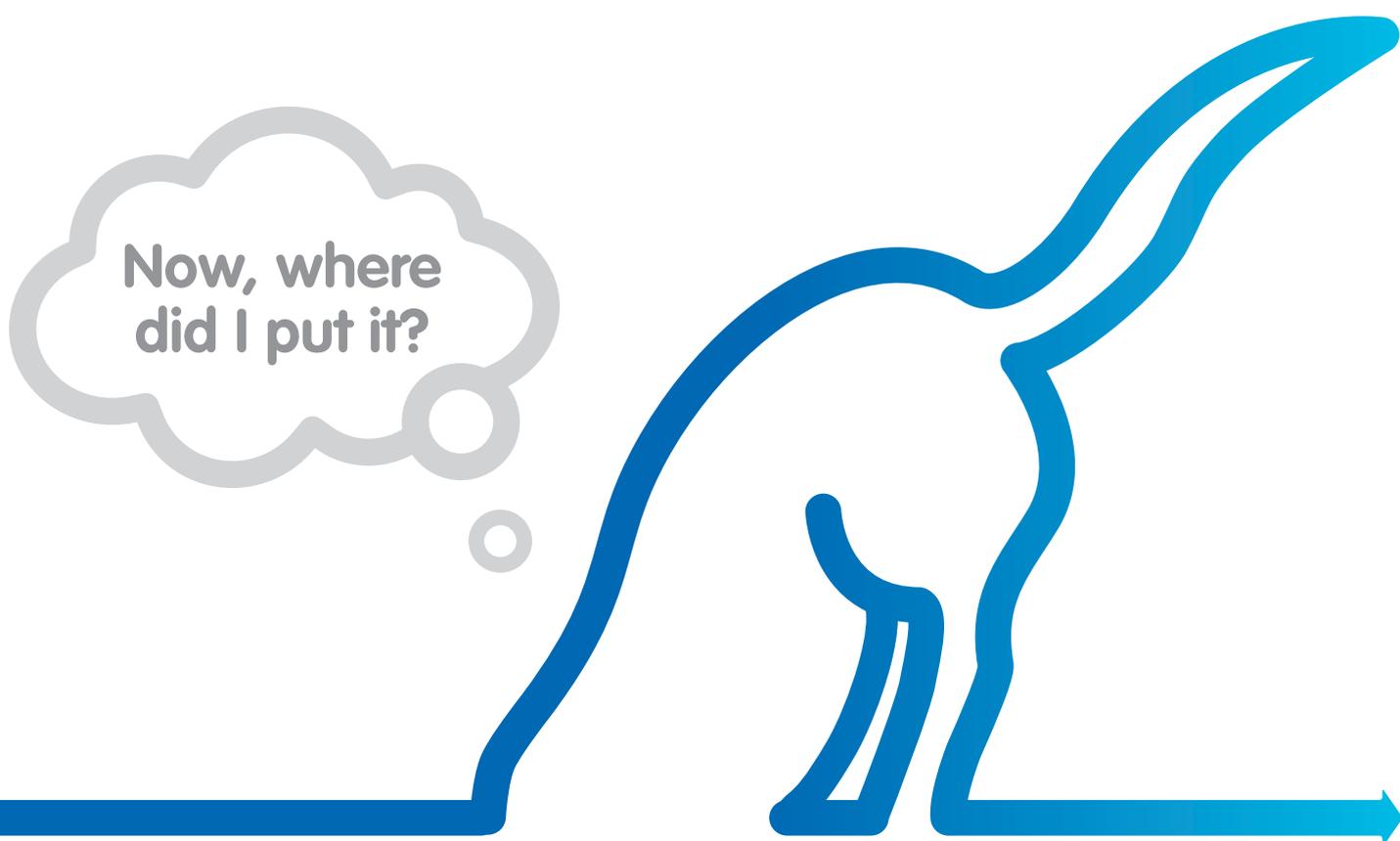


June 2018

Lost pension pots

Research findings summary



For people, not profit

the
people's
pension

Background to the research

The aims of the survey were to learn how much people are aware of their pension savings and how they keep track of their pensions as they move from job to job.

