working full time, either as a lump sum (tax-free or not) or via income drawdown.

Nearly half (49%) of this group said that they had not received any advice or guidance prior to making the decision to withdraw from their pension pot before retiring from full-time work, raising concerns over the support available to people making these complex decisions. A little over a quarter (27%) spoke with a regulated financial adviser before deciding to dip into their pension.

It follows the FCA's latest Retirement Income market survey<sup>2</sup> which signalled that over a third (37%) of people who entered drawdown in the 12 months to March 2023 did not seek or use any advice and the number of people entering drawdown without advice or guidance rose by 16% between the 12 months to March 2022 and the 12 months to March 2023.

For those purchasing annuities, more than half (57%) of those who purchased an annuity in the 12 months to March 2023 did not use any advice or guidance, compared to 41% in the 12 months to March 2022.

Only one in 10 pension dippers used Pension Wise, either through a telephone appointment or face to face, despite it being a free, independent, impartial and government-backed service. This raises serious questions about the effectiveness of the 'stronger nudge' initiatives introduced in 2022, and the impact of revised wake-up packs, to meet the government's stated ambition of making guidance 'the norm'.

Commenting on the data, **Stephen Lowe, group communications director at retirement specialist Just Group**, said: "It's alarming that a significant portion of retirees are diving into their pension before leaving full-time work without the benefit of any financial advice or guidance.

"The cost-of-living crisis, rising rent prices and hiked interest rates have all put a significant strain on household finances over the past few years, and for many, pension cash has been a valuable financial resource to fall back on, particularly for those who have faced health problems or redundancy prior to retiring.

## News release

---

“For some pre-retirees, tapping into their pension pot before retiring from full-time work may be a sound decision, but it’s inevitable that without advice and guidance some people will make decisions they’ll come to regret. Much more needs to be done to stop so many falling through the cracks in the advice and guidance framework that the government and regulator have put in place.

“We would urge anybody considering dipping into their pension to make use of the government-backed, free, independent and impartial service – Pension Wise. It’s the lifebelt George Osborne promised every saver when pension freedoms were announced but only the rare few use it.”

There are a range of resources to provide information and guidance:

- Free, impartial and independent guidance is available to retirees through the government-backed Pension Wise - <https://www.moneyhelper.org.uk/en/pensions-and-retirement/pension-wise>
- Organisations such as the MoneyHelper and charities such as Citizens Advice and Age UK can be good sources of assistance.
- Professional advisers will charge but can provide regulated advice alongside information about benefit eligibility.

ENDS

## Enquiries

---

### Media

Stephen Lowe, Group Communications Director

Lucy Grubb, Head of Media & PR

Telephone: +44 (0) 1737 827 301  
[press.office@wearejust.co.uk](mailto:press.office@wearejust.co.uk)

Temple Bar Advisory

Alex Child-Villiers  
Sam Livingstone  
Juliette Packard

Telephone: +44 (0) 20 7183 1190

### Notes to Editors

**1 - Just Group**, survey of 1,050 UK adults aged 55+ and retired/semi-retired conducted by conducted by Opinium between 17th and 27th August 2023

**2 – Financial Conduct Authority**, Retirement Income Data series: April 2018 - March 2023:  
<https://www.fca.org.uk/data/retirement-income-market-data-2022-23/interactive-analysis#advice>

### About Just

Just (Just Group plc) is a FTSE-listed specialist UK financial services company.

A leader in the individual retirement income, care and defined benefit de-risking markets, Just has been trusted to manage more than £24 billion of customers' retirement savings and has helped customers release over £6.7 billion from their properties.

Just provides the following wide range of products, advice and professional services to individual customers, financial intermediaries, corporate clients and pension scheme trustees:

### Marketed Products

- De-risking solutions for pension scheme trustees who want to remove the financial uncertainty of operating defined benefit pension schemes;
- Individually underwritten retirement income products delivering a guaranteed income for life;
- Long term care plans that provide those people moving into residential care with peace of mind by knowing a regular payment will be made to the care provider for the rest of their life;
- Lifetime mortgages for people who want to safely release some of the value from their home.

### Professional services

- Regulated financial advice and guidance services for individuals wanting help in using their pension savings and/or releasing some of the value from their home; and
- A range of business services tailored for our corporate clients, ranging from consultancy and software development to fully outsourced customer service delivery and marketing services.

The companies within Just Group are authorised and regulated in the United Kingdom by the Financial Conduct Authority and / or the Prudential Regulation Authority.

**The information contained in this press release is intended solely for journalists and should not be relied upon by private investors or any other persons to make financial decisions.**

---

Just Group plc is registered in England and Wales with company number 08568957. Its registered office is at Enterprise House, Bancroft Road, Reigate, Surrey, RH2 7RP. Just is a trading name used by Just Group plc and its group companies. For information about Just Group plc and its group companies visit [www.justgroupplc.co.uk](http://www.justgroupplc.co.uk) or [www.wearejust.co.uk](http://www.wearejust.co.uk). Please contact us if you would like this document in an alternative format.



[www.justgroupplc.co.uk](http://www.justgroupplc.co.uk)



@wearejust\_pr