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depledge
STRATEGIC WEALTH MANAGEMENT

Planning for a longer life: Wellbeing tips and financial management strategies

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Average life expectancies have increased significantly in recent years, both in the UK and the rest of the world. While people living longer is always good news, it also brings new challenges for your health and, crucially, your finances.

Maintaining your physical and mental wellbeing over a longer life requires more than just good luck. It involves making intentional choices about your diet, exercise, mental health, and lifestyle.

At the same time, increased longevity means your financial resources need to stretch further, and financial planning is an important part of ensuring you can enjoy later life without stress.

Read on to discover the steps you can take to boost your lifespan, enhance your quality of life in old age, and strengthen your financial security in the future.

Life expectancies have increased considerably in recent years

Throughout history, some humans have lived into their 70s, 80s, and even 90s. However, high infant mortality rates combined with a poor understanding of germs, disease, and medicine ensured that the average life expectancy remained substantially below 40 until the 19th century.

The last century has been nothing short of a miracle, as data from Statista shows the average global life expectancy to have risen from around 46 in 1950 to around 73 as of 2023. Indeed, if we continue at the current rate, the data projects the average global life expectancy to be over 81 by the end of the century.

In the UK, further analysis from Statista reveals that between 1980 and 2022, life expectancy increased from around 71 to 79 for men and 77 to 83 for women.

Moreover, research from the Office for National Statistics (ONS) shows that men aged 65 in the UK in 2023 can expect to live for another 20 years, on average, and women for around 23.

But averages only tell part of the story. According to the ONS life expectancy calculator, 1 in 10 men aged 65 today will live to 96, and 1 in 10 women will reach 98, which highlights the importance of planning for a longer life than you might expect.

How to live a longer life

Although much of what determines your lifespan is down to genetics, there are several habits and practices, with good scientific backing, that you can adopt to improve your chances of a longer life.

Walk as much as you can

8,000 – 12,000 steps a day has long been the touted walking target, but many people find they simply don't have time for it. However, even walking a small amount is better than none at all.

A study reported by Medical News Today found that people who walk briskly for 8,000 steps a day once or twice a week are 14.9% less likely to die in the next 10 years than those who are sedentary.

Strength train at least twice a week

An eight-year study reported by Harvard Health Publishing found that when those aged 65 and above added strength training at least twice a week to 2.5 hours of aerobic exercise, the risk of them dying during the study period dropped by 30%.

Eat a balanced diet

Health Matters reports that people living in "blue zones" consume foods that are often grouped under the category of a Mediterranean diet.

This involves eating a high intake of vegetables, fruits, nuts, olive oil, and legumes, and a limited amount of meat. Cereal grains and fish are also consumed in moderation.

Moreover, people who live in blue zones often report eating until they are 80% full and avoid overconsumption.

BLUE ZONES

A "blue zone" is a region in the world where people live longer lives on average, with a disproportionate number living beyond 100.

Although there are other claims to the status, the five original blue zones are:

- Okinawa (Japan)
- Ikaria (Greece)
- Loma Linda (USA)
- Sardinia (Italy)
- Nicoya (Costa Rica)

Get enough sleep

A study reported by CNN found that men who sleep seven to eight hours a night live nearly five years longer than those who sleep less. For women, following healthy sleeping habits was linked to an increase in life expectancy of around 2.4 years.

Getting a good night's sleep is easier said than done, but it can help if you follow the "3,2,1" rule before going to bed, which says you should:

- Eat your last meal three hours earlier
- Drink your last glass of water two hours earlier
- Avoid screens for at least one hour.

Exercising throughout the day can also aid better sleep, but some studies show that it's important not to exercise too close to your bedtime.

Moderate your stress levels

A study into the life expectancy of 30-year-old men reported by Science Daily found that being under heavy stress could shorten their life expectancy by an average of 2.8 years.

Although you may not be able to avoid situations that cause you stress, there are ways of reducing your stress levels that could work for you, such as exercise, deep breathing, or meditation.

Quit smoking and limit your alcohol consumption

If you smoke, quitting is the single best chance you have at increasing your life expectancy.

