

moneydoctor

IRISH DAILY
STAR

GET YOUR FINANCES FIGHTING FIT!

JOHN
LOWE



WE HAVE A COVER ISSUE

Do we need mortgage and income protection?

Q WE ARE six months into our mortgage and marriage. With all the expenses, buying furniture etc, we are finding it tough.

We looked through our monthly expenditure and the arguments have started! I'm not giving up the sports channels but I suggested the life and health cover is over the top.

We are both 29, both working and due our first child. Do we really need mortgage protection and serious illness cover?

I think my wife has income protection too. My job pays the private health insurance but I have benefit in kind on that too.

Any suggestions?

Gerry, Limerick

Q&A

A Congratulations Gerry on the nuptials and as you've found, the honeymoon is over! Deciding on what's important financially is a delicate balancing act but it MUST be done together.

There are certain responsibilities that must be faced and now you are shortly to see the joy of a new family member those responsibilities become more important.

Mortgage protection on your home is necessary and compulsory by law (Consumer Credit Act) and at your age, relatively cheap.

Serious illness cover certainly can

be reviewed — this gives you a lump sum (generally up to two years' income as you recover from a serious illness or the mortgage protection kicks in!) but 95 per cent of all claims only cover three major illnesses.

Welfare

Income protection, on the other hand, covers incapacitation. Once you cannot work for any reason, you receive 75 per cent of your weekly/monthly income less any social welfare benefits until you recover from your incapacitation.

Payments

start generally after six months.

Importantly, only with income protection do you receive tax relief at your marginal rate on the premiums paid.

With your wife about to go on maternity leave, it might be useful to obtain a quote for income protection then review all policies. Even your mortgage protection policy should be reviewed for comparison purposes.

Better in your pocket. Seek professional independent advice and look at ALL your expenditure for economies and jointly agree on them. Best wishes.



SENSIBLE:
Review your policies and you could find savings

MONEY SHORTS: IF YOU'RE AT A DEAD LOSS

● **SAVING** money is important — getting value equally as important. I came across this

advertisement in the Buy & Sell magazine from February 1999. It read: "Gravestone — £250. Would

suit someone with the name Burns." Dying to know who bought it!

TIP OF THE WEEK: WATER CONSERVATION GRANT

ANOTHER reprieve — you have until next Thursday (October 22) to apply for your €100 water conservation grant.

You cannot apply for the grant unless you registered your principal private residence with Irish Water on or before June 30, 2015.

You can call Irish Water on lo-call 1890 448 448 or 00353 1 707 2824. Lines are open 8am-8pm from Monday to Friday and 9am-5.30pm on Saturday.

Applications for the grant are processed by the Department of Social Protection and you can apply online at www.water-grant.ie. You can splash out with the proceeds!



Doc's savers



Here are some more bargains I spotted:

● **Eight Shivrām Yoga classes** in Synge Street, Dublin 8 for €23 (54 per cent discount). Call (087) 203 4762.

● **One night B&B** for two people for €69 (51 per cent discount) in Kilford Arms Hotel, Kilkenny. Call (056) 776 1018.

● **Full vehicle service** for €99



MAKE MONEY STRETCH: Yoga

on Stillorgan Road, D4 (60 per cent discount) plus coffee and pastry while you wait — mechaniconduty.ie. Tel (01) 2606 638.

● **Cod & chips** for two €9.99 (52 per cent discount) at the Fryery, 21 Ushers Quay, Dublin. Tel (01) 515 3220.

Tell them the Money Doctor sent you! Email me on jlowe@moneydoctor.ie.

● **JOHN Lowe** is founder and managing director of Providence Finance Services Limited, which trades as Money Doctor.

The financial advisor, whose firm is based in Stillorgan, Co Dublin, is also the author of the

best-selling book *The Money Doctor* 2015 (published by Gill & Macmillan).

● He is available for seminars and consultations.

Contact him at consultation@moneydoctor.ie or phone 01 278 5555.

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