On behalf of The People's Pension, YouGov undertook this research among adult workers in the UK.

Method

Research conducted via an online survey by YouGov with 2,297 UK adults in employment aged 18 to 66, between 16 and 20 February 2018.

Sample breakdown

Table 1 provides a breakdown of the key groups participating in the research

All UK adults in employment aged 18 to 66	2,297
Male	1,125
Female	1,172
18-24	170
25-34	524
35-44	595
45-54	576
55+	432

Headline findings

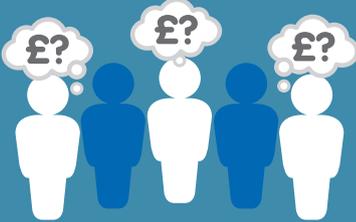
We discovered...

Almost half (47%) of UK workers say they don't know what their total pensions are worth



1 in 5 people have lost track of a pension

3 in 5 people don't know where all their pension details are



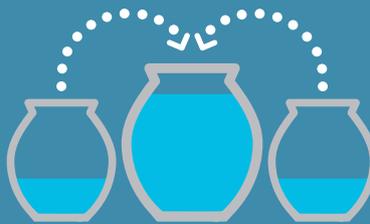
The average worker aged 45+ has switched employer 6 times

14% don't know how many pension pots they have



41% don't know they pay charges on any of their pension pots

Having everything in one place so it's easier to manage, is a top reason why people would combine their pension pots (46%)



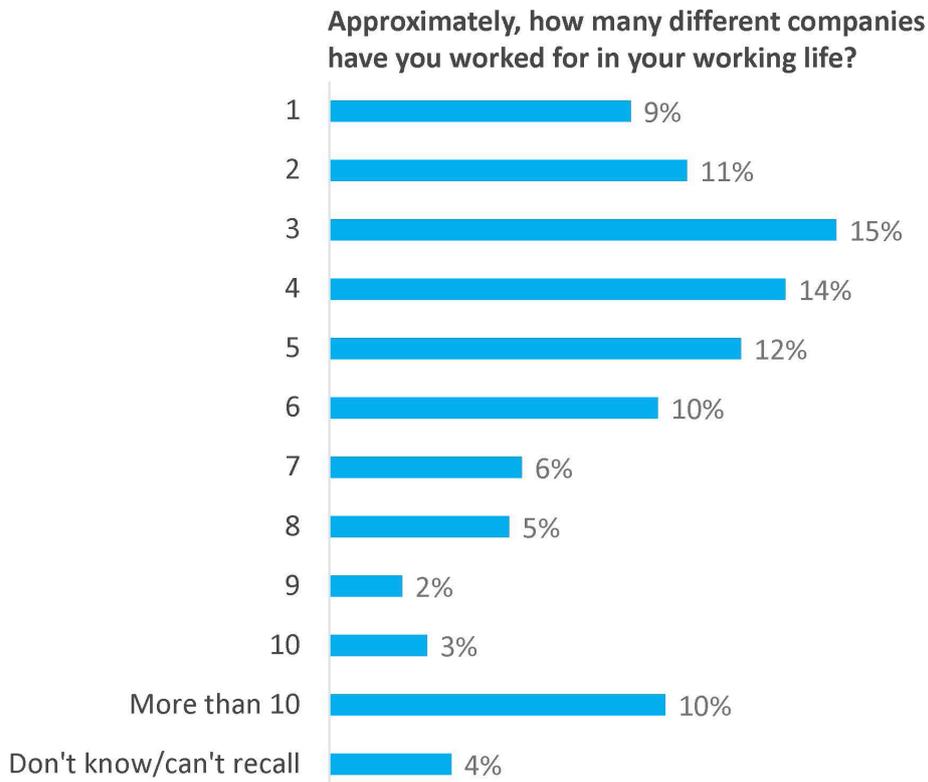
Nearly 2 in 5 people are unaware they can move their pensions

Summary of findings

UK adults can have up to 6 jobs in their working life

This survey reveals that come the age of 45, UK adults would have on average, already changed their job role up to 6 times in their working lives. As the job for life is a thing of the past, this increases the effort of workers to keep track of their workplace pensions as they move from job to job.

