



How essential is Income Protection?

It's relatively common knowledge now that the cost of living will be going up in April of this year and there is plenty of apprehension surrounding the subject. Now with recent events in Europe heightening that concern, many plan to slash any non-essential outgoings in order to help deal with the increased energy costs – so where does Income Protection fall on the scale of necessity?

With an increase in energy prices drawing nearer, it's completely understandable as to why people up and down the country are looking to save money wherever they can. When it comes to cutting costs, it's important to consider the consequences before making a decision. Of course, the only consequence of ending subscriptions to streaming services would be that TV would potentially become more boring – but what about Income Protection insurance?

Although Income Protection is an expense, if you were to need Income Protection while the cost of living is higher and you'd previously cancelled your policy or perhaps not taken one out, the consequences could

be even more stressful. If your income were to stop in the middle of what is being called a 'cost of living crisis' it could be even more stressful than before – so having the safety net of an IP policy is essential not just for if the worst were to happen, but also for your peace of mind.

The latest research from the Office for National Statistics (ONS) shows that the average UK house prices and rent prices have gone up, with the cost of energy bills also on the rise and set to increase further in April. With all that in mind, having a policy that will cover your income if you become unable to work has never been so valuable. With economic uncertainty circling the globe with the awful

events unfolding in Ukraine, it's important to have a back-up income – just in case.

Co-chair of the Income Protection Task Force (IPTF), Katie Crook-Davies, explained that having an IP policy in place is now "even more important, because while money is tighter, reliance on a stable income is greater, especially for those who are less financially resilient."

Although it may seem like an unnecessary expense, and often people adapt the attitude of 'those things wouldn't happen to me', you can never be too careful – especially in the midst of a 'cost of living crisis'. Income protection is quite simply the best way to ensure you and your family are financially secure for the future if you became unable to work and is undoubtedly an essential outgoing to ensure security and peace of mind.



If you'd like to discuss the options available to you, contact your adviser today.