Keeping track of your pension

A guide to combining your pensions

You've worked hard to build up your pension savings. Now it's time to make sure your pension is working for you.

This guide aims to help you understand your existing pension and find out more about consolidation. We'll also explain the different types, the features and benefits, and how to find and compare other pensions you may have.

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Types of pension available

A pension is a tax-efficient way of saving for your retirement. There are different pensions available, depending on your circumstances. Generally speaking, there are 3 main types:

1) Workplace pension

This is a pension scheme that is arranged by your employer and there are 2 types:

- Defined contribution – a pension that's based on how much money has been paid into it. The money paid into the scheme is invested by the pension provider. The amount available to you at retirement depends on how much has been paid in, how well the investments have performed, and any charges. The value of your pension can go down as well as up, and you may get back less than is paid in.
- Defined benefit – a pension where the money you get back at retirement is based on how many years you've worked for your employer and the salary you've earned.

2) Individual pension

Individual pensions are a type of defined contribution pension scheme. Personal pensions, stakeholder pensions and self-invested personal pensions (SIPPs) are all examples.

You can usually choose how regularly you want to pay in and what you get back largely depends on the amount paid in, how well your investments perform and any charges. The value of your pension can go down as well as up, and you may get back less than is paid in.

3) State pension

The State Pension is a regular payment from the government. To get a State Pension, you must first reach State Pension age, usually with at least 10 qualifying years on your National Insurance record. The amount you receive is also based on your National Insurance record and you'll normally get the full amount if you have 35 or more qualifying years of contributions.

While the State Pension may not be enough to support you on its own, it can be a useful addition to your retirement income.

Understanding your pension

Defined contribution pensions can include lots of different features - from valuable benefits and guarantees, to flexible options and charges. It's important to review your existing pension to understand what's included. Knowing more about your pension may help you make more informed decisions when it comes to retirement planning. The paperwork accompanying your plan should tell you this but can also include lots of technical pension terms.

Below are examples of the types of benefits your pension may include:

- **Life assurance** – some pension policies include life assurance which pays out a specified amount if you die before the nominated retirement age and were still making contributions.
- **Loyalty bonus** – this is a bonus that may be added at intervals as determined within your policy terms.
- **Safeguarded benefits** – these are benefits which include some form of guarantee or promise, for example a guaranteed annuity rate or guaranteed minimum pension.
- **Protected retirement age** – the standard minimum age for accessing an individual pension is 55. From 6 April 2028 this will be age 57 unless you have a protected pension age. In some cases, an earlier age is allowed and can be protected.
- **Tax-free lump sum greater than 25%** – you can normally take up to 25% of your pension fund as a tax-free lump sum, but some policies allow more than this.
- **Market Value reduction (MVR)** – is a reduction to the amount paid out from a with-profits policy, or switched from a with-profits fund.

Your tax treatment depends on your individual circumstances and tax rules may change in the future.

Flexible options

Most defined contribution pensions offer flexibility in the way you can take income in retirement. When taking benefits, you can usually take up to 25% tax-free, take money when you need to (drawdown) or convert your pension to a guaranteed income (annuity). You can also choose to combine these options. Your pension provider should be able to give you more information or alternatively you can speak to a financial adviser.

For tailored advice, you should speak to your financial adviser. If you don't have one, you can find an up-to-date list of regulated advisers at **MoneyHelper**. You may have to pay for the advice you get but don't worry, there are usually a few ways you can pay the fee, including taking it out of your pension.

Some products may provide guaranteed policy benefits if certain events happen or on certain dates. You should refer to your policy documents to see if any guarantees apply or speak to a financial adviser.

