



What about people who already have annuities?

The proposed new pension rules allow, from April 6, those five million pensioners with annuities to sell them and receive a lump sum in return.

Scrutton Bland financial planner Neil Hewitt (left) said: "This may sound appealing but is this really the case? Probably not. In order to

sell the annuity there needs to be a ready and willing buyer.

"That buyer will need to make a profit so will offer a sum much lower than the value of the potential annuity income. They may also reduce the offer further for those in poor health. It is difficult to imagine who would want to get

involved in buying annuities other than the annuity company itself who may see this as an opportunity to reduce their liability and benefit financially."

Mr Hewitt said the likely poor offers would be reduced further when the proposed tax implications of this action were applied.