

A Tale of Two 60s

Introducing
a decade of
transition

June 2026



About us

Centre for Ageing Better

The Centre for Ageing Better is an independent centre of excellence on ageing and demographic change.

We work with national and local government, industries, businesses, and community organisations to improve how people experience ageing. Our work focuses on creating better workplaces, homes and communities, while tackling ageism and addressing inequality in later life.

Learn more at [**ageing-better.org.uk**](https://ageing-better.org.uk)

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Executive summary

Over the past two decades, policy changes have reshaped the landscape of pensions and work in later life. Increases to the state pension age, the introduction of auto-enrolment, greater pension freedoms, and the end of forced retirement have all encouraged people to work longer.

These policy changes have the potential to transform life for people in their 60s. For many people in the current cohort of 60-year olds, they have led to greater comfort and security in retirement. But for a worryingly large proportion - around a third of those in their 60s, some 1.8m people- these changes have failed to reflect the reality of their daily lives. They face considerable challenges, including increasing periods of poor health, renting their homes, caring for loved ones, and an inflexible, often ageist labour market. This has left them struggling to work and save and with a difficult future ahead. These people are one or two shocks away from severe hardship in later life - shocks such as relationship breakdown, job loss or costly housing repairs. Without urgent action, this will be the reality for even more people as the size as our older population continues to grow.

This research examines how life for people aged 60–69 has changed between 2002–03 and 2023–24, using data from the English Longitudinal Study of Ageing (ELSA) alongside qualitative insights from those most at risk of insecurity. This report introduces the research programme and will be followed by a series of three reports exploring: work; finances (in the form of housing and pensions) and planning and saving for later life in greater depth. Throughout the research is a particular focus on those most at risk of insecurity in later life.

A larger, more diverse and more educated cohort but poor health persists

The population in this age group has grown significantly, from 4.6 million in 2003 to 6.4 million in 2023 and is projected to reach 7.2 million by 2033. As a proportion, people in their 60s accounted for

9% of the population in England in 2003, by 2023 it was 11% and by 2033 it is projected to reach 12%.

People in their 60s today are more diverse, more highly educated, and more likely to live alone than people in their 60s two decades ago. However, high levels of poor health and activity-limiting illness remain broadly unchanged, while healthy life expectancy has declined in recent years. This presents a fundamental challenge to policies encouraging longer working lives, as many people face health barriers that limit their ability to remain in work.

A tale of two 60s: security and precarity

A central finding of this research is the stark divide within this age group. Around 29% of people aged 60–69 - equivalent to 1.8 million individuals – fall into a ‘precarious group’ characterised by financial insecurity. The remaining 71% are relatively secure, benefiting from pensions, savings, property and stable incomes. Without action, the precarious group will only increase in size as the older population continues to grow.

Those in the precarious group experience multiple, overlapping disadvantages. They are more likely to have low incomes, little or no savings, and no private pension, and to rely on state benefits. They are also less likely to be in work and more likely to live in rented accommodation. As a result, they have limited financial resilience and are particularly vulnerable to life shocks. Even where a modest safety net exists, such as small savings or family support, they are often insufficient to prevent long-term financial hardship.

The qualitative research highlights how these vulnerabilities play out in practice. Many people in the precarious group described experiencing sudden shocks in their late 50s or 60s, such as business failure, ill health or relationship breakdown, that they were unable to recover from. Without strong financial buffers, these events often led to increased debt, reliance on benefits and worsening living standards.

The two groups of people in their 60s today is notably different from 2002–03. Then people in their 60s were spread across three distinct groups (secure - retired, secure - not retired, and precarious), but with

a similar proportion of people in a precarious group (34%) as today. This demonstrates that it is not an issue that appears likely to subside. Instead, with the older population set to grow, more people are at risk of facing precarity in later life. Urgent action is needed both to support those currently affected and to prevent future generations from entering older age without financial security.

A group left behind

These findings challenge the perception that people in their 60s are generally financially secure and approaching retirement from a stable position. Instead, a significant minority are living with insecurity and are highly vulnerable to changes in their circumstances. For many, the expectation that they will work longer is unrealistic given their health, caring responsibilities or other barriers to work.

Without targeted policy action, the number of people facing precarity in later life is likely to grow. Current policy frameworks are not adequately supporting those who cannot work longer or who lack the financial resources to absorb shocks.

Overall, this research highlights ‘a tale of two 60s’: one group able to navigate later life with security, and another facing persistent and often deepening precarity. Addressing this divide will require a more targeted and realistic policy approach that both supports those currently at risk while reducing the likelihood that future cohorts face similar outcomes.

Key findings

- 1. A growing but divided population:** The number of people aged 60–69 is rising rapidly, but the cohort is sharply split between a financially secure majority (71%) and a precarious minority (29%)—around 1.8 million people, projected to reach 2.1 million by 2033—challenging stereotypes of a uniformly wealthy generation.
- 2. Low resilience and high vulnerability to shocks:** The precarious group is more likely to have low incomes, minimal savings, no private pension and to rely on benefits. They are less likely to be in work and more likely to rent, leaving them poorly equipped to absorb shocks such as divorce, ill health or job loss without falling into hardship, debt and reliance on benefits.
- 3. Precarity reflects structural inequalities:** Women, single people, those from racially minoritised backgrounds, individuals in poor health and those with lower educational attainment are disproportionately represented, reflecting inequalities accumulated across the life course.
- 4. Growing polarisation over time:** In 2002–03, people in their 60s were spread across three groups, including two relatively secure groups ('secure retired' (50%) and 'secure not retired' (16%)). Today, this has shifted to a starker divide between 'secure' and 'precarious'.
- 5. A policy landscape focussed on longer working lives clashes with the persistence of poor health for people in their 60s:** over the past two decades, changes to the pensions system, state pension age and employment rights have encouraged longer working lives. However, levels of poor health and activity-limiting illness have remained broadly unchanged, while healthy life expectancy has declined since 2019.
- 6. A stronger policy response is needed:** The precarious group is one or two shocks away from severe hardship in their 60s and beyond, unlike their more secure peers. Targeted action is needed both to support those currently at risk and to prevent future cohorts from entering later life in precarity.