In addition to choosing how to take income in retirement, some pension plans can offer additional flexibility - allowing you to choose options such as:

- **Retirement date/age** – the date or age at which you're due to start taking the benefits from your pension policy. This is sometimes called the nominated, or selected, or normal retirement date or age. Most policies allow you to change this date – but typically you'd still need to be at least 55 (57 from 6 April 2028) before you can start taking any benefits.
- **How your money is invested** – you can choose from the range of funds and investments available on your policy.
- **How you access your policy details** – depending on the pension provider you may be able to access details online, via an app, by paper, over the phone etc.
- **How money is paid in** – you can choose how much and how often you wish to pay in, whether you want to restart payments or transfer other pensions to your policy. Your pension provider will be able to tell you if all these options are allowed.

Charges

When reviewing your existing pension, you may notice certain charges have been applied to your plan. Whilst all pensions and charges differ, it's good to understand what these charges are. These could include:

- **Annual management fee** – this is a charge for managing your pension and is taken by deducting it from the value of your pension plan.
- **Exit fees/charges/penalties** – on some pension plans the provider may charge a fee for transferring to another pension, or for accessing the benefits before the nominated retirement age.
- **Fund-switching fees** – a fee applied for switching investment funds.
- **Fund manager charges** – a charge which may apply to cover the costs and expenses of managing investment funds you choose to invest in.
- **Trading charges** – may be taken when certain types of investment are bought or sold.

If you are invested in a with-profits fund you should also check if a market value reduction (MVR) will be applied when moving out of the fund, which would reduce the value of your investment.

More than one pension?

Most people will have had several jobs in their lifetime so there's a chance you may have saved into more than one pension – some of which could have been provided by your employer(s).

It's not always easy to keep track of a pension, especially if you've changed jobs or moved home without letting your pension provider know.

Tracking down lost pension plans may help to give your retirement income a boost. The sooner a lost defined contribution pension is traced the better, as it may still be subject to charges and as no contributions are being made into it this could have an impact on the pension plan value. In addition, the pension plan may no longer be invested in the most suitable investment option if your personal circumstances have changed.

Tracing lost pensions

We're offering our existing pension customers the chance to trial our new **Pension Discovery Service** for free. It's a service that can...

- Track down pensions you've lost – perhaps a workplace pension from a previous job.
- Fill in the blanks about a pension you've tucked safely away, but are fuzzy on the details of.
- Give you a personalised report – for appropriate pensions – that highlights the need-to-know details in clear sections, so you can easily compare two or more pensions side by side.

Before you can use the Pension Discovery Service you will need to register with us online. Once you've created your account, return to this page to follow the link below to start your application.

Visit **Pension Discovery Service** to find out how the service works.

If you haven't got a pension with us, the Government's **Pension Tracing Service** can help you track down lost pensions. The service won't be able to tell you if you have a pension or its value but will be able to tell you who to check with.

Before you start, it's important to pull together as much information as you can about your lost pensions. This will make it easier to trace them.

When you've gathered as much information as you can, visit the **Pension Tracing Service** website where you'll complete the following steps:

1) **Select the type of pension you're looking for.** You can search for a workplace or individual pension as described earlier in this guide. You can also search for civil service, NHS, teacher or armed forces pensions.

2) **Enter your details.** Once you have selected the type of pension you're looking for, you'll be asked for your employer's name if it's a workplace pension. For individual pensions enter the pension provider's name. For NHS, civil service, teaching and armed forces pensions, you'll be given a link to contact the specific pension enquiry service directly.

3) **Make a note of the pension administrator's contact details.** Once you have selected the appropriate company or pension, you'll be provided with contact details for the administrator of the pension scheme you may have paid in to.

4) **Contact your pension provider.** Call or write to the provider to see if they can find your pension, and if so, how much it's worth.

Comparing pension plans

Once you have details of all your pensions it's a good idea to compare these. You can use the form at the back of this guide to help you to do this.

Defined contribution pensions vary both in growth and in charges which can make a big difference in how much you could get in retirement. By this time, you may have a number of different pensions and it can be difficult to keep track of them all to make sure they're performing well. Consolidating your pensions could be an option.

