

What does affordable income protection really mean?

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When it comes to affordability, monthly premiums are one of the key reasons why clients hesitate over buying income protection. The real question though, is whether the policy would provide enough support if illness or injury stopped them working.

Consider a client with essential monthly outgoings of £2,000. Reducing the benefit to £1,000 may make the premium affordable, but leaves a £1,000 monthly shortfall during a claim. Showing that gap helps the client decide whether the saving is worthwhile. For advisers, the challenge is to balance affordability with suitability, whilst considering whether the cover would make a meaningful difference during a long absence from work.

Start with the household finances

Start with a review of essential spending, including housing, utilities and food, then consider sick pay, savings, a partner's income, and other bills. This helps establish the right benefit level and shows clients what a lower benefit would, and would not, cover.

Make the trade-offs visible

When ideal protection costs more than the client can afford, reducing the benefit is one option. Changing the deferred period, payment period, or premium structure may also help, depending on the client and available products. But each option changes the protection. A longer deferred period requires funds to bridge the gap, a shorter payment period limits support during a long claim, and a lower benefit leaves more bills unfunded. Compromise is acceptable if the client understands the impact.

Look beyond the first premium

Premium structure also shapes affordability, thanks to guaranteed, reviewable, level, and age-costed premium options. Reviewable or age-costed premiums can make meaningful cover more accessible, particularly for younger clients balancing mortgages, childcare and other commitments, but in both cases, advisers must clearly explain how costs could rise. Future affordability should not rely on earnings rising enough to absorb higher premiums. Clients need to understand how costs may change, and whether the policy is sustainable. The right structure should reflect their needs, priorities and goals, not just the initial price.

Keep the conversation open

Affordability changes as earnings, careers, and responsibilities shift, but regular reviews let advisers and clients revisit past decisions and check the cover still fits. Clients who start with a lower benefit may later increase it whilst those under financial pressure should explore premium holidays, guaranteed insurability options, and other flexibilities before reducing or cancelling cover.

Insurers and mutuals also have a role to play. Clear information on premium changes and policy flexibility supports better conversations and helps client understanding. Ultimately, affordability is not simply about the lowest premium, but protection clients can afford and keep.

Discover Income Protection from British Friendly on our website, [here](#). Or get in touch with our team to find out more at sales@britishfriendly.com.