Figure 1: Number of companies ever worked for (excluding jobs while in education)



Base: All UK adults in employment aged 18 to 66 (2,297)

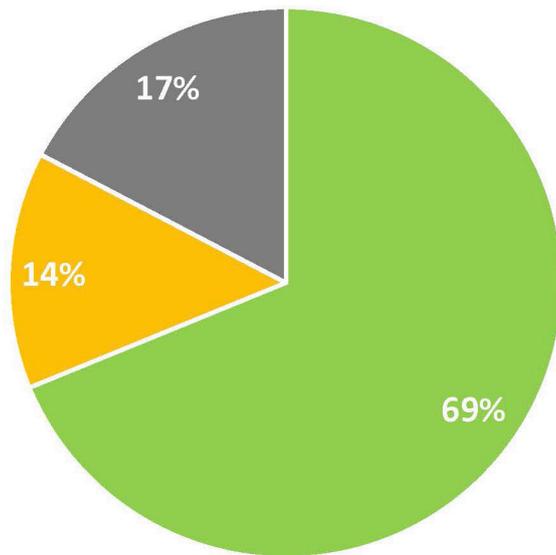


Over 1 in 10 workers don't know how many pension pots they have

Over two-thirds (69%) of all UK workers are aware of how many pension pots they have, while over one in ten (14%) don't know. 20% of those aged 25 to 34 were most likely to admit not being in the know with the number of pots they have in place. Of concern, is the 17% of those surveyed who say they didn't have any personal or workplace savings in place and would therefore need to rely on the Government, at this stage, to provide them with an income at state pension age.

Figure 2: Recall of personal and workplace pension pots held

Thinking about all the pension pots you currently have (excluding your state pension), which one of the following statements best applies to you?



- I know how many pension pots I have
- I don't know how many pension pots I have
- Not applicable - I do not have any pension pots (i.e. I have no pension)

Base: All UK adults in employment aged 18 to 66 (2,297)



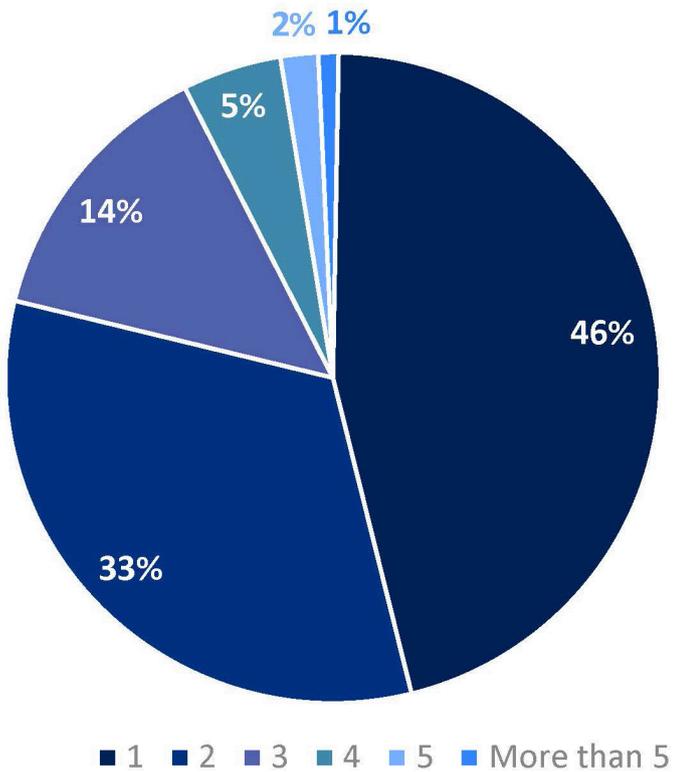


Pension savers have on average 2 pension pots

UK workers, who are aware of the personal or workplace pension savings they have in place, claim to have on average 2 pension pots.

Figure 3: Recall of number of personal and workplace pension pots held

How many different pension pots do you have (excluding your state pension)?



