

Financial worries in Retirement

We all know that to look after our wellbeing, it's important to eat and drink well, exercise regularly, get enough sleep, spend quality time with friends and family and do things we enjoy. However, what is missing from this list and can make a great difference to our overall wellbeing, is money.

Not everyone is financially comfortable in their retirement. Not having sufficient funds in retirement can contribute to feelings of social isolation and loneliness.

Money is often seen as a taboo subject but talking openly about money is beneficial to us all and important for our health, wealth and relationships.

The way we manage our finances can have a direct impact on our lives. For example, it can be difficult to sleep if we're struggling with money and feeling overwhelmed and stressed as a result.

Your financial wellbeing is just as important as your physical and mental wellbeing, so it's important to find time to effectively manage your money. Money worries are not just a financial problem they can cause relationships to end, people to lose homes and families to break down. People from all walks of life can end up in debt for many different reasons, divorce, redundancy, ill health, bereavement. It's not always easy to talk about money worries but if you're struggling financially it's important to take action. If you're worrying about money there are things that you can do to get your finances back on track.

You may feel that you are no good at money and don't know where to start, but like most things in life, the more you do it, the better you will get at it.



Retirement is the perfect opportunity to review your financial situation.



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Monitoring where our money's going can have a big impact on our attitude to spending and how much we save.

If you're not sure where to start, try doing a financial detox. This may take you a few hours, so ensure you have enough time and before you start you will need to have access to your last 12 months bank account statements, credit card statements and any other debts and income information.

A financial detox is a way to reduce or stop your unwanted spending habits, it should help you understand exactly where your money is going and help to see where you could save money.

It doesn't mean that you can't spend on anything other than the essentials, just spend on the things that you need with the occasional treat.

Here are some ways to financially detox:

Plan

Plan your year with a detailed calendar. Highlight when and what you will be doing, and estimate the costs. This will give you an idea of where you need to budget and limit your spending. Also remember that you will need to save extra to cover some additional or emergency expenses, like the washing machine breaking or needing new car tyres.



Budget

If you don't already have a budget start one now by clicking [here](#). Besides daily household costs, your budget should include entertainment, clothes, holidays, gifts and emergency expenses. Use this budget to guide you through each month and year.

Creating a personal budget is the easiest way to make savings. Not only will it separate your essential outgoings (such as utility bills, food and transport) from your non-essential ones, it'll also allow you to see how much you can afford to set aside each month towards paying off any credit card debt, putting aside for Christmas and holidays and saving for your long term aspirations.

This process will give you an idea of where and what you need to cut back on and what you need to focus on.

It will also help you set yourself a daily spend limit based on how much disposable cash you have each month.

Debt

The first step is to work out how much you owe. If you've got more going out than you have coming in, you should work out how much you can afford to pay. The one thing you should not do is ignore any debts you may have. It's better to face the problem than to worry about it.

For more details on Debt, read our guide [here](#).

Where to cut back

Cut back and make savings where you can. Check that you're not overpaying for your utilities and other bills, where can you make savings, for more information use the link [here](#). Look at your general insurance and mortgage, switching provider could save you money.

For more details on how to spend less, read our guide [here](#).

Check your Standing Orders and Direct Debits

There may be some services or subscriptions you no longer need or are paying for twice. It's worth checking these regularly and stop any you no longer need.

Ensure you don't accidentally stop any important payments like your utility bills.

Review

This isn't a one off process, your budget needs to be reviewed regularly in order to track what and how you have been spending.

It's important to check your bank balance daily or weekly so there are no nasty surprises. You may want to consider using an app so you can see all your accounts in one place

Use of a separate bill account can also be beneficial. Which can be used to transfer an amount each month to cover the cost of all your household bills

Another regular check, needs to be your credit score, this can easily be achieved by using one of the various companies available online including, Experian, Equifax or CallCredit.



Get help if needed

It's important to start talking about money worries before your situation gets worse. Talking about money will give you the confidence to get help and find out who can best advise you on any problems. It can give you a great sense of relief to share your problems, so you're not facing them alone. It's important to seek professional advice as soon as possible and not wait until it's more difficult to find a solution.

We've teamed up with **PayPlan***, one of the UK's leading free debt advice providers, who offer free and confidential advice to anyone in serious financial difficulties. They're able to advise you on a range of debt solutions suited to your individual circumstances, helping to protect you and your family with a sustainable way to manage your debt.

Police Mutual offer a range of wellbeing support services, for more details check out the wellbeing pages on our website: www.policemutual.co.uk

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