

# Prudential Finds Brits Fear Outliving Pensions



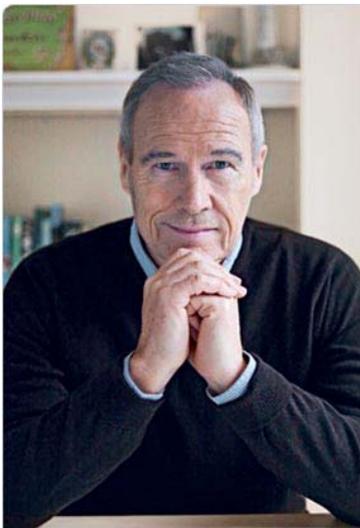
Released on: May 12, 2010, 4:45 am

Author: [Prudential](#)

Industry: [Financial](#)

Prudential research findings show that more than half (59%) of British adults fear they will outlive their pension savings, as increasing longevity means workers are having to save more money to fund a longer life in retirement.

The findings from the new research\* commissioned by Prudential also revealed that 55% of British adults are creating 'second pensions' and supplementing [retirement income](#) with additional savings and investments in order to make ends meet.



Almost one in three (31%) of British adults have or are looking to boost [pension savings](#) and create second [pensions](#) with Additional Voluntary Contributions (AVCs) which have the same or better tax breaks as a regular pension. 36% said they intend supplementing their pension with additional cash savings, 17% are looking to boost pension income using stocks and shares and 15% plan to downsize their homes and release equity.

In addition 19% of British workers would consider using paid employment to help fund their retirement over and above their expected pension income.

Despite this, more than one in three (36%) of British adults still intend taking a lump sum from their pension at point of retirement, reducing their retirement income, with the average British worker looking to take around 17% of the fund from their pension as a single tax-free payment.

Richard Harrison, Corporate Pensions Director at Prudential, said: "Increasing longevity means workers are having to accept that pensions will be stretched over a longer period and will therefore deliver a lower income than they might expect. Today, a 30-year old man can expect to live until he is 86 years old\*\*.

"This is a scary proposition for people considering how to fund their retirement but there are plenty of options for boosting savings, including tax-efficient Additional Voluntary Contributions. We believe everyone should see an independent financial adviser to ensure they are saving enough to fund their life in retirement.

"For many people, taking a lump sum and also having a pension that provides sufficient income to live a comfortable retirement will not be possible unless they save more or retire later."

ENDS

Notes to Editors:  
The information contained in Prudential UK's press releases is intended solely for journalists and should not be used by consumers to make financial decisions. Full consumer product information can be found at [www.pru.co.uk](http://www.pru.co.uk).

#### Sources

\* Survey conducted 11th–18th March 2010 among 2010 British adults aged 18+ using an online methodology, by Research Plus.  
\*\* Source: 2008-based cohort life expectancies from the Office for National Statistics' Principal Projection for the UK

#### About

#### Prudential:

"Prudential" is a trading name of The Prudential Assurance Company Limited, which is registered in England and Wales. This name is also used by other companies within the Prudential Group, which between them provide a range of financial products including life assurance, pensions, savings and [investments](#) and a [tax calculator](#). Registered Office at Laurence Pountney Hill, London EC4R 0HH. Registered number 15454. Authorised and regulated by the Financial Services Authority.

#### Media enquiries:

Izabella Siemicka  
PR Manager  
Prudential  
3 Sheldon Square  
London  
W2 6PR  
020 7121 8513  
[www.pru.co.uk](http://www.pru.co.uk)

~~~~~

Press release distributed via EPR Network (<http://express-press-release.net/submit-press-release.php>)