



Piers Ford is a journalist who specialises in writing about people, their businesses and their lifestyles. He has contributed to a variety of publications, including the *Financial Times*, *The Independent on Sunday*, *Enterprise for Entrepreneurs*, *Director* and *New Media Age*.

PROTECT: Look after your lifestyle today and tomorrow

Make the most of your 'Third Age'

- **Effects on property**
- **Providing their nest egg**
- **Redefining 'retirement'**
- **Investment trends**

The publication of the Turner report in November ignited a much-needed national debate about the social and economic consequences of our ageing population. And there's no doubt the political and financial arguments will run and run while the rest of us come to terms with the prospects of longer working lives and the need to be far more proactive in our pension planning.

But, in the fallout, the constant presentation of our increasing longevity as a problem, rather than something to be celebrated as a

challenge and an opportunity, has hit a provocative note. As Germaine Greer said, it's time to acknowledge that 'Third-Agers' – the over-50s who own more than 80% of this country's wealth – are now the mainstream. Their numbers are growing. And this is a very complex sector of the population that has no interest in growing old quietly.

Rebecca Swift is Head of Creative Research at Getty Images, which supplies many of the images that define contemporary lifestyle in advertising and publishing around the world. She says recent research into the mature market has shown that it's impossible to categorise the Third Age according to convention (by age group, for example) or cliché.





“We discovered a huge demographic shift,” she says. “People are getting married and having children later. Some of them get divorced and go on to have second families. That means the age range of today’s parents is huge, anything from 20 to 70. Being 50 no longer equals retirement. It can mean a new career, a new family, travelling the world or living with children who have returned home!”

“This is the first generation that has lived with marketing messages since birth. It knows how it wants to be communicated with and it doesn’t tolerate shallow promises and sales pitches. And nobody can afford to ignore the amount it has to spend and the time it has in which to spend it!”

Advertising – the modern barometer of social attitudes – has struggled to get to grips with this shift. Notable exceptions like SAGA

aside, few companies have been particularly bold about facing up to the new social order. But there are signs of change in material and products that recognise both the wisdom of maturity and the fact that Third-Agers also have vibrancy, energy and ambition. This is particularly true of the property market where developers are very in tune with the needs of mature clients.

Market changes

David Tate, Managing Director of Thames Valley estate agent Davis Tate, says this market has become an important way for high net-worth people to protect their lifestyle. They are often cash-rich clients effecting a life change; active people who want to continue working or travel, locking and leaving their apartments and cars in secure developments while they do so. Or they are asset-rich people approaching

retirement who find that their pension fund has under-performed but the equity release from their house will finance a more streamlined lifestyle.

“Today’s developers recognise the prime need is for more space and fewer rooms,” he says, “and designs that reflect modern trends: open-plan kitchens and living-rooms. The Rolling Stones are still on tour in their 60s! Fans of the same age hardly want to creep away into the poky retirement homes of yesterday.”

For others, investing in rental property will be an attractive way to generate and secure income.

David Green, Operations Director of Delph Property Group, which has developments throughout the country, says that residential property remains a vital part of any balanced investment portfolio. He advises taking the long-term view: seek out flexible financing arrangements that allow you to take money out as you go, buy in the right location, structure your portfolio carefully and over a decade, even a market growing by around 3-5% a year will produce a decent nest egg.

“The property market has become an important way for high net-worth people to protect their lifestyle.”

“We have investors from 30 to 90,” says Green. “Their biggest learning curve is taking into account that the person living in their property is likely to be younger and have certain expectations. They shouldn’t only invest on their doorstep, but have a spread around the country, identify up-and-coming areas where demand for tenancies is on the rise. It’s a very simple process and once understood and grasped, it’s very easy to manage.”

“Few companies have been particularly bold about facing up to the new social order.”

“The reason the retirement age is rising is because people are living longer. What’s so terrible about that?”

New social order

As the Turner report continues to reverberate, retirement is clearly not going to remain the sharply defined watershed that used to figure in our life plans. The adventure of seeking more diverse ways to generate, nurture and protect our income – and chosen lifestyle – is bound to become more dynamic, whether we pursue it through reinventing our careers, through imaginative investments or a combination of them both.

Matthew Hansell, Partner and Head of the Private Client team at law firm Mills and Reeve in Birmingham, says that while the practical aspects of ageing –

careful succession planning, taking advantage of tax breaks available to investors and, of course, making sure you have a well-drafted will – all remain relevant, we are also seeing the dawn of a new era of respect for longevity.

“Fifty is hardly old if you don’t retire until you’re 67, 68 or even 70,” he says. “The reason the retirement age is rising is because people are living longer. What’s so terrible about that? A lot of us adore our work and don’t want to retire before time. Entrepreneurs might sell their business and nominally retire, but most of them get bored and start something else. You can’t just stop everything and go and play golf.”

Can We Help?

- Any investment is a big step. Your Private Partner will be very happy to help with any aspect of your wealth management decisions. Our integrated team of specialists ensure the advice and service you receive is clear and concise.

Useful Information

- The International Longevity Centre provides a wealth of comment and suggestions on every aspect of a maturing population: www.ilcuk.org.uk
- The Pensions Commission provides the full details and recommendations of the Turner report, with links to further commentary and discussion: www.dwp.gov.uk/publications
- The Third Age Centre offers directions and links to practical, lifestyle and health-focused organisations that celebrate maturity: www.thirdagecentre.co.uk

Financial Solutions Centres are not a legally constituted Partnership; they are legally part of National Australia Group Europe Limited and its associated entities ("NAGE"). Employees that are working within the Financial Solutions Centres are employees of NAGE and are not Partners of a legally constituted Partnership. Customers of Financial Solutions Centres will not become partners or members of NAGE within the meaning of the Partnership Acts or the Companies Acts.

Clydesdale Bank is a trading name of Clydesdale Bank PLC which is authorised and regulated by the Financial Services Authority. Credit facilities other than regulated mortgages are not regulated by the Financial Services Authority.

Clydesdale Bank is a member of the Financial Services Compensation Scheme established under the Financial Services and Markets Act 2000. You may be entitled to compensation from the scheme if we cannot meet our obligations. This depends on the type of business and the circumstances of the claim.

In respect of deposits with a UK office, payments under the Scheme are limited to 100% of the first £2,000 of a depositor's total credit balances with the Bank and 90% of the next £33,000, resulting in a maximum payment of £31,700. All credit facilities are subject to status and applicants must be aged 18 or over. For all products and services, terms and conditions apply.

Further details of the scheme are available from us on request or from the Financial Services Compensation Scheme:
www.fscs.org.uk or Financial Services Compensation Scheme,
7th Floor, Lloyds Chambers, Portsofen Street, London, E1 8BN.



Produced by Editions Publishing, The Loft, Bonnington Mill,
72 Newhaven Road, Edinburgh. Tel: 0131 476 2502
Fax: 0131 476 2672, www.editions.co.uk

YOUR HOME MAY BE REPOSSESSED IF YOU DO NOT KEEP UP REPAYMENTS ON YOUR MORTGAGE.

Clydesdale Bank is a member of the National Australia Bank Group.

Clydesdale Bank PLC.

Registered in Scotland (No SC001111).

Registered Office: 30 St Vincent Place, Glasgow G1 2HL.

www.CBOnline.co.uk

This publication is also available in large print, Braille, tape and disk format. Please speak to your Private Partner for details.