Media Q&A

Consumer Question:

Hi Charlie,
You may be able to point us in the right direction. My husband is retiring the end of this year. We have been paying into a pension and have received a lump sum with the remainder invested. We have now got €87,000 sitting in our joint current account. We do not want to have that much sitting there, as this is tax free. How do we go about putting it into another account or how do people in our situation usually deal with this? The pension company said they cannot advise us, and my husband's company are of no help either.
I really enjoy your column.

Answer from Barry McCutcheon, Proposition Lead, Royal London

In answering this, I've made a couple of assumptions; that you're both in your sixties and are planning to live off your husband's pension plus any State pensions that you might be entitled to. Before considering how you might save or invest your lump sum, you can potentially clear off any mortgage, personal loans, or credit card debt you might have. If you've already considered this, I'd also suggest retaining a small amount of this lump sum as a rainy-day fund for any unforeseen expenses or emergencies.

In relation to the rest, I'd recommend speaking with a Financial Broker about how to best invest this to potentially generate some growth. Maybe ask family or friends for a recommendation of someone that they've dealt with and trust or Brokers Ireland's website provides options based on location. A broker can take you through the options and risks associated with different savings and investment options available across all providers. Unfortunately, there is no easy solution when it comes to investment. Generally speaking, the greater the potential for growth, the greater the risk of losing some or all of the money you invest. An alternative option is State savings, which are available through the Post Office.

ENDS

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