Introduction

Where once women hit state pension age (SPA) at 60 and men at 65, both now reach it at 66, rising to 67 by March 2028, meaning people are expected to either work longer or financially plan for a later State Pension. The third state pension age review, which will report by 2029 will decide whether the rise to 68 should be brought forward from 2044.

This research programme explores how life has changed for people aged 60-69 in England. It examines how people experience this decade of transition, how it has changed across the past twenty years, and what it means for the work and financial circumstances of people in their 60s today. Specifically, this research answers the following questions:

- 1. What does work look like for the 60-69 age group? How has this changed over the past 20 years? Including:**
 - i. Types of economic activity
 - ii. Access to work, including any barriers to work and employment support

- 2. What do wider finances look like for the 60-69 age group? How has this changed over the past 20 years? Including:**
 - i. Home ownership
 - ii. Pension wealth and decision making around pensions
 - iii. Does hardship become more pronounced at this stage of life

- 3. What does income look like for the 60-69 age group? How has this changed over the past 20 years? Including:**
 - i. Government funds, including benefits and the State Pension

- 4. How do the expectations of the 60-69 age group for their later life and financial circumstances compare to the reality? Including:**
 - i. Work
 - ii. Wealth
 - iii. Income
 - iv. Later life more broadly

Why this age group?

This decade of life has been subject to substantial policy change. The cohort of 60–69-year-olds that this research examines have been at the forefront of this change. This group has been exposed to several changes affecting work and retirement, often when they were in close proximity to their 60s.

Shaping the impact of these issues on people in their 60s runs the thread of how life circumstances accumulate. In some sections of society the narrative remains that this is a cohort that has enjoyed cheap housing and lucrative defined benefit pensions, accumulating wealth simply by virtue of the generation they were born into. This ignores the reality of many, with strong evidence of financial inequality among older people^{1,2} and how the policy changes impacting this cohort have adversely affected some groups more than others.³ This research counters this narrative by paying particular attention to what life is like aged 60–69 for those in the most precarious positions.

Shifting sands of pension planning

The first change to note is the shifting state pension age (SPA). The State Pension is an important part of retirement planning for the majority of people currently below SPA⁴ and is the primary income for one in eight (13%) above SPA.⁵ Changes to SPA therefore have a huge impact on current and future generations navigating later life.

For most of the working lives of the cohort under examination in this research, the SPA remained stable. For men it was 65, with women's SPA gradually rising from 60 to 65 to achieve equalisation. The Pensions Act 2011 legislated an increase to 66, which took place between December 2018 and October 2020, giving a predictable, albeit complex, timetable for planning.

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- 1 Fabian Society (2024), When I'm 64, available at [When I'm 64](#)
 - 2 The Centre for Ageing Better (2021), available at [boom-and-bust-report-the-last-baby-boomers.pdf](#)
 - 3 The Institute for Fiscal Studies (2022), How did increasing the state pension age from 65 to 66 affect household incomes?, available at [R211-How-did-increasing-the-state-pension-age-affect-household-incomes.pdf](#)
 - 4 Department for Work and Pensions (2025), Planning and Preparing for Later Life 2024, available at [Planning and Preparing for Later Life 2024 - GOV.UK](#)
 - 5 Independent Age (2024), An Adequate Income in Later Life, available at: [An adequate income in later life](#)

In 2014, the approach changed so that future SPA increases became subject to regular statutory reviews. These reviews take account of life expectancy, economic conditions, and affordability. Two reviews have now been completed, and a third is underway and due by 2029. The latest review, in 2023, confirmed that the SPA rise to 67 will take place between 2026 and 2028, directly affecting those currently in their early 60s.

Table 1: Pension policy changes since 2010 affecting quantitative and qualitative subjects of this research

Pension policy change	Date	Ages of subject cohort
Minimum age for accessing private pensions increased to 55	2010	46-56
SPA for women to be gradually increased from 60 to 65 to equalise with men's by 2018	2011	47-57
SPA to increase to 66 by October 2020	2011	47-57
State Pension triple-lock introduced	2011	47-57
Automatic enrolment into workplace pensions introduced	2012	48-58
SPA to increase to 67 by 2026-28	2014	50-60
SPA increases become subject to statutory reviews	2014	50-60
New pension freedoms allowing people to use their pension pots in non-annuity ways	2015	51-61
State Pension simplified from two rates into one	2016	52-62

Alongside changes to the SPA, the current cohort of 60-69 year olds has had limited exposure to the impact of pension auto-enrolment. As shown in table 1, above, this cohort were at the tail end of their working lives when auto-enrolment was introduced. This means the impact of this policy on private pensions savings is limited relative to other generations. Pensions adequacy and raising private pensions savings is a focus of the Government's Pensions Commission, which is due to deliver its final report in 2027. However, there is a risk that this focusses on future generations, bypassing a cohort for whom private pension saving existed in only a small window of their working lives. Further to this, the Pensions Commission found in their interim report that auto-enrolment has proved less effective for low earners, the self-employed and those with shorter working lives.⁶ This research seeks to

⁶ The Second Pensions Commission (2026), Pensions 2050: Evidence and Future Priorities, [The Second Pensions Commission - Pensions 2050: Evidence and Future](#)

explore these issues, to understand more about the savings and pensions landscape for 60-69 year olds including those that existing policy may have left behind.

Widening work options

Changes to work policy have left this cohort with more workplace protections as they age. Since 2010, as table 2 shows, policy changes have seen age discrimination protections strengthened and an end to the practice that allowed employers to compulsorily retire most employees at 65. At the same time, flexible working rights have been expanded and strengthened. These policies appear to have directly and indirectly contributed to extending working lives.

Table 2: Work policy changes since 2010 affecting quantitative and qualitative research subjects of this research

Pension policy change	Date	Ages of subject cohort
Age discrimination protections strengthened under the Equality Act	2010	46-56
Abolition of the Default Retirement Age	2011	47-57
Expansion of flexible working rights	2014	50-60
Simplified procedures for flexible working introduced	2022	58-68
Day one rights to flexible working	2024	60-70

We cannot be certain if raising the pension age and strengthening older workers' rights will result in longer working lives. Even if they do, this raises another important question: what do those longer working lives actually look like? Evidence shows that health is a barrier to work later in life⁷, while employment support programmes continue to underserve the over 50s.⁸ In a labour market that has changed significantly over the past decade, it is unclear how many people in their 60s are expected to access and stay in work, and whether that work is secure, good quality, or compatible with their health.