Base: All UK adults in employment aged 18 to 66 who know how many pension pots they have (1,611)



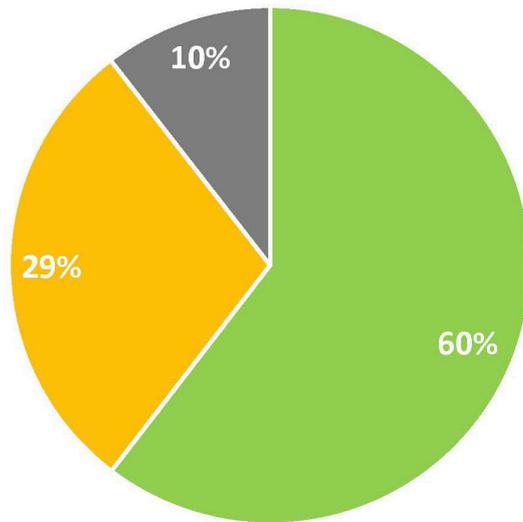


Almost 3 in 10 don't know the name of their current workplace pension provider

While three in five adult workers (60%) know the name of their current workplace pension provider, almost 3 in 10 (29%) don't. This basic lack of awareness does tend to improve as you move up the age groups but 17% of those aged 55 or older can't recall who their existing workplace pension scheme is with.

Figure 4: Recall of name of current workplace pension provider

Do you know the name of the pension company that provides your current workplace pension scheme?



- Yes, I know the name of my current workplace pension company
- No, I don't know the name of my current workplace pension company
- Not applicable - I don't have a workplace pension with the company I currently work for

Base: All UK adults in employment aged 18 to 66 with a private or workplace pension (1,927)



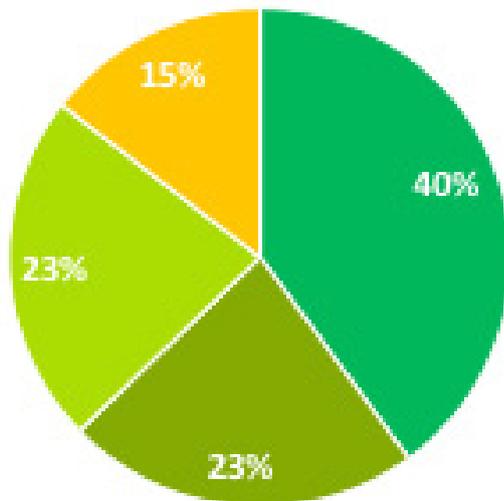


3 in 5 people don't know where all their pensions details are

When asked about whether they could find the information about their pension pots (this includes the names of pension provider(s), policy numbers, the type of pension and how much is saved in them etc.), 60% of those with a personal or workplace pension don't know where all of these details are. Males (43%), those aged 55 or older (62%) and workers in ABC1 social grade positions (43%) are more likely to know the whereabouts of all their pension savings details.

Figure 5: Recall of pension pot details

Thinking generally about keeping track of all your pensions, which one of the following statements best describes you?



- I know where all of the details are for my pension pot(s)
- I know where most of the details are for my pension pot(s)
- I know where some of the details are for my pension pot(s)
- I don't know where any of the details are for my pension pot(s)

Base: All UK adults in employment aged 18 to 66 with a private or workplace pension (1,927)



