



## **SHIP urges political parties to think beyond election**

**28 April 2010:** Safe Home Income Plans (SHIP), the equity release providers' trade body, has urged each of the main political parties to go further in their pledges to tackle the issue of how to fund Britain's ageing population. In response to the three main parties' manifestos, SHIP has issued its own 3-point plan of action for the future Prime Minister and his government that takes into account education, communication and co-operation.

### **Education**

SHIP considers early financial education to be essential in breaking the cycle of mistakes in the future. Children should be taught about finance whilst at Secondary School. By teaching them the basics of finance, such as mortgages and the importance and impact of saving for retirement early, everyone should have a sense of responsibility for their financial wellbeing later in life, rather than relying solely upon the State.

"The earlier children come to understand the importance of saving money, the more likely it is to become a habit – one that will prove invaluable in later life" says Andrea Rozario, Director General of SHIP.

### **Communication**

SHIP asks that people are encouraged to consult qualified financial advisers when making decisions. The earlier they seek advice and talk about funding their retirement the more prepared they will be able to fund the lifestyle they require in retirement and any social care needed.

Andrea Rozario comments,

"The Conservatives plans to give people greater control over their care through more personalised health and social care may sound good – but their policies will need to address where people will get the advice they need from? Otherwise how will people know who to turn to when it comes to controlling or paying for their care? It is important that people are urged to seek advice before problems arise so that they are aware of all their options.



## **Co-operation**

SHIP believes that the government must work with the retirement industry to fully understand all of the options available for financially supporting Britain's ageing population. Equity release can play a valuable role in funding social care and retirement, whilst allowing people to stay in their own homes. The government needs to engage with providers in order for solutions to be found that benefit the changing needs of the customer.

"The Labour party's National Care Service includes plans for a National Care Commission to advise the Government on the fairest and most sustainable way for people to contribute to their social care costs. This commission will consider a range of options including equity release. If Labour wins SHIP, as the trade body for equity release, would seek to inform the commission and raise their awareness of the safeguards and products", says Andrea Rozario.

## **Call for action**

"All of the political parties have made moves to address the problems facing our ageing population. However, these must be more than soundbites to woo voters in the run up to the election" says Andrea Rozario.

"The Liberal Democrats' plans to introduce a Citizen's Pension, to be paid to all long-term British citizens at the level of the Pension credit, the recession is evidence that the country's economy is constantly changing so funding such a plan may not be feasible in the future. The Liberal Democrats will need to be able to demonstrate the long term sustainability of such a plan if it is to win support.

"All policies and the plans to finance them should be clearly outlined. Will they cope under the strain of an increasingly older population, and who will the cost fall upon? By working with the industry, whoever is in power after May 6, will have a better understanding of equity release and the possibilities it offers."

— ENDS —



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**Notes to Editors:**

SHIP has launched a campaign to clarify the relationship between state benefits and equity release. They have launched a questionnaire to find out how advisers and their clients feel about equity release. The questionnaire, developed in conjunction with a specialist software provider, can be found at:

[http://www.logiforms.com/formdata/user\\_forms/14397\\_8940992/76483/](http://www.logiforms.com/formdata/user_forms/14397_8940992/76483/)

**About SHIP Equity Release:**

Safe Home Income Plans (SHIP) is the UK's trade body for equity release product providers. Launched in 1991 to promote safe plans, SHIP is dedicated to the protection of the planholder and the safe growth of the industry. SHIP represents approximately 90% of the providers in the UK.