7 Department for Work and Pensions (2024), Economic labour market status of individuals aged 50 and over, trends over time: September 2024, available at [Economic labour market status of individuals aged 50 and over, trends over time: September 2024 - GOV.UK](#)

8 Learning & Work Institute (2022) Towards full employment: How the UK can increase employment by widening opportunity, available at [Towards full employment - Learning and Work Institute](#)

Methodology

The quantitative strand of this research used the English Longitudinal Study of Ageing (ELSA). It makes comparisons between Wave 1 and Wave 11 of ELSA, which were carried out between 2002-2003 and 2023-2024 respectively, focusing on respondents aged 60-69. Weights were applied to descriptive statistics to improve figures to be representative of the English population aged 50+.

Alongside overall comparisons of respondents aged 60-69 between the two waves, it draws on a latent class analysis (LCA), delivered for both Waves 1 and 11. The LCA identified sub-groups in the two waves based on individuals' responses to a wide range of variables drawn from questions in the surveys. LCA is a probabilistic method, so individuals are assigned the group which they have the highest probability of being a member of. In 2023/24 the optimal model yielded two sub-groups, while in 2002/03 the optimal model yielded three sub-groups. A wide range of variables were used to group people including: whether they lived on a low income (defined as the bottom 25% of the benefit unit equivalised distribution of total income); whether they felt short of money much of the time; whether they were single; whether they were female; their level of education; whether they owned their own home; whether they had a private pension. We eliminated variables experimentally to arrive at the two models that converged for each wave. The names assigned to the groups represent Ageing Better's assumption about a latent (unmeasured) characteristic that unites members of that group.

The qualitative strand of this research aimed to understand the lives of people in their 60s who were likely to be experiencing financial insecurity. The qualitative sample was built using the findings of the ELSA Wave 11 LCA, which identified a precarious group that looks to be financially insecure alongside a secure group. Participants were recruited on the basis of characteristics that meant they were likely to fall into the precarious group.

Who are today's 60-somethings?

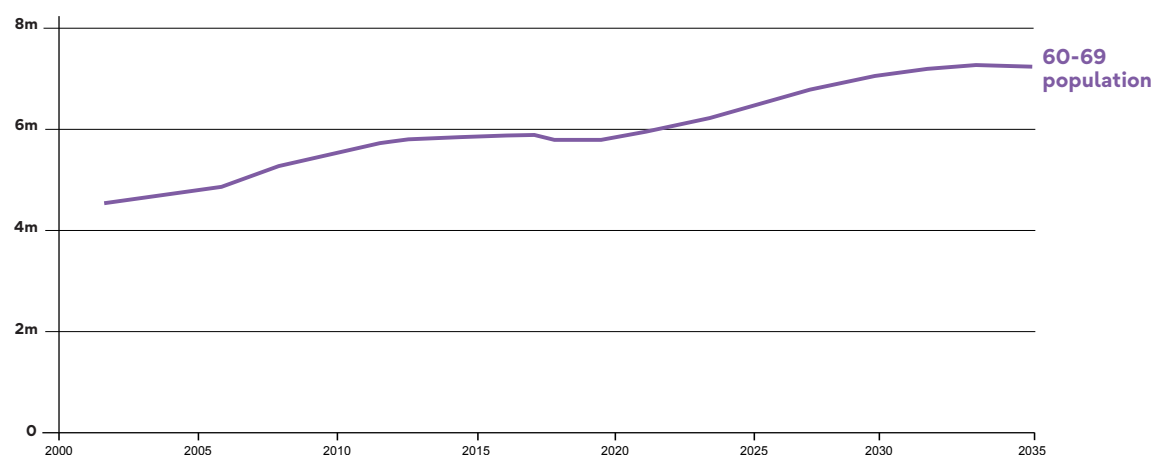
Establishing who is in the 60-69 age group is the first step to understanding this stage of life. This section explores the demographic composition of the current cohort and how this compares to two decades ago. In doing so, it sets out the foundations for how our 60s have changed.

Demographic change in the 60s age group

The first point to note is that this is an age group that has grown and will continue to grow in the future. In 2003, 4.6m people in England were aged 60-69. By 2023 this had risen to 6.4m.⁹ Based on current projections¹⁰, this will rise to 7.2m by 2033. As a proportion, people in their 60s accounted for 9% of the population in England in 2003, by 2023 it was 11% and by 2033 it is projected to reach 12%. This age group is a substantial and growing part of society, meriting the focus of researchers and policymakers.

Figure 1: Number of people in England aged 60-69

The 60-69 age group has grown, a trend that is predicted to continue in the coming years



Source: Office for National Statistics Population estimates for the UK and constituent countries (2024) and Population Projections (2024)

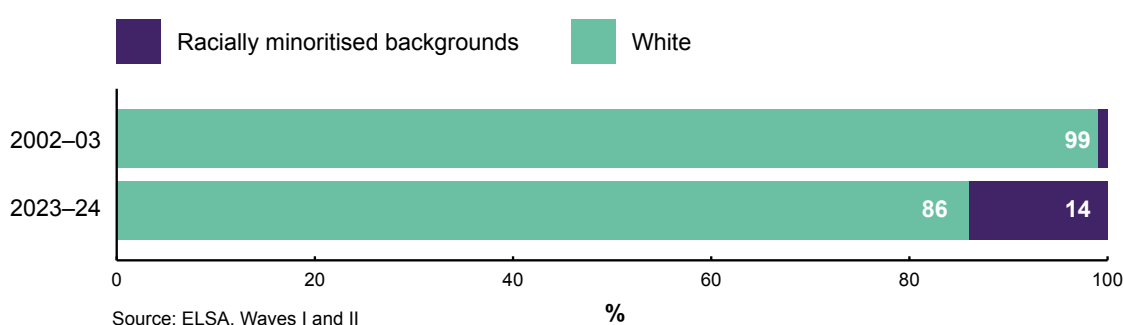
9 The Centre for Ageing Better, State of Ageing 2025, <https://ageing-better.org.uk/our-ageing-population-state-ageing-2025>