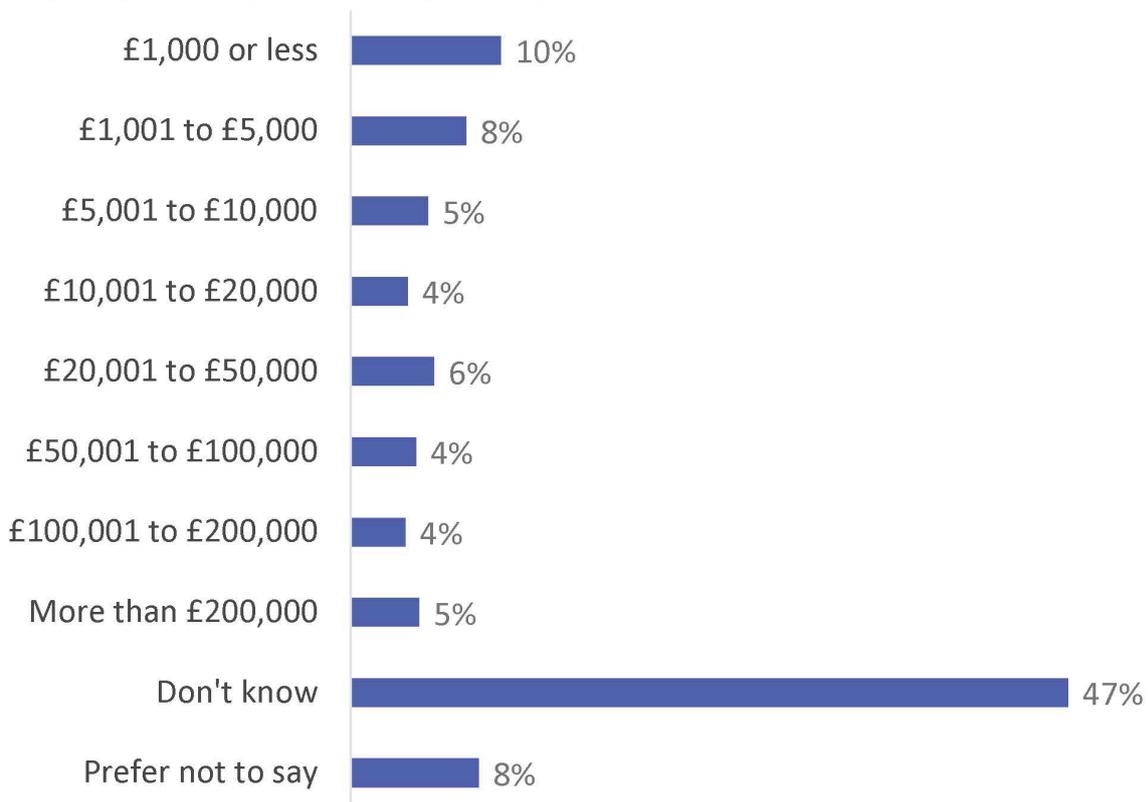


Nearly half don't know what their total pension savings are worth

Across all UK workers with a private or workplace pension, the average total pension savings they have is claimed to be worth £51,096. While the worrying finding from this research, is that nearly half (47%) don't know how much they have already saved for their retirement. This lack of awareness is not just an issue for workers aged 18 to 24, where 34% are unaware of their combined pension pot value but it's also faced by 44% of those aged 55 or over and 55% of females (compared to 41% of males).

Figure 6: Total value of all pension savings pots (excluding state pension)

Approximately, how much do you currently have saved in total across all your pension pots (excluding your state pension)?



Base: All UK adults in employment aged 18 to 66 with a private or workplace pension (1,927)





41% don't know they pay charges on any of their pension pots

Two out of five (41%) working adults with a personal or workplace pension don't know they pay charges on any of their pension pots. 30% know they pay charges but not how much, 10% know what charges they pay on some but not all of their pension pots while only 18% know how much they are charged across all their pots. Males are more likely to be knowledgeable of charges levied on their pension savings while nearly half of females (48%) were not aware of any charges (35% of males).

Figure 7: Awareness of charges paid on pension savings pots

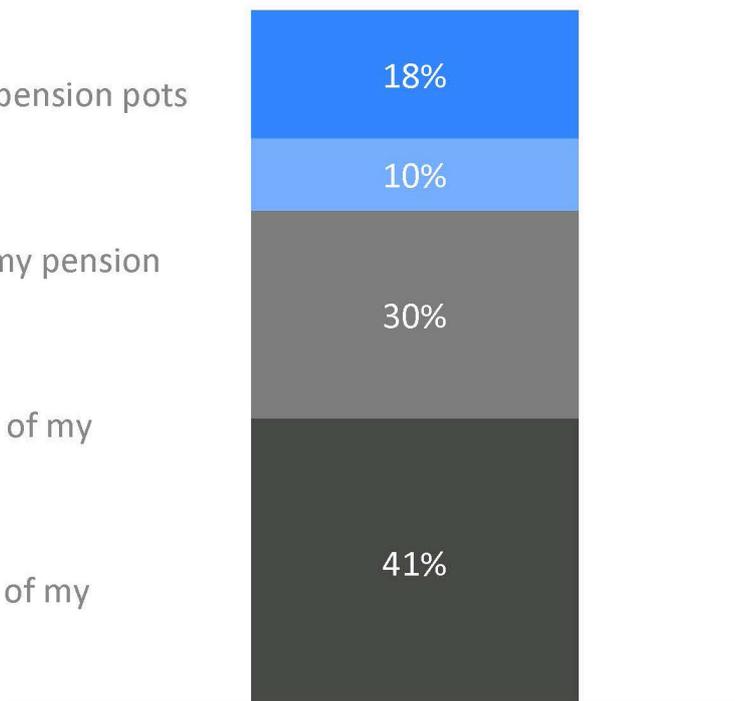
Which one of the following best describes your understanding of the charges you pay on your pension pots?