Medical News Today reports that a 30-year-old smoker will live about 35 more years on average, whereas a 30-year-old non-smoker can expect to live for 53 more years.

When it comes to alcohol, the NHS advises not to consume more than 14 units a week.

Maintain social connections

A study reported by Harvard Health Publishing evaluated the health, lifestyle habits, and social activity of more than 28,000 people with an average age of 89.

Researchers tracked participants for an average of five years or until death. They found that the more people socialised within the first five years, the longer they lived.

See your doctor

It's generally recommended that those over 50 visit the doctor once a year for a general check-up. Even if you feel otherwise healthy, there may be issues that are harder to detect, and your doctor can spot them early and help treat them if needed.

4 wellbeing tips to help you enjoy a longer retirement

As life expectancies rise, many people now enjoy longer, more active retirements than previous generations.

While this may sound exciting, the thought of lacking structure or feeling "unproductive" can be anxiety-inducing for some.

So, here are four tips to help you enjoy your (potentially longer) retirement.

1. Explore your passions

Retirement offers a unique opportunity to reconnect with yourself, explore new interests, and rediscover old passions that may have been sidelined amid the busyness of work and family life.

Whether it's painting, gardening, playing music, or learning a new language, engaging in meaningful activities can provide a sense of fulfilment and may benefit your physical and cognitive health.

DID YOU KNOW? HOBBIES HAVE BEEN SHOWN TO KEEP YOU HEALTHY

The hobbies you love doing may also have significant health benefits.

For instance, a study reported by Science Daily found that learning a new language or playing an instrument can help prevent dementia.

Versus Arthritis reports that some older knitters and crocheters also note how their hobby can alleviate their arthritic symptoms.

2. Keep your mind and body active

Keeping physically active is important at every stage of your life, but doing so in retirement can be particularly beneficial.

It can also be helpful to keep your brain active by learning new skills, playing challenging games, or simply completing a daily crossword or Sudoku.

3. Build your community

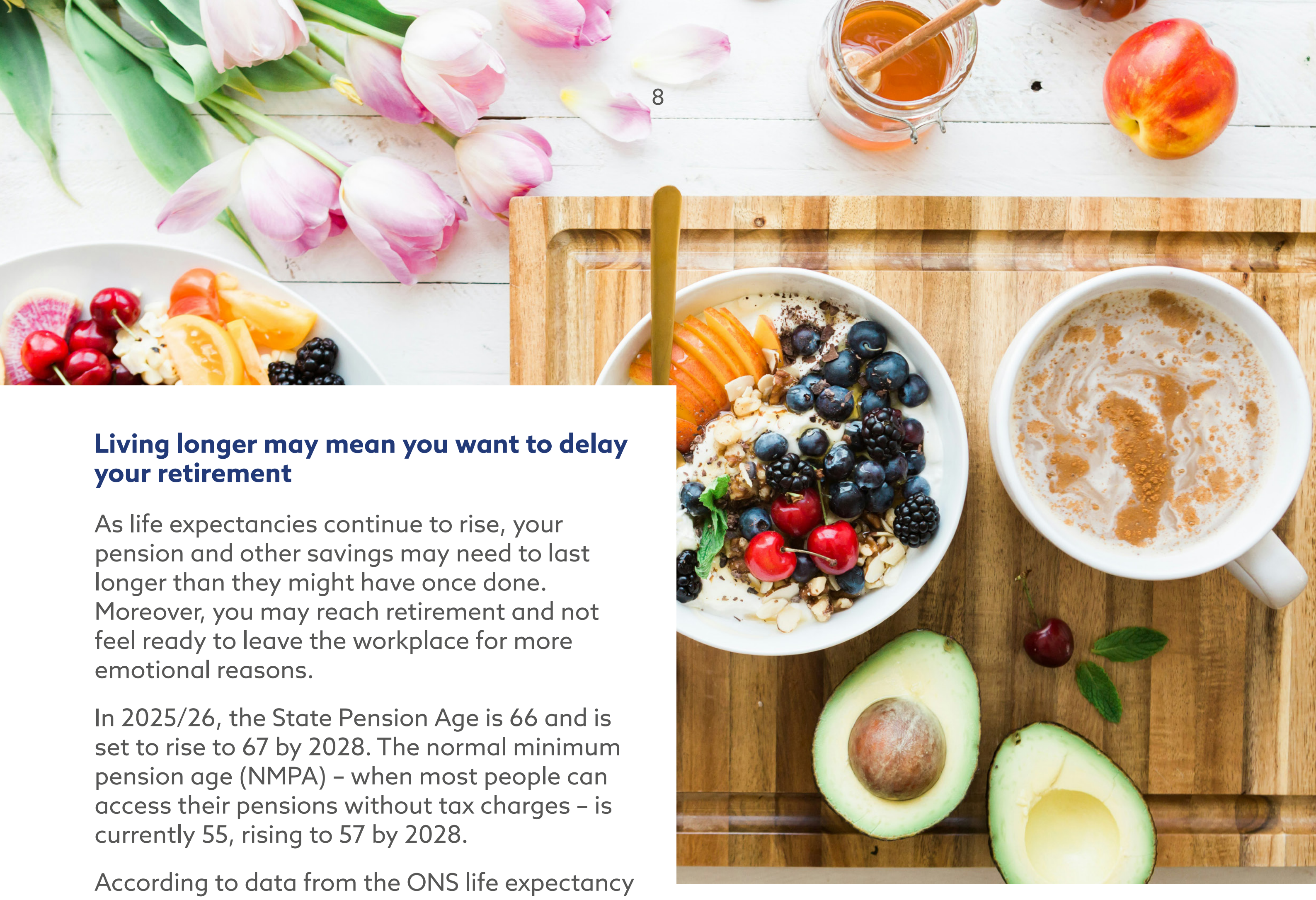
Being part of a community gives you the chance to take part in fun activities, connect over shared interests, and build new friendships.