10 Office for National Statistics (2025), Population projections for regions by five-year age groups and sex, England, <https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationprojections/datasets/regionsinenglandtable1>

This growing age group has also become more ethnically diverse. Increased diversity in later life enriches our communities and workplaces. However, as the older population becomes more diverse, inequality may increase too. This is a particular risk for cities where there is both greater diversity and higher levels of poverty and poor health among older people.¹¹

Figure 2: Ethnic breakdown of ELSA respondents aged 60-69

Ethnic diversity among people in their 60s has risen over the past 20 years



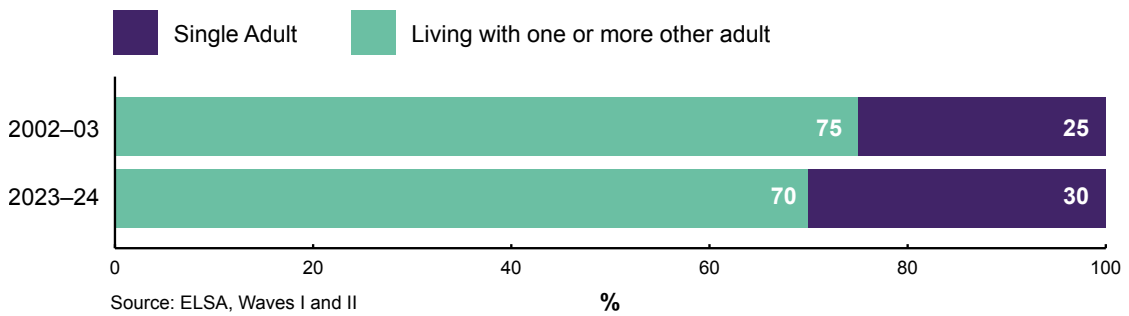
While it is an important consideration for the 60s age group, this research does not contain a substantial exploration of differences by ethnicity. This is primarily due to the low number of minority ethnic respondents aged 60-69 in ELSA waves 1 (2002-03) and wave 11 (2023-24). However, we can see that ethnic diversity is growing among the 60s age group and undoubtedly merits focussed exploration. Future research should therefore explore the varying experiences in later life by ethnicity.

Two other demographic changes are worth noting. The first of these is that there was a higher proportion of respondents living in single adult households in 2023-24 than in 2002-03 (30% vs 25%). This suggests an increase in 60-69-year-olds navigating later life, and the financial, health and personal challenges it can present, alone. As this research considers the financial circumstances of people in their 60s, the increase in the proportion living on a single income is vital context.

¹¹ Office for National Statistics (2025), Population projections for regions by five-year age groups and sex, England, <https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationprojections/datasets/regionsinenglandtable1>

Figure 3: Proportion of people aged 60-69 living in a single adult household

Living in a single adult household is more common among people in their 60s today than two decades ago



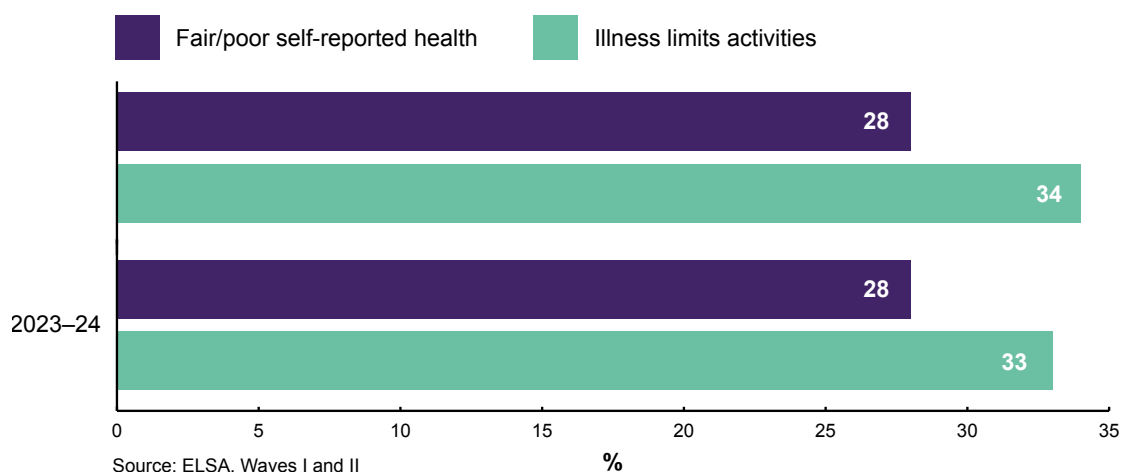
The other change worth noting is that the 2023-24 group displays higher educational attainment than their peers in 2002-03. 60-69 year olds in 2023-24 were more than twice as likely to have completed their education aged 19 or older than those in 2002-03 (27% vs 10%), suggesting a higher level of educational attainment. This change in educational attainment is important context for the type of work people are qualified to do during a period when the SPA has been rising.

Longer, less healthy lives

ELSA data suggests that poor health presents similar challenges for this group in their 60s compared to two decades ago. Respondents reporting only fair or poor health in ELSA was at broadly consistent levels for 2002-03 and 2023-24 (28% in both years). The same was true for the proportion reporting that illness limits their activities (34% vs 33%).