I know what charges I pay on all of my pension pots

I know what charges I pay on some of my pension pots, but not all

I don't know what charges I pay on any of my pension pots, but I know I pay them

I didn't know I paid any charges on any of my pension pots



Base: All UK adults in employment aged 18 to 66 with a private or workplace pension (1,927)



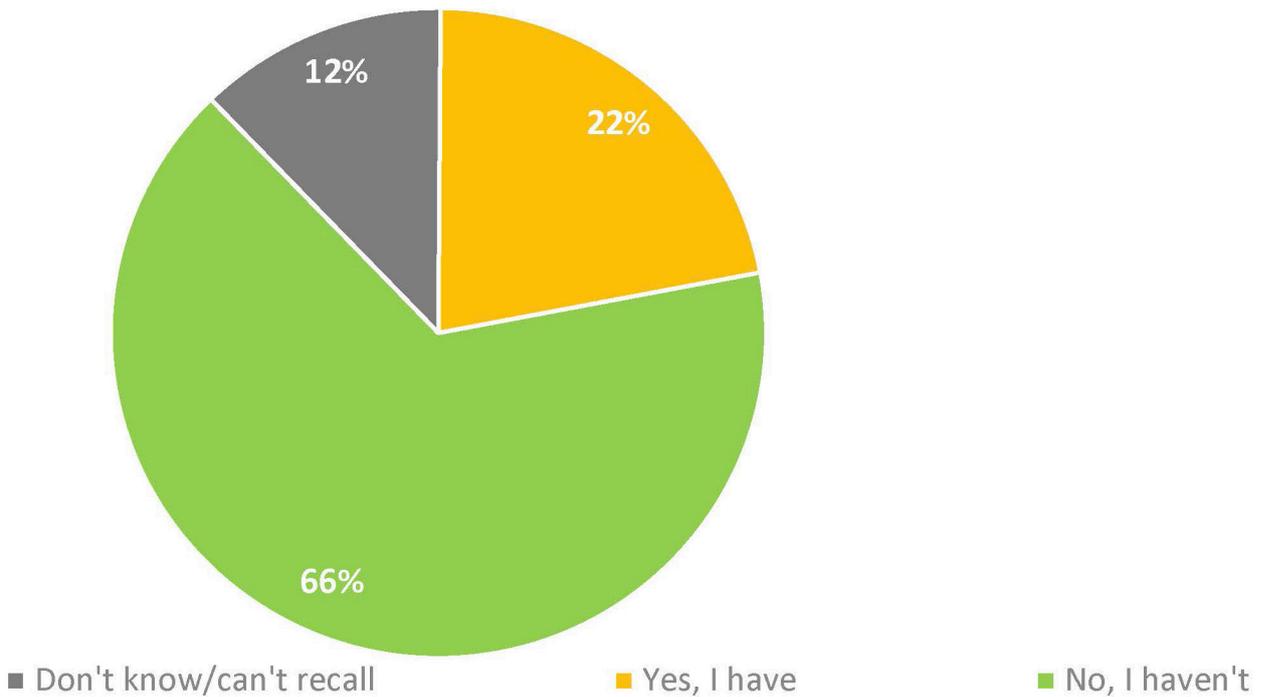


1 in 5 people have lost track of a pension

Just over one in five adults (22%) admit to having lost track of a pension pot. And while the positive note is that two-thirds (66%) haven't, 17% of those aged 18 to 24 say they have lost track of a pension which isn't the best start to their retirement savings journey.

