

Living with uncertainty

How to navigate financial unpredictability

The world feels more uncertain than ever, with 83% of UK adults agreeing that life has become less predictable, according to research^[1]. This growing unease is reshaping how people view their finances, with six in ten (59%) feeling less confident about their financial future because of recent changes in the UK.

From inflation to energy costs, financial pressures are mounting. Nearly all UK adults (94%) are concerned about rising prices, while 91% worry about energy bills. Tax increases and interest rate hikes are also weighing heavily on people's minds.

FINANCIAL DECISIONS IN UNCERTAIN TIMES

This uncertainty is prompting many to rethink their financial strategies. Almost a quarter (23%) are opting for cash savings rather than investments, while one in five (19%) are considering delaying retirement. Among those aged 55 to 65, 11% are even withdrawing money from their pensions earlier than planned.

However, it's not all doom and gloom.

Encouragingly, 48% of people are building up additional savings, and 18% are seeking financial advice to navigate these turbulent times. These proactive steps can help individuals regain control of their financial future.

BALANCING SHORT-TERM NEEDS WITH LONG-TERM GOALS

While saving more is a positive trend, holding too much in cash can erode its value over time due to inflation. A balanced approach, combining cash savings for short-term needs with investments for long-term growth, can provide both security and the potential for financial wellbeing.

Periods of uncertainty underscore the importance of understanding your options. Small

actions, such as reviewing your pension or seeking professional financial advice, can make a meaningful difference over the long term.

PRACTICAL STEPS TO BUILD CONFIDENCE

- **Review your pension:** Check your savings, update your retirement age and ensure your details are up to date.
- **Think long-term:** Avoid making hasty decisions; gradual adjustments often yield better results.
- **Understand your options:** Explore different ways to draw income from your pension.
- **Balance savings and investments:** Diversify to meet short-term and long-term needs.
- **Seek advice:** Professional guidance can help you make informed decisions tailored to your circumstances.

Taking proactive steps now can not only help you weather the current uncertainty but also lay a strong foundation for the future. By staying informed, reassessing your financial goals and seeking advice, you can build resilience and confidence in your financial journey. Remember, even small, consistent actions today can yield significant benefits over time, ensuring you're better prepared for whatever lies ahead. ■

NEED MORE GUIDANCE?

Feeling uncertain about your financial future? Take the first step today, contact us. We're here to listen, address your concerns and guide you through your options with professional advice tailored to your needs.

Source data:

[1] Research conducted by Ipsos on behalf of Standard Life in June 2025. In total, 6,000 participants took part in the online survey. Participants were aged 18-80 and included working, unemployed and retired people. Quotas and weights were used to ensure respondents were representative of the UK general population by age, gender and region.

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