Figure 4: Self-reported health and illness limitations on activities among people in their 60s

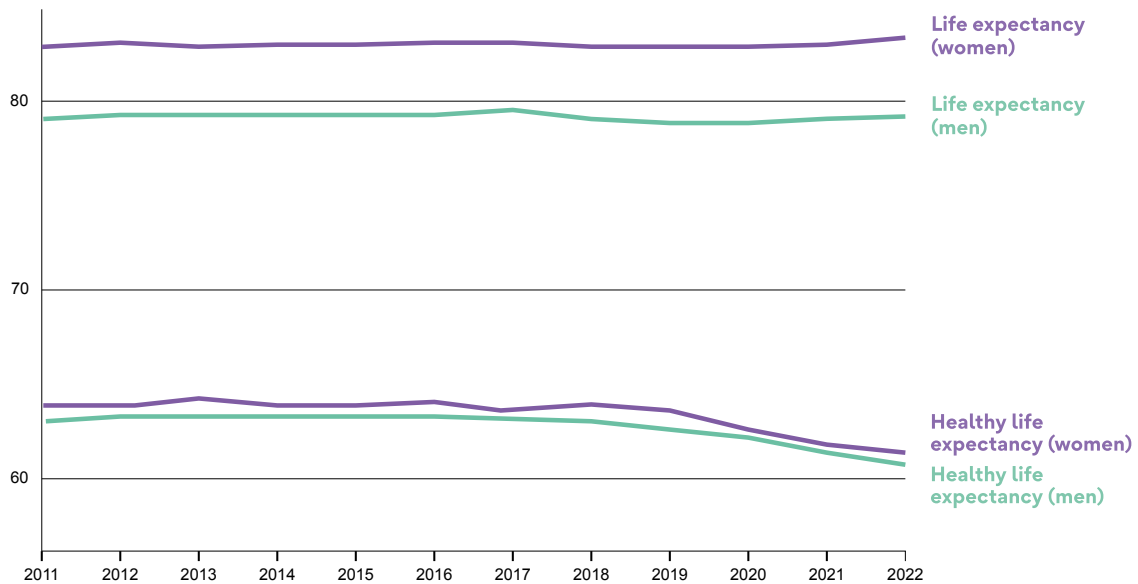
Self-reported health and limitations from health have remained broadly consistent among people in their 60s



However, healthy life expectancy data from the ONS actually paints a more negative picture. As figure 3 below shows, the number of years people born in England can expect to spend in “good” general health has fallen since 2019. In England healthy life expectancy at birth in 2022 to 2024 was 60.9 years for men and 61.3 years for women, falling from 62.7 and 63.7 years respectively since the end of the pandemic (2019 to 2021). This is a drop of 22 months for men and 29 months for women. The fall in healthy life expectancy has come alongside a rise in overall life expectancy. People can therefore expect to live for longer but to spend less of their life in good health.

Figure 5: Life expectancy and healthy life expectancy in England

Since 2019 healthy life expectancy for men and women has fallen, despite an increase in life expectancy



Source: ONS: Healthy life expectancy, UK: between 2011 to 2013 and 2024 to 2024

It is worth noting that there is considerable regional variation in healthy life expectancy. In the South East, where it is highest, men can expect 63.0 years in good health and women 64.3 years. While in the North East, where it is lowest, this is 57 years for men and 56.9 years for women.

For a woman in England approaching a SPA of 67, she can expect five years and eight months without good health before she receives her State Pension. For men this is six years and one month.

If the government intends the 60s to be a working stage of life, as the policy changes of recent years suggest, then it needs to grapple with the fact that much, or in some regions all, of this will be done without good health. Moreover, as poor health is a major driver of labour market exit and a barrier to work, the efficacy of raising the SPA to stimulate longer working lives comes into question. If raising the SPA falls short on this count then it becomes a purely fiscal measure, with a punitive impact on older people, particularly lower-income groups, who are more likely to be in insecure jobs, with limited savings, or poor health.

As this section shows, the 60s age group today is more ethnically diverse, more educated and more likely to be living alone than in 2002-03. Crucially though, at a time when work has become a larger feature in this stage of life, poor health persists. All of this provides the context for how work, wealth and income among this group have changed over the past two decades.

A tale of two 60s

In examining this stage of life, it is worth identifying distinct groups that exist among 60–69-year-olds. The previous chapter outlined some of the changes to the overall composition of this group. The next step to understanding who is in their 60s is to explore the subgroups that sit within this cohort, and what defines them. This has been done through the LCA.

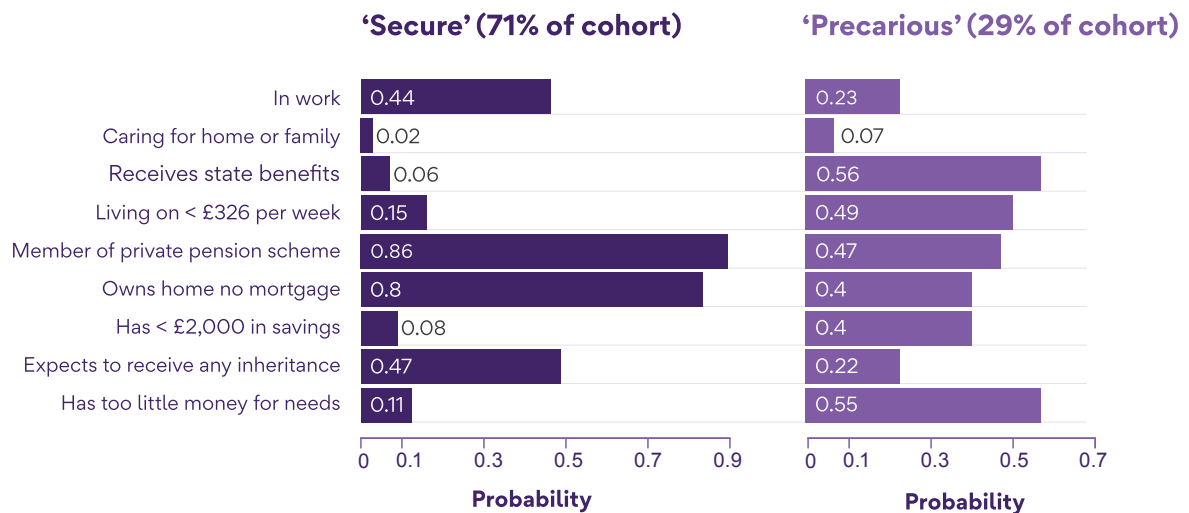
In 2023-24, two latent classes were identified among the 60-69 age group. The first class are those most likely to enjoy the greatest security as they move through their 60s. They are more likely to have the financial protection of private pensions, savings, property ownership, inheritance and work. We have called this group the 'secure group' and 71% of respondents are estimated to be in this group.

By contrast, the second class are less likely to have the security of these financial protections. They are also more likely to be living on low incomes, to have too little money for their needs, to be in receipt of state benefits and to be caring for home or family as their primary activity. Based on their characteristics, this group appears to represent the most financially insecure people aged 60-69 in the ELSA sample. Given the likely precarity of their circumstances we have called this group the 'precarious group'. Around three-in-ten (29%) of the 2023-24 cohort were in this group.