Figure 8: Whether lost track of a pension pot

Have you ever lost track of any of your pension pots?



Base: All UK adults in employment aged 18 to 66 with a private or workplace pension (1,927)

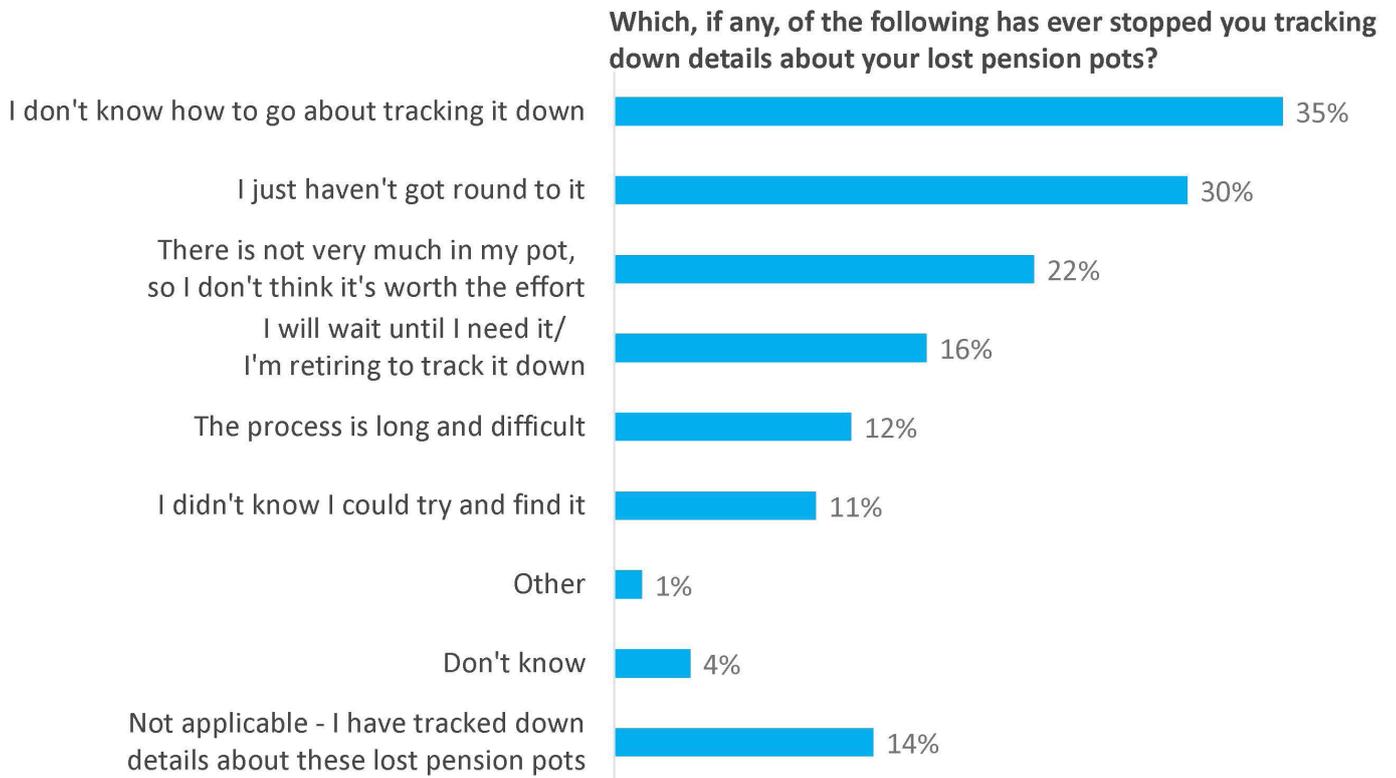




Nearly a third admit they don't know how to track down a lost pension pot

The top reason, stopping 35% of respondents with tracing a lost pension pot, is not knowing where to start looking. Three in ten (30%) haven't got around to it, 22% don't think there is enough in their lost pot to make the search worthwhile, 16% will wait until they need it or retire to track it down, 12% think the process is long & difficult while 11% didn't know it was even possible to trace a lost pension pot. Over one in ten (14%) say they have been successful in tracing a lost pension pot(s). It's clear at this stage of these findings how the pension industry could be doing a better job at educating the wider public on the benefits of knowing the value of their total retirement savings and how lost pension pots can be traced.

