



Press Release

60-Something Spenders: 1 in 2 people say their sixties will be the costliest decade in retirement

“Common” retirement costs revealed.

Almost half (45pc) of people in Ireland expect their sixties to be the years they will need most money in retirement, while almost four in ten (38pc) expect to need most money in their seventies.

This is according to a new survey¹ by Royal London Ireland, one of the leading life insurance and pensions companies in Ireland.

Of the 1,000 adults surveyed nationwide, less than a fifth believe they'll need the most money in their 80s and 90s. However, the views expressed changed depending on how close the respondents were to retirement. For example, while just 8pc of the 35-44 year olds surveyed expect their 80s to be the most expensive decade of retirement, 19pc of those over 55 felt this way.

Commenting on the survey findings, Mark Reilly, Pension Proposition Lead with Royal London Ireland, said:

“On the one hand, how much we'll need for our retirement years could be anyone's guess – as none of us know for sure what lies ahead. However, by looking at our current financial situation, and what provisions, if any, we have put in place, and by considering the “common” expenditure associated

¹ Of 1,000 Irish adults nationwide carried out by IReach
www.royallondon.ie

with later years in life, then we could all make an educated guess as to what we need to budget for in retirement.”

The Cost of Retirement

Royal London Ireland has set out some costs that people might expect in retirement, depending on their individual situation. They could include:

- **Nursing home fees:** Weekly fees could range from anything to about €1,000 to almost €3,000², meaning that in some cases, the annual cost of a stay in a nursing home could be as much as €150,000 plus.
- **Mortgage:** A recent study by Royal London Ireland found that almost three in ten (27pc) homeowners expect to be still paying off their mortgage in their retirement years (65+), while 8pc expect to be continuing to do so into their seventies. As the average mortgage drawn down by first-time buyers is now €282,084³, repaying a mortgage into retirement could be a substantial financial strain.
- **Healthcare costs:** This could include health insurance premiums (which for some could be more than €390 a month or €4,700 a year⁴), to GPs appointments (which could cost anything from €45 to €70⁵ per visit if you don't qualify for a GP visit card), to regular prescriptions, to more expensive treatments like a mastectomy, spinal fusion surgery, heart surgery, prostatectomy, and treatment for depression.
- **Day-to-day cost of living:** Such as fuel; food and utilities. For example, if you live in a typical three-bedroomed house, the average annual electricity bill on a standard tariff is **€1,763** while the average annual gas bill on a standard tariff is **€1,466**.⁶
- **Discretionary spending:** This will vary vastly from person to person but could include travel (nearly half of pre-retirees intend to travel in their later years, according to the Retirement Planning Council of Ireland⁷), taking up new hobbies, or embarking on further education.
- **Dependants:** The average age of mothers giving birth in Ireland is at its highest point since records began⁸ and the number of Irish women giving birth at the age of 40 and over is about a

² HSE figures show fees range from €1,107 to €2,991 a week for a bed in a [public nursing home](#); or from €993 to €1,440 for a single room in a [private nursing home](#)

³ As per [BPI Mortgage Drawdowns Report](#), published in January 2024

⁴ For example, [VHI Premium Care](#) costs €4,704 a year

⁵ As per [Roxboro Medical website](#)

⁶ [Ireland's Average Gas & Electricity Use & Prices | Standing Charges & kWh \(switcher.ie\)](#)

⁷ As per [Research published by Retirement Planning Council in July 2023](#)

⁸ As per [CSO Vital Statistics Annual Report 2021](#), published October 2023

third higher than it was in 2011⁹. This means that many people in retirement could still be supporting their children. The cost to a parent of supporting a child to buy their first home could prove substantial. Four in ten (42pc) first-time buyers (FTB) received a parental gift towards their house deposit¹⁰, according to recent figures. The average FTB mortgage is now €282,084¹¹. Third-level education fees could also need to be covered - it currently costs €56,376 to send one child to college for four years¹².

Mr Reilly added:

“People often underestimate the amount of money they will need, and the amount of time they will spend, in retirement. But when you look at this list, you see that life very much goes on in retirement and with it so do the costs. Admittedly, there is State support available to people – primarily the State Pension and other supports like the fuel allowance, the GP visit card and the Nursing Homes Support Scheme. But retirement is also the time when you have no other earned income coming in. So if the State supports are not enough to pay your costs, then without a pension you’ll have no other way of generating these funds.”

Additional findings from the Royal London Ireland Cost of Retirement Survey reveal that:

- Those aged 55 plus were split between the 2 in 5 (40pc) who believe their 60s will be the most costly period of their retirement and the 2 in 5 (39pc) who believe this will be the case for their 70s.
- People living in Dublin are more inclined to think their 80s is when they’ll need most money in retirement. About one in five (21pc) Dublin residents were of this view compared to about one in ten (12pc) of those living in Connacht and Ulster.
- The number of people who say their 90s will be the most expensive period ranges from nil to – just 3pc, depending on the age of respondent.

Mr Reilly explained:

⁹ [CSO 2011 Annual report](#) shows the number of births to mothers aged 40 and over came to 3827 in 2011. [CSO Vital Statistics Annual Report 2021](#) shows the number of births to mothers aged 40 and over came to 5,101 in 2021 (the latest available figures on this).

¹⁰ As per [Housing Market Monitor from Banking Payment Federation of Ireland Q32021](#)

¹¹ As per [BPF Mortgage Drawdowns for 2023](#), published in January 2024

¹² Or €14,094 a year, as per [TU Dublin Cost of Living Guide 2023/2024](#)

“While it’s possible that not everyone sees themselves living into their 80s and 90s, increased longevity means more are doing so¹³. We are living longer and we are hitting key milestones later in life, so people really need to understand how all of this will impact them financially in the future, and where possible, to put financial plans in place for this.”

- ENDS -

Notes to editors

About Royal London Ireland:

Royal London Ireland has a history of protecting its policyholders and their families for 200 years in Ireland, and it is committed to continue to do so for a long time to come. Our businesses heritage in Ireland is 200 years. The Caledonian Insurance Company's first office opened on Dame Street, Dublin 2 in 1824. Today, Royal London Ireland is owned by The Royal London Mutual Insurance Society Limited – the largest mutual life insurance, pensions, and investment company in the UK, and in the top 25 mutuals globally, with assets under management of €187 billion, 8.5 million policies in force, and 4,200 employees. Figures quoted are as at 31 December 2023.

Royal London Ireland’s office is based at 47-49 St Stephen’s Green, Dublin 2.

Appendix

Royal London Ireland Survey 2024: Cost of Retirement

¹³ See [CSO Measuring Ireland's Progress 2021 report](#)

When Most Money Will be Needed in Retirement

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When do you believe you will need the most money in retirement?

	What gender are you?			Age					Region				SES	
	Total	Male	Female	18-24	25-34	35-44	45-54	55+	Dublin	Rest of Leinster	Munster	Connacht + Ulster	ABC1	C2DE
Sample Size	1000	489	511	110	185	209	175	321	271	263	295	172	551	449
In my 60's	45 %	44 %	46 %	46 %	44 %	52 %	47 %	39 %	40 %	53 %	45 %	40 %	45 %	44 %
In my 70's	38 %	40 %	36 %	23 %	39 %	39 %	41 %	40 %	36 %	35 %	39 %	46 %	40 %	36 %
In my 80's	15 %	14 %	16 %	30 %	13 %	8 %	10 %	19 %	21 %	12 %	14 %	12 %	14 %	17 %
In my 90's	2 %	2 %	2 %	0 %	3 %	1 %	2 %	2 %	3 %	0 %	2 %	1 %	1 %	3 %