So, whether you choose to join a local group, participate in online communities, or simply reconnect with old friends, investing in your social circle can contribute to your sense of belonging and overall wellbeing.

4. Help out where you can

Work often provides a clear sense of purpose that can make you feel fulfilled and valued. When that structure falls away in retirement, some people can feel listless or even "useless".

Volunteering, supporting your family, or giving time to causes you care about can all help fill that gap. Whether it's helping at a local charity, mentoring others, or spending quality time with your grandchildren, these activities could bring you even more satisfaction than you found at work.



Living longer may mean you want to delay your retirement

As life expectancies continue to rise, your pension and other savings may need to last longer than they might have once done. Moreover, you may reach retirement and not feel ready to leave the workplace for more emotional reasons.

In 2025/26, the State Pension Age is 66 and is set to rise to 67 by 2028. The normal minimum pension age (NMPA) – when most people can access their pensions without tax charges – is currently 55, rising to 57 by 2028.

According to data from the ONS life expectancy calculator, men and women aged 55 to 67 in 2025 can expect to live until between 84 and 88, and more than 1 in 4 will live into their 90s.

So, with retirement commonly lasting between two and three decades and with a chance it could last up to four or more, there may be both financial and emotional benefits to delaying your retirement.

Delaying your retirement could significantly boost your pension

Delaying retirement allows you to keep contributing to your pension while also shortening the time you'll need to draw from it, which can make a significant difference to your long-term financial security.

Even delaying by just a year can have a notable impact.

A report in *PensionsAge* found that a 60-year-old with a pension pot of £200,000 could boost their annual income by 16%, simply by deferring retirement by a year and continuing to make regular contributions.

