



Family Finances being Stretched.

The average person's savings that would only last 52 days if they were unable to work, research from Yorkshire Building Society has revealed.

Polling 2,001 people, the society's analysis showed that people's average monthly outgoings are £1,445, yet their average accessible savings are just £2,474

Worse still, over a third (36 per cent) of people only have an 11-day safety net, with less than £500 in accessible savings.

The worst affected groups are women (whose savings equate to a 46-day safety net), divorcees (35 days), and those aged 35 to 44 (39 days).

The majority of those surveyed (90 per cent) had no personal income protection in place and, if unable to work, 68 per cent either did not know how they would survive or had unrealistic expectations of how they would continue to meet their daily expenditure.

One in five of respondents (21 per cent) had no idea how they would cope if they were deemed unable to work! While a further 19 per cent unbelievably said they would manage on state benefit allowances. However, as average weekly outgoings of respondents equaled £333.56, this approach would leave a weekly shortfall of £258.16, as the current state benefit stands at £75.40.

Scarily one in 20 people (5 per cent) said they would look into selling their home if they needed to access money quickly!

Of those who did have some protection cover in place, the majority were focused on covering themselves in the event of death. Forty-seven per cent of those with cover opted for life insurance over critical illness, which was favoured by 17 per cent. A further 10 per cent opted for income protection.

In the current economic climate, this research paints an extremely alarming picture for those consumers without any protection products in place. Finances for many are already finely balanced due to the rising cost of living and the research reveals that both state benefits and savings are not viable options for the majority of consumers to rely upon for an adequate length of time. It is extremely worrying to see that many Britons are 'living on the edge'. It is important that individuals take a look at their protection needs in order to assess how they would cope financially if they were taken ill, and whether they would benefit from the security that a protection scheme provides.

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