

Why the expat retirement dream could be gone forever

Sun-seeking pensioners no longer have the same rights following Brexit

[By Jessica Beard](#) 16 May 2021 • 5:00am

Dreams of retiring to sunnier climes have been dashed for many following Britain's exit from the European Union. Bureaucratic complications, combined with the pandemic, have forced retirees to reconsider their plans, amid worries about losing state pension rights and access to healthcare.

Wannabe expats have been tripped up by continued uncertainty. The Government [confirmed in January](#) that anyone moving to the EU or Switzerland after Brexit would carry on receiving their British state pension as normal and would also get subsequent increases. However, it has since made [changes to the way](#) the pension is calculated. This will result in lower weekly payments for some.

All expats who relocate to the European Union and have previously lived in Australia, Canada or New Zealand will be affected and could have their state pensions dramatically slashed.

Andrew Tully of Canada Life, a pension provider, said: "The pandemic and the hangover from Brexit has quelled the appetite for many who harboured desires to retire abroad, certainly in the short term."

Retiring to popular retirement destinations such as Spain or France has become harder, and requires more planning and the patience to tackle bureaucracy. Mr Tully said it is important for retirees to check whether a

residence status in another country or a visa could have an impact on their tax status.

Many British pensioners living abroad have [returned in recent years](#), in part due to the pandemic. Official figures show there were more retired expatriates coming home than moving to the EU in 2020.

There were 1,900 fewer retirees from Britain living in EU countries at the start of this year, according to the Department for Work and Pensions. The number of British pensioners living in EU countries peaked in 2017 at 475,000 and has since dropped by around 8,000 to 466,920.



Kathy Randle wanted to retire in Marbella but will now have to see out her days in Britain Credit: Westend61

'Moving to Spain is now nothing but a pipe dream'

Dreams of retiring to Marbella on the south coast of Spain have been dashed

for Kathy Randle, 59, from Redditch.

Ms Randle said the added complications created by Brexit have made her feel "uneasy".

"I love the warmer climate and it would have been the perfect way to live out the end of our days," she said.

"You talk to people who have done it in the past and hear about their lifestyle, and you want the same. But now Brexit has made that so much harder."

She added that the uncertainties of how the rules might change for Britons abroad over the coming years have created a "fear of the unknown".

"There is a niggling uncertainty and moving to Spain has become a pipe dream now – especially because my husband was not completely sold on the idea in the first place," she said.

Ms Randle works part time but said she was ready to retire this June. But with no plans to move imminently, she said she may as well keep on working.

'The pandemic and Brexit ruined our move'

In search of cheaper property, a rural lifestyle and to live near friends, Nick Dalby, 60, from Doncaster, had planned to move to central France with his partner last year. But the pandemic and Brexit made it impossible.

Mr Dalby, who retired last year, had a property secured in a village near Limoges. But that fell through when they were unable to make it there due to border restrictions during lockdown. This also meant they failed to secure residency before the Brexit deadline on Dec 31, 2020.



Nick Dalby was planning to move last year Credit: Lorne Campbell/ Guzelian

"We had it all planned and we should have moved by now. It's much harder since January, as freedom of movement to the European Union is gone and it feels like moving anywhere else in the world," he said.

All his plans are on ice and he is no longer sure it will be possible at all. "We need to be confident there won't be any more changes to the rules before we move," he said. "We've seen how the Government modified the way the state pension is calculated for people who lived in the Commonwealth recently, so that worries us."

'I've been given an ultimatum on my retirement flat'

Complications caused by Brexit have landed Phil Hamrani with a short deadline to pay off a mortgage on a property in Cyprus that he hoped would become his retirement home.

Banks in some European countries have changed lending terms for British citizens since Brexit. Mr Hamrani and his wife Melanie, from South Shields, were told at the start of 2021 that they would have to pay the final instalment in 2025. "The idea was to spend as much time as we wanted out there when we retire, but we might have to sell it now," added the 50-year-old. "We have always talked about retiring abroad and still hope to but there's a lot more to it now.

"We need to get more clarity on our rights and find out if we are going to be in a position to do that financially. All European countries' rules are changing and it's still up in the air at the moment."

Mr Hamrani can retire in four years and will weigh up the options in the meantime. He was also concerned about access to healthcare in Cyprus.