PHASING RETIREMENT IS INCREASINGLY POPULAR

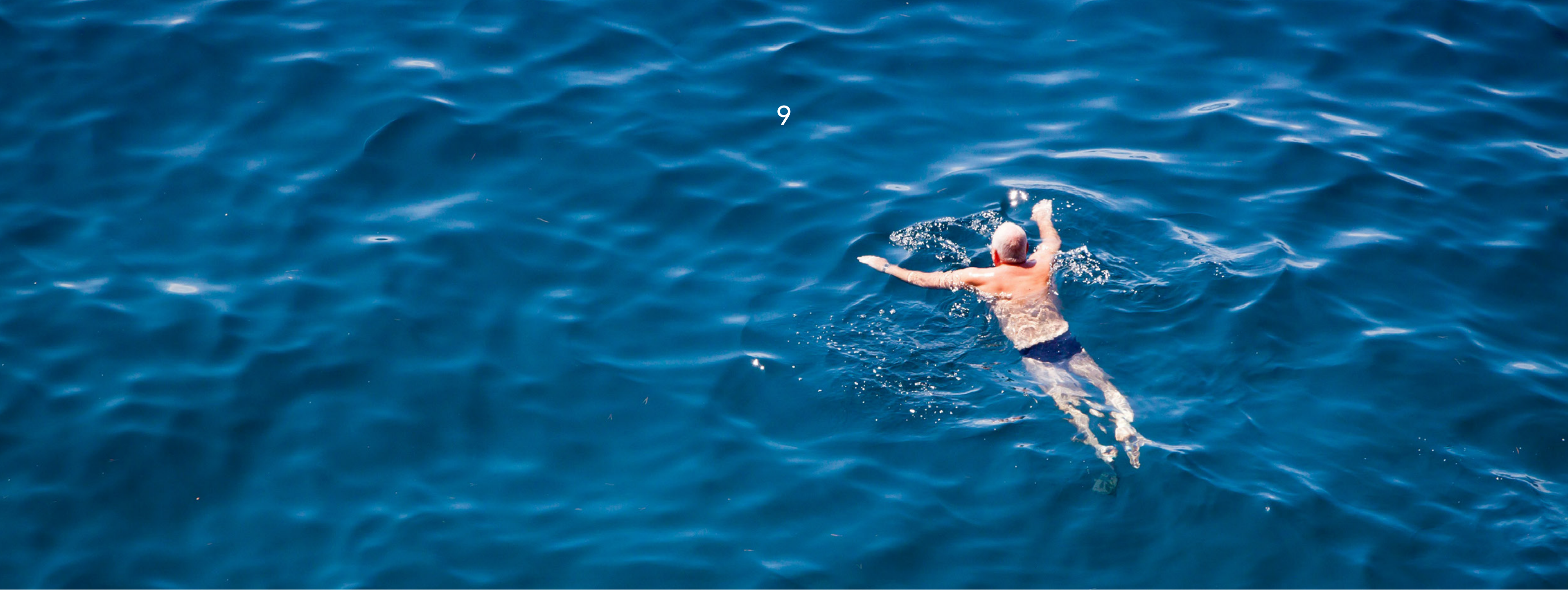
Retiring can be a challenging transition, both financially and emotionally, which is why more people are choosing to phase into their retirement.

One study found that 49% of workers aged 50 and above have either started phasing into retirement or want to do so.

A phased retirement could involve dropping down to two or three days a week for the last few years of your career.

This gives you time to get used to the adjustment and also means you can delay drawing from your pension.

Source: *PensionsAge*



There may also be benefits to deferring your State Pension

If you reach State Pension Age and are still working, it may be worth considering deferring your State Pension until you need it.

For those who reach State Pension Age after April 2016, deferring can increase your payments by 1% for every nine weeks you delay. Over a full year, that's a rise of around 5.8%, equivalent to an extra £13.35 a week in the 2025/26 tax year.

However, since deferring means receiving your State Pension for a shorter period overall, the benefit depends on factors like your life expectancy and income. As such, it's a good idea to speak with a financial planner to help determine whether deferring fits with your long-term goals.

Delaying retirement can also have emotional benefits

Delaying retirement can also bring emotional and psychological benefits, particularly if you reach State Pension Age or the NMPA and still feel engaged and capable at work.

For many, work provides more than income. It offers routine, a sense of purpose, identity, and valuable social connections. Leaving that behind abruptly can feel disorienting.

Research by the ONS found that 46% of people aged 50 to 65 who left or lost their jobs during the pandemic wanted to return because they missed the work itself and the social interaction it brought.

42% wanted to work again because they thought it would improve their mental health.

