



SHIP RESPONDS TO THE BUDGET ANNOUNCEMENTS

Just 65% of 25-34 year olds plan to rely upon the state pension to fund their retirement

23 March 2011: Andrea Rozario, Director General of SHIP, the equity release trade body, comments on the implications of today's Budget for the equity release sector:

"Today's Budget shows the Chancellor's commitment to helping the UK's more needy citizens – be they first-time buyers or pensioners - which is to be commended. The single-tier state pension of £140 will simplify the hugely complex benefits system and mean that those who choose to take out equity release will have a clear idea of how their income might be impacted.

"However, while this move will support the less well off pensioners, the Government's recent emphasis on the importance of financial self-sufficiency in retirement is likely to see more people looking for other sources of retirement funding.

"Indeed, just 65% of 25-34 year olds will look to rely upon the state pension to fund their retirement – compared with 92% of 55-64 year olds*. Therefore it is evident that people are taking on board the fact that the Government will not be able to support them through the type of retirement that they want.

"The equity release sector has a huge opportunity to play a part in retirement finance planning, whether as a supplement to pension provision and a daily income, or as a way of funding care."

For further information on SHIP please visit: www.ship-ltd.org.

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