

# Living on a retirement income

## Will you be faced with an income shortfall?

While pensioners said they needed an average of £22,000 a year to live comfortably, their actual income averaged £15,800, according to a recent report by Prudential, the insurer. Almost two in five said they found living on their retirement income harder than they had expected.

### Income shortfall

**Pensioners faced with an income shortfall are using a variety of ways to bridge the gap, the Prudential research found:**

- 17 per cent of pensioners continue to work part-time
- 12 per cent have moved to a less expensive property
- 6 per cent have released equity from their home
- 5 per cent sold other assets to raise funds

Vince Smith-Hughes, the insurer's Head of Business Development, said: 'While some pensioners can draw on a range of assets and savings to boost their income and help them enjoy life in retirement, others simply get by on less than they would like.'

He added: 'As people are living longer and need to fund more years in retirement, it is increasingly important to seek advice from professionals and put by as much as possible, as early as possible.'

The research also found that women (41 per cent) were more likely than men (33 per cent) to find it difficult to live on their retirement income.

**AS PART OF OUR SERVICE WE ALSO TAKE THE TIME TO UNDERSTAND OUR CLIENT'S UNIQUE RETIREMENT PLANNING NEEDS AND CIRCUMSTANCES, SO THAT WE CAN PROVIDE THEM WITH THE MOST SUITABLE SOLUTIONS IN THE MOST COST-EFFECTIVE WAY. IF YOU WOULD LIKE TO DISCUSS THE RANGE OF RETIREMENT SERVICES WE OFFER, PLEASE CONTACT US FOR FURTHER INFORMATION.**

*A pension is a long-term investment. The fund value may fluctuate and can go down as well as up. You may not get back your original investment. Past performance is not an indication of future performance. Tax benefits may vary as a result of statutory change and their value will depend on individual circumstances. This is for your general information and use only and is not intended to address your particular requirements. It should not be relied upon in its entirety and shall not be deemed to be, or constitute, advice. Although endeavours have been made to provide accurate and timely information, Critchleys Financial Planning cannot guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No individual or company should act upon such information without receiving appropriate professional advice after a thorough examination of their particular situation. We cannot accept responsibility for any loss as a result of acts or omissions taken in respect of any articles. Thresholds, percentage rates and tax legislation may change in subsequent Finance Acts.*