Figure 6: Selection of economic variables in the LCA of 60-69 year olds in England

About 29% of English 60-90 year olds in 2023/4 were in a sub-group that is financially precarious

Impact of measurable factors on probability of being a member of 'Precarious' vs 'Secure' class of 60-69 year olds

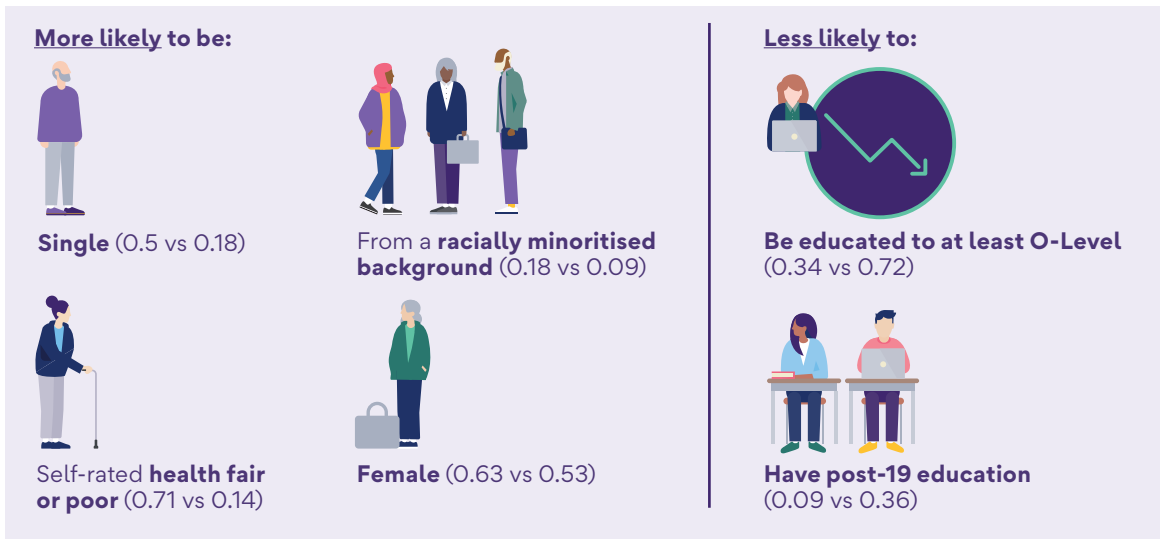


Source: English Longitudinal Study of Ageing, Wave 11, 2023-24, Margins from latent class analysis. * n=2,504

Those in the precarious group were more likely to hold certain demographic, education and health characteristics. As shown below, they were more likely to be single, from a racially minoritised background, female, in fair or poor health and less likely to be educated to O-level or past the age of 19.

Figure 7: Characteristics of the precarious group

The Precarious Group



The precarious group equates to around 1.8 million people across England. By 2033, 251,000¹² more people will sit within the precarious group if nothing else changes. Without action, the precarious group will only increase in size as the older population continues to grow. This will mean more people facing a precarious later life and living in hardship as they age.

Figure 8: Projected growth of the precarious group

If the Precarious Group persists it will grow in size:



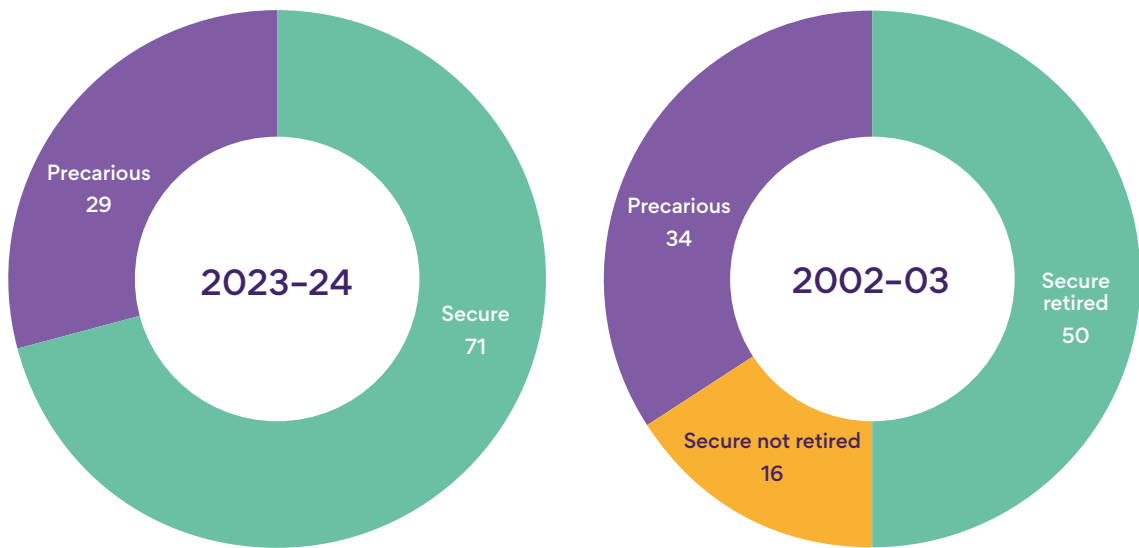
In 2002-03, three latent classes were identified. The first two classes appear more secure, for reasons this section will go on to discuss, so we have called them ‘secure retired’ and ‘secure not retired’. The third

12 Office for National Statistics (2025), Population projections for regions by five-year age groups and sex, England, www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationprojections/datasets/regionsinenglandtable1

class appears to be a group struggling in later life, which we have called the 'precarious group', as we did in the 2023-24 LCA.