So, with retirement likely to last considerably longer than it once did, delaying could give you a greater sense of fulfilment and purpose in the latter years of your career.

"UNRETIREMENT" IS ON THE RISE

If you have already retired and feel the pull to return to work, either for financial or emotional reasons, you might consider "unretiring".

Indeed, amid rising life expectancies and living costs, unretirement is becoming increasingly common.

According to a 2024 report by Legal & General, around 2.8 million UK adults over 50 have returned to work after retiring. Of the people who unretired, the report found that:

- 62% wanted to stay mentally active
- 37% needed a higher income to cope with increased expenses
- 32% enjoyed the sense of purpose work offers.

Rising life expectancies don't necessarily mean more people will need care, but it's important to plan for it

You might think that rising life expectancies would mean that there would be more demand for adult social care, but the proportion of adults living in care homes has actually decreased.

According to ONS census data, the proportion of people aged 65 and over residing in care homes fell from 3.2% in 2011 to 2.5% in 2021.

Furthermore, research from the Nuffield Trust shows that between 2015/16 and 2021/22, the number of people aged 65 and over rose by 7.8%, while those over 80 increased by 8.8%. Yet, despite this growth, the number of over-65s receiving care at home has remained broadly stable.

This suggests that improvements in healthcare, lifestyle, and living standards are helping more people stay independent for longer.

However, even though the demand for care is proportionally lower, it's still important to plan for the possibility of needing support later in life, as it can be very expensive. And with life expectancies rising, those who do need care may need it for longer.

When it comes to preparing for the costs of care, there are a few ways a financial planner can help.

Considering immediate needs annuities

An immediate needs annuity provides a guaranteed monthly income for life, paid directly to your care provider, in return for a one-off lump sum. This can offer you peace of mind that you and your family will be protected from any future care costs.

The amount you'll pay upfront depends on factors such as your age, health, and expected longevity, as well as annuity rates at the time you purchase.

HOW MUCH DOES CARE COST?

In England, the NHS reports that care in 2025/26 costs on average:

- £20 an hour for home care
- £700 a week for residential care
- £850 a week for nursing care
- £800 – £1,600 a week for a live-in carer.

It's important to remember these are average costs, and they can vary considerably depending on where you live.

A financial planner can help you weigh up whether this option is right for you, compare available products, and ensure any choice you make aligns with your broader estate planning goals.

An annuity can offer peace of mind, but there are some potential drawbacks you might want to consider before you purchase one, including:

- Care costs could increase faster than the income from an annuity, so you might need to cover a shortfall in the future
- You may receive back less than you paid for the annuity, as the income would stop when you pass away
- Using a lump sum to purchase an annuity could affect your overall wealth and income
- An annuity could affect your eligibility for means-tested benefits.

It's also important to note that once purchased, you cannot usually cancel an annuity. As a result, it's essential you explore your options and make sure it's the right one for you before you proceed.

Using cashflow modelling

To help you prepare for different care scenarios, a financial planner can use cashflow modelling to project potential future costs.

These projections take into account different variables such as:

- Your income, assets, and expenditure
- Inflation
- Market movements
- Life expectancy
- Care costs.

Using this data, a financial planner can assess your situation with these factors in mind to give you an idea of what's affordable and whether you need to adjust your plan to adequately prepare for care.

Preserving your estate

If you're concerned about how care costs could impact what you leave behind, a financial planner can guide you through different methods that could help preserve your estate. You can read more about this in the next section.

WHEN DO YOU GET SUPPORT TO COVER CARE COSTS?

In England, until your total assets fall below the upper capital limit (£23,250 in 2025/26), you have to fund your own care.

This may involve drawing on your savings, selling investments and assets, or releasing equity from your home.

If your assets drop below the lower capital limit (£14,250), the local authority will cover the full cost of your care.

Between these two thresholds, you'll pay a portion of the costs based on means testing.

Estate planning strategies can help protect your legacy if you live longer

Living longer may mean you have to use more of your wealth to cover any pension shortfalls or care costs. As such, you may have less left to pass on to your beneficiaries.

However, the following strategies can help protect your legacy against the financial risks that come with living longer.

