Prudential Reveals Results of Class of 2011 Study

Prudential has revealed the results of its Class of 2011 study which shows that retirees expected to receive a pension of around £16,559 per year

London, England (PRWEB) January 26, 2011 -- Prudential has revealed the results of its Class of 2011 study, which investigates how much pension money this year's retirees will have to live off.

The average person retiring this year expects to have an estimated total annual income of £16,559 including any private pensions (http://www.pru.co.uk/pensions_annuities/) and State Pension, according to figures from Prudential's Class of 2011 survey. One in five (19 per cent) of 2011's new pensioners expect to live on less than £10,000 a year.

The Class of 2011 is marginally better off than those who retired in 2010 when the average estimated income for those planning to retire was £16,509. By comparison average estimated retirement income in 2009 was £17,779 and £18,663 in 2008. The figures also show that the average age of those expecting to retire in 2011 is 60, while 19 per cent of this year's expected retirees will do so below the age of 55.

Prudential welcomes the fact that expected incomes have stabilised after two years of falls but is urging savers to take increased responsibility for retirement planning by starting to save as early as possible and increasing the amounts they save into pensions year on year.

Results of the survey suggest that in light of the current economic climate just two in every five people (39 per cent) believe they have saved enough for a comfortable retirement.

Nearly half (45 per cent) are convinced they have not saved enough while another 16 per cent do not know whether their savings will be sufficient, the study shows. Men are more optimistic than women with 48 per cent of males believing they have saved enough compared with 30 per cent of females.

Vince Smith-Hughes of Prudential said: "The fact that expected incomes for those retiring in 2011 have stabilised after two years of decline is good news.

"The Class of 2011 survey and previous studies conducted since 2007 by Prudential underline the message that the best option is to save more and to start saving earlier. Seeking early advice from a financial adviser should be a prerequisite to ensuring you achieve the level of pension income you want and need."

The Prudential study shows people retiring in Yorkshire and Humberside and the North West in 2011 are the most optimistic about their savings - 45 per cent of those in Yorkshire and Humberside believe they have saved enough with their pension plan (http://www.pru.co.uk/pensions_annuities/prudential_pensions/) while 44 per cent in the North West are confident about having a comfortable retirement.

However just 20 per cent of people retiring in Wales in 2011 are confident about a comfortable retirement and only 28 per cent of Londoners believe they have saved enough.

Notes to Editors:
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Survey conducted by Research Plus between 5 and 10 December 2010 among 10,143 UK non-retired adults aged 45+ including 1,005 planning to retire in 2011 using an online methodology.

About Prudential:
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Prudential offers customers pensions and annuities, pensions retirement income, insurance and investment opportunities.

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