Figure 9: LCA identified sub-groups among 60-69 year olds in 2023/24 and 2002/03

The sub-groups among 60-69 year olds has undergone a marked change



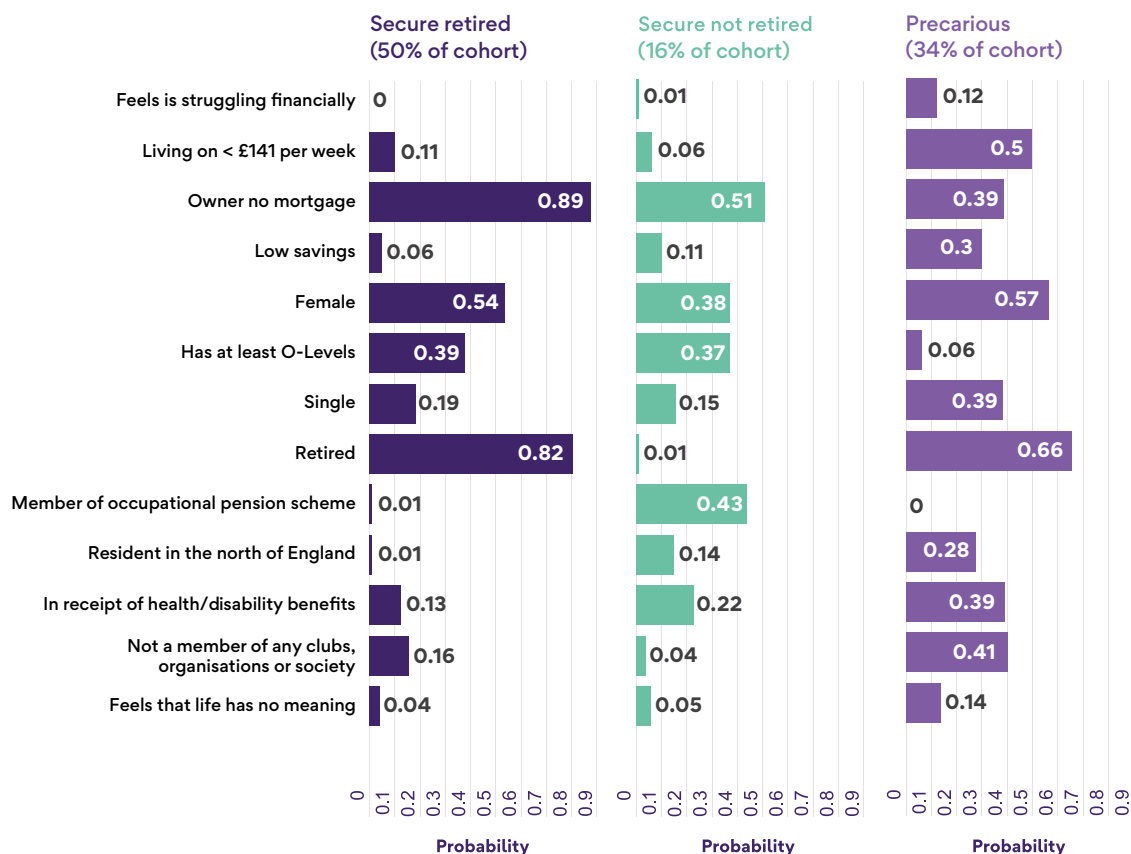
Source: English Longitudinal Study of Ageing: Wave 1, 2002-03 and Wave 11, 2023-24.

It is important to note that the 2002-03 and 2023-24 LCAs were run using two separate models so highlighted different factors in the sub-groups identified. However, the 2002-03 analysis appears to highlight factors that influence security in later life, similar to the 2023-24 model.

In 2002-03, the 'secure retired' and 'secure not retired' appeared to be the most secure groups but with different forms of security. The secure retired were most likely to own their homes without a mortgage, while the secure not retired were most likely to have a private pension. The secure retired were most likely to be retired while the secure not retired were least likely to be, suggesting they were likely still in work or not yet at SPA. Crucially, these two groups were least likely to be living on a low income, struggling financially, have low savings or be in receipt of health or disability benefits. As such, they appear to be the most secure groups, similar to the 71% of people in the secure group in 2023-24. Together these groups comprised 66% of 2002/03 respondents.

Figure 10: Wave 1 ELSA (2002-03) latent class analysis of those aged 60-69

In 2002-03, around one in three people in their 60s were likely 'Precarious'



Source: English Longitudinal Study of Ageing: Wave 1, 2002-03. Margins from latent class analysis. CFAB Analysis.

Alongside this, a smaller more insecure group presented (34% 'precarious' in 2002-03 vs 29% in 2023-24). This suggests that there remains a sizeable insecure group that has been left behind, with little change in its size across the last two decades.

The 'precarious' members are very different from the other two groups. They were highly likely to be on low incomes, to have low savings, feel they are struggling financially, less likely to be home-owners and very likely to be in receipt of health and disability benefits. This group appears likely to be the most precarious of 2002-03 and have therefore been termed the 'precarious group'. As in 2023/24, this precarious group is more likely to be female and less likely to be educated to at least O-level.

How is the precarious group precarious?

As the LCA showed, the precarious group in 2023-24 were likely to experience a number of factors that left them facing an insecure later life. The qualitative discussions outlined the reality of this precarious situation and what this meant for the lives of this group.

Primarily this presented as a lack of resilience to sudden later life events. These shocks occurred in the 60s or late 50s of this group and had a substantial impact on their financial security. They included:

- Divorce
- Sudden health issues (e.g. cancer diagnosis)
- Business failure
- Redundancy
- Moving back to UK from overseas
- Costly housing repairs

There were two impacts from these events: incurring unexpected costs and limitations on participants' income. Some of these events resulted in only one of these, for example redundancy only inhibited participants ability to earn an income and housing repairs was simply an unexpected cost. Some events had both of these effects, for example sudden health issues prevented participants from being able to work but also resulted in the unexpected costs of disability (e.g. having to take taxis due to impaired mobility).

For some participants these events had clustered, experiencing two or three of these events in the past decade. For these people, the effects were compounded with significant loss of savings and earning potential, alongside a substantial negative impact on their wellbeing.

“I'd gone through a second divorce and had a lot of stress in my life and financially, basically I lost my house to pay off my ex-wife and I was having to work harder than I should have been in my late 50s... slowly my mobility started going, my hands weren't working, the fatigue, oh, it was incredible... basically went to bed and didn't get up for three months... I had a spell in hospital for 10 days and they did every test under the sun... they said, well, we haven't sent you to rheumatology yet...diagnosed me within 10 minutes of walking in the room.”