Give gifts

Giving gifts is an effective way of reducing the total value of your estate, which can help protect it from being used to cover care costs. Gifting can also help provide immediate support to your beneficiaries and mitigate a future Inheritance Tax (IHT) liability on your estate.

You can give away up to £3,000 worth of gifts each tax year (as of 2025/26) without them being added to the value of your estate for IHT purposes. This is known as your "annual exemption".

If you didn't use it in the previous tax year, you can carry it forward – meaning you could potentially gift up to £6,000 IHT-free. You can also combine your allowance with your partner, meaning you could collectively gift up to £12,000.

Certain other gifts are exempt from IHT altogether, including:

- Gifts to spouses or civil partners
- Wedding gifts of up to £1,000, rising to £2,500 and £5,000 for grandchildren and children respectively
- Gifts to charities or political parties
- Regular gifts from income that do not adversely affect your standard of living
- Small gifts of up to £250 (provided the recipient has not received another IHT-free gift from you under a different allowance or exemption in the same tax year).

THE SEVEN-YEAR RULE

Gifts above the annual exemption are treated as "potentially exempt transfers" (PETs).

If you die within seven years of making such a gift, it may still be subject to IHT – although the tax (if any is due) is applied on a tapered scale depending on how many years have passed.

If you survive the full seven years, the gift typically falls outside of your estate and is exempt from IHT altogether.

Establish a trust

By placing assets into a trust, you can set them aside for a specific beneficiary and appoint a trustee to manage this wealth on your behalf, either now or in the future. This can be particularly useful if you face declining health or simply want to take a step back from managing your finances.

A well-structured trust can help ensure your wealth is used according to your wishes, and can protect it from being used to fund the later years of your life.

Certain types of trust also come with IHT benefits, potentially mitigating a charge.

A financial planner can help you determine which type of trust would be most appropriate for your situation.

The Financial Conduct Authority does not regulate estate planning, tax planning and trusts.

Consider protection

If you have a life insurance policy in place when you die, your beneficiaries will normally receive a payout. The right policy could even cover some or all of the remainder of an IHT bill, allowing your loved ones to inherit more of your estate and protecting your legacy.

It's a good idea to put your life insurance policy in trust to ensure it's not considered part of your estate and the payout is not subject to IHT.

Note that life insurance plans typically have no cash in value at any time and cover will cease at the end of the term. If premiums stop, then cover will lapse.

Register a Lasting Power of Attorney

A Lasting Power of Attorney (LPA) lets you appoint someone you trust to make financial or health decisions on your behalf if you're no longer able to.

A financial planner can help you register the LPA and work with your chosen attorney to maintain and adapt your plan over time.

Update your will, letter of wishes, and beneficiary designations

Living longer means you're likely to experience more major life milestones, such as welcoming new grandchildren or losing loved ones.

As such, it's important to regularly review and update your will, letter of wishes, and beneficiary designations. Keeping these documents up to date ensures that your assets are distributed according to your intentions and can help minimise confusion or disputes after you're gone.

A financial planner can work with you to ensure your legacy stays aligned with your wishes as your life changes.

The Financial Conduct Authority does not regulate Lasting Powers of Attorney and wills.

A financial planner can help you build security and peace of mind for the years ahead

While a financial planner might not be able to increase your life expectancy, they can absolutely help ensure those extra years are secure.

By creating a long-term strategy, managing investments, planning for healthcare costs, and making the most of tax-efficient products, a financial planner can help give you peace of mind and fulfilment, no matter how long your retirement lasts.

To speak to a financial planner, get in touch.

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Please note: This article is for general information only and does not constitute advice. The information is aimed at retail clients only.

All information is correct at the time of writing and is subject to change in the future.

Please do not act based on anything you might read in this article. All contents are based on our understanding of HMRC legislation, which is subject to change.

A pension is a long-term investment not normally accessible until 55 (57 from April 2028). The fund value may fluctuate and can go down, which would have an impact on the level of pension benefits available. The tax implications of pension withdrawals will be based on your individual circumstances. Thresholds, percentage rates and tax legislation may change in subsequent Finance Acts.

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