Consolidating your defined contribution pensions

If you've got several defined contribution pensions, it could make sense to bring everything together in one place. Even if the amounts are small, it all adds up.

Having everything in one place gives you a holistic view that could make planning for your future and retirement that much easier.

Making the decision to move your pension is an important one and can be complex. Transferring isn't right for everyone. You'll need to consider any special features or benefits - as explained earlier in this guide - which may be lost by moving your pension. It's also a good idea to compare the fees and charges of your existing plan with the pension you'd like to transfer to.

You can transfer existing pensions to us or another provider. The value of your pension can go down as well as up and you may get back less than has been paid in. There's no guarantee you'll be better off - and if you change your mind your old scheme or provider may not accept your pension back.

If you're unsure if transferring your pension is right for you, we recommend you talk to a financial adviser who'll be able to tell you if this option is in your best interests. An adviser may charge you for their services. If you don't have one, you can find an up-to-date list of regulated advisers at **MoneyHelper**. You may have to pay for the advice you get but don't worry, there are usually a few ways you can pay the fee, including taking it out of your pension.

Bringing everything together with Aviva

You could transfer existing defined contribution pensions to your Aviva pension. You can choose how your money is invested and make changes to your fund selection.

We won't charge you anything for this transfer. After you transfer to us, we make ongoing charges based on the total amount you have in your pension.

For more information about the pension, charges, choice of investment funds and considerations refer to your plan's literature online.

We can't guarantee you'll be better off by transferring a pension to us – as with any defined contribution pension, the value can go down as well as up and you could get back less than is paid in.

By transferring to an Aviva Pension, you could benefit from:

Convenience

All your pension savings are in one place, invested in one plan.

Control

You can change the funds your pension plan is invested in – with the ability to choose from our ready-made funds or our full fund list.

Online Access

Manage your pension plan online.

How do I transfer my pension to Aviva?

If you don't have a pension with Aviva, we can open an Aviva Pension for you and move your pension savings there.

If you already have a pension with Aviva, we'll check if we're able to make transfers into your existing plan. You'll just need to give us the details of your existing pension product. If you're already registered online you may be able to do this yourself.

Things to be aware of before you transfer

There are some pensions we won't accept for transfer and there are a few things you'll need to consider before combining your pensions with us in an Aviva Pension.

You won't be able to move a:

- Defined contribution pension with a guaranteed annuity rate
- Defined contribution pension with any other safeguarded benefits or guarantees
- Defined benefit pension
- Pension you've already started taking an income from

into an Aviva pension.

You'll need to be aware that:

- From 6 April 2028 the normal minimum pension age is increasing from age 55 to age 57. You should check if you have protection which allows you to keep the minimum pension age of 55.
- There may be a charge from your existing pension provider for leaving them
- If this is a workplace pension and you and your employer are currently contributing you might lose your employer contribution if you transfer this pension. Please check with your employer
- Your cash won't be invested when we're processing a cash transfer so won't be affected by any rise or fall in value during that time, but any unit transfers will remain invested so will continue to be affected by changes in the investment.
- If your current pension invests in a with-profits fund, a market value reduction may be applying at the time of transfer which will reduce the value of your fund. You should contact your current pension provider to see if a market value reduction is being applied to your with-profits fund before you apply to transfer your pension.

If you're not sure about consolidating, it's best to speak to a financial adviser who can give you personalised recommendations.

Pension comparison summary

You can use this form to enter details of your existing defined contribution pensions - to understand what's included and how they compare. This will give you a high-level summary. If you're considering consolidating your pensions, you should also bear in mind other features included in your plan – funds available, charges and any other valuable benefits or flexible options.

Pension provider	Policy number	Value	Includes employer contributions?	Have you taken any money/ benefits from this pension?	Nominated retirement age	Safeguarded benefits?*
		£				
		£				
		£				
		£				
		£				
Total value		£				

*These are benefits that may be lost if you were to transfer this pension.

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