Pre-SPA, renter, male

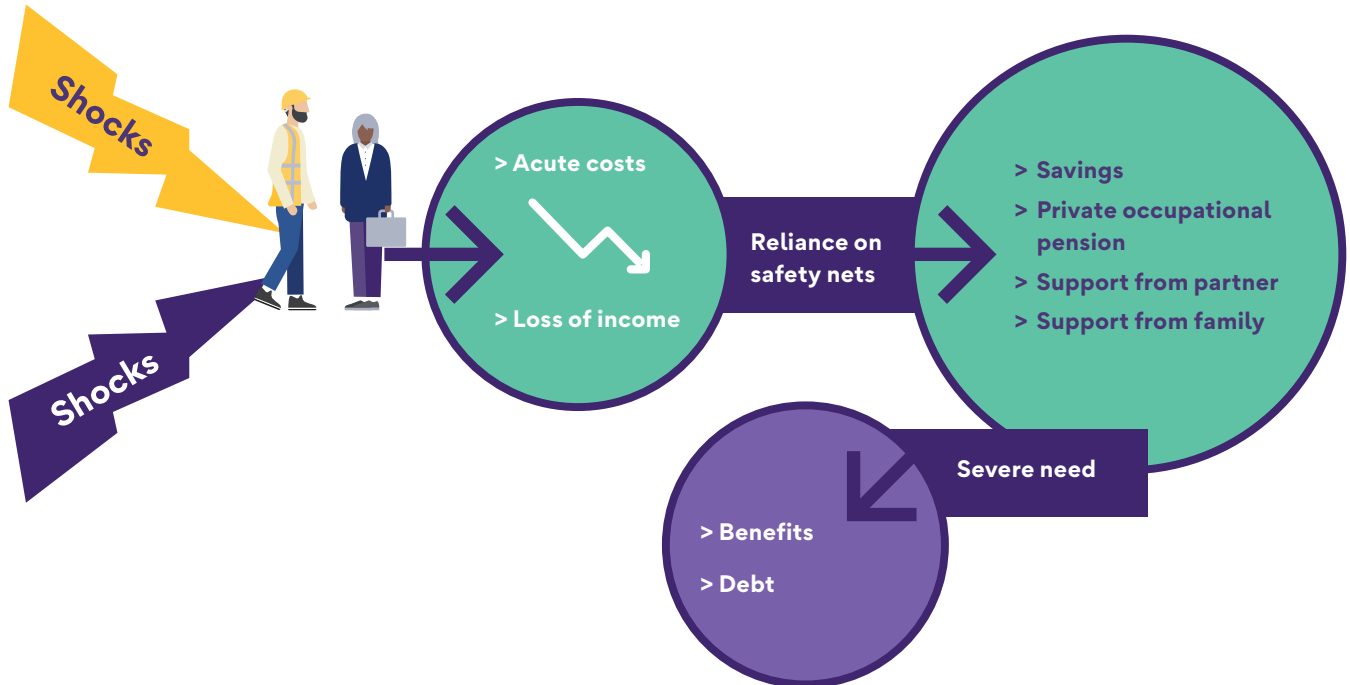
Some participants had factors that softened the damage caused by these events. These were private or occupational pension savings, other forms of savings, property wealth (and the ability to access finance against this), financial support from a partner and financial support from friends or family members. However, for many participants these protective factors were not sufficient (e.g. only small levels of savings or private pension) to prevent them from experiencing acute financial need, accessing state support and incurring debt.

“From my last work where I managed to put a few grand away, you know, literally it went and you know that's not living luxuriously. That's just living day-to-day. So that's it. I also needed to lose a lot of weight for my surgery, and that cost me money to have injections.”

Pre-SPA, renter, female, single

Figure 11: The effect of later life shocks on the precarious group

The effect of later life shocks on the precarious group



The impact of these shocks, and the limited capacity to absorb them, illustrates why the factors outlined in the LCA make this group precarious. The loss of a job, the sudden decline of health or the breakdown of a relationship in later life are not situations people can plan for. But for the precarious group, who are less likely to have the support of savings, pension, property or a partner, these life events were a push into serious financial insecurity or hardship.

Facing these challenges is often an unavoidable fact of life. However, being driven into financial hardship as a result can be avoided if structures exist to prepare people and support them when challenges arise. This research programme will further explore the circumstances of the precarious group, why they lack security and how more can be done to support them into a more secure, resilient later life.

Conclusions

The 60s is an age group that has grown substantially in number as the population ages, a trend set to continue in the coming years. As such, the changes and challenges that affect this group are a growing concern for society as a whole.

In some ways, this group has undergone considerable change. Compared to their peers two decades ago, the group now in their 60s are more ethnically diverse, more likely to live in a single adult household and to have higher educational attainment. These changes reflect growing diversity and broader changes across society now playing out among those reaching later life.

However, it is the ways in which the two cohorts are similar that raises concern. Self-reported health issues are presenting at similar levels now as two decades ago but healthy life expectancy is declining, showing that longer working lives are not being paired with longer healthy lives. Our research shows that there remains a group of around three in ten people in their 60s at risk of financial insecurity in this stage of life. This is broadly consistent with the 2002-03 cohort. This group is less likely to be in work and more likely to report fair or poor health. The persistence of health issues, particularly among those likely to face financial insecurity, appears incompatible with a policy landscape pushing work in this stage of life. This is likely to present considerable challenges for people in their 60s navigating the labour market. A Tale of Two 60s: Work in a Decade of Transition report explores this very issue.

This disparity between the aims of policy and the reality for many people in their 60s raises further questions for what life looks like in our 60s. Of particular concern are those likely to face the deepest insecurity in later life. How then does the precarious group experience the world of work, wealth and transitioning towards retirement? How have these issues changed across all people in their 60s over the past two decades? And how can these challenges be tackled now and in the future to ensure fair work, retirement and transitions for all in later life? As we look at a future in which 15 million people are not saving enough for their retirement,¹³ these questions are more pertinent now than ever.

13 The Second Pensions Commission (2026), Pensions 2050: Evidence and Future Priorities, The Second Pensions Commission - [Pensions 2050: Evidence and Future Priorities - Interim Report](#)

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