

Barclays Financial Planning finds widespread lack of financial safety net



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Press Release Summary: New research from Barclays Financial Planning shows a worrying trend of people not providing themselves and their families with a suitable financial safety net

Press Release Body: Despite the level of fear surrounding unemployment and debts* in the current environment, an online poll of 2001 British adults between 24th and 28th October 2008 conducted for Barclays Financial Planning by Opinium Research shows a worrying trend of people not providing themselves and their families with a safety net.

According to the research, over half the people questioned are worried about being able to maintain their outgoings over the next 12 months, pushing essential safety nets like [income protection](#) and critical illness cover to the bottom of their priorities. The results show, nearly half (47%) of UK adults have no protection policies** in place whatsoever, to protect them and their families in the event of losing their income, health issues or even death.

The safety net gap:
52% have no life insurance
75% have no [critical illness cover](#)
78% have no income protection cover

Those aged between 35 and 54 often have the most responsibilities in terms of dependants and outgoings, but showed a large gap in their protection cover, with 45% having no life cover and 74% with no income protection insurance.

Alison Tattersall, Head of Customer and Proposition at [Barclays Financial Planning](#) said: *"When finances are tight it is often responsibilities like protection policies that fall to a lower priority, and of course these policies protect outcomes that people don't want to think about. But people must consider the financial consequences of what would happen if they were unable to work, or their*

dependents' situation if they died, it would be far worse than any concerns they currently have over struggling to meet their outgoings."

When looking at what other safety nets people could be relying on, the research reveals that 60% of people admit to having nothing saved, having less than one month's salary in the bank, or not knowing what they have in savings at all. Worryingly the report also reveals that nearly 40% of people don't receive benefits such as sick pay, death in service or health insurance, or simply do not know if they would be entitled to them. Coupled with 81% of people not knowing what they would receive in benefits from the state if they were too ill to work.

Alison Tattersall continued: *"This is a worrying trend. People need to know what their state and employee benefits are before they are able to plan their protection needs properly.*

"Over half of people that do have protection policies said they did not take advice or did not know if they had taken advice when buying their cover, and over 70% do not know or only have a rough idea what level of payout their policies would give them if a claim was made. This could clearly mean people end up without the right cover for their needs, which is often just as bad as having no protection at all. We urge people to seek professional advice and review the level of [protection insurance](#) they have to cover themselves or their family."

Notes to Editors:
* 43% stated they are most worried about their debts or the risk of unemployment.
** Protection policies meaning: life insurance, critical illness cover or income protection.

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Barclays Financial Planning (BFP) provides tailored financial advice on life, pensions and investment products across a carefully selected range of products from a range of product providers according to customer needs. It is one of the largest financial advisers in the UK, with over 700 advisers. A no obligation financial planning consultation is available to personal, business and corporate clients, and our advisers have a range of solutions available for businesses wishing to discuss succession planning.

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