Figure 9: Factors preventing tracking down a lost pension pot



Base: All UK adults in employment aged 18 to 66 who have lost track of a pension (420)

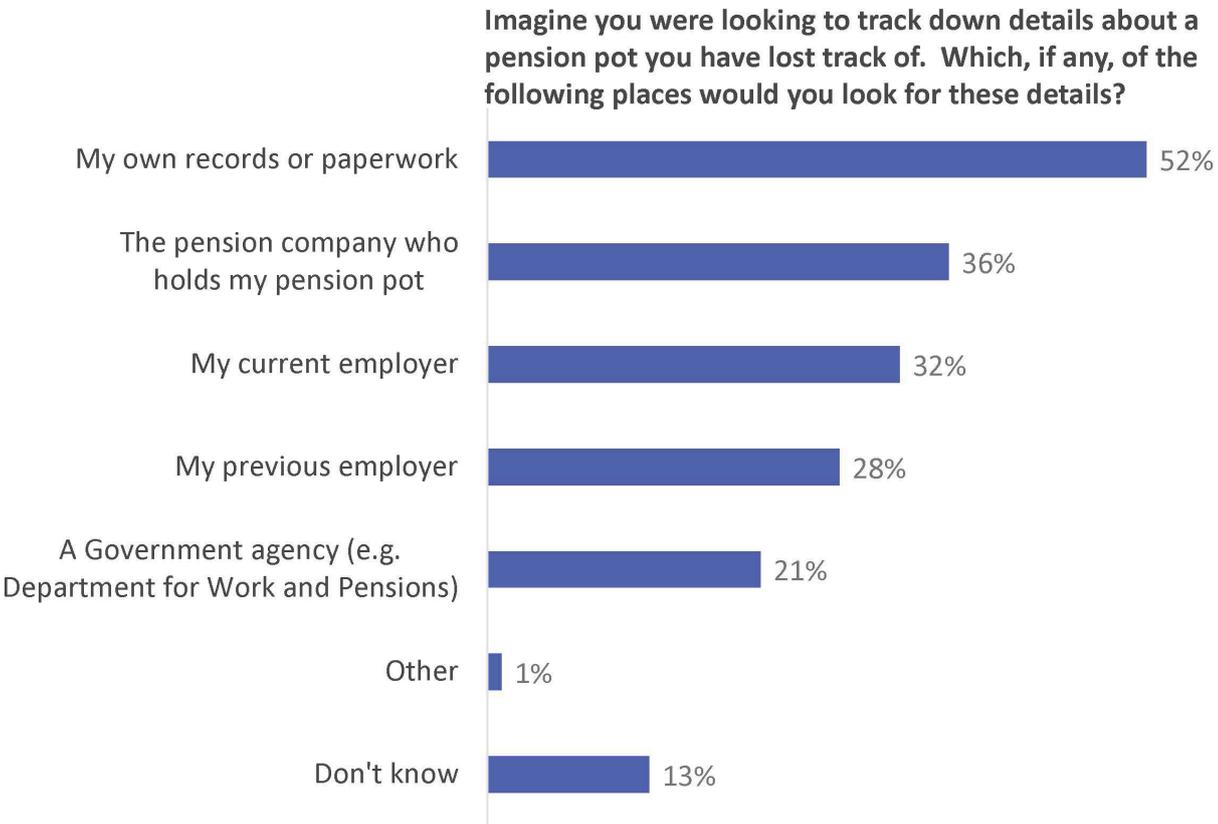




Over half would check their own paperwork to track a lost pension pot but only one in five would seek the help of a Government agency

Workers with personal or workplace pension arrangements in place were presented with the scenario of how they would trace a lost pension pot. Just over half (52%) would look through their own records/paperwork, 36% would contact the known pension provider directly, 32% would speak to their current employer and 28% would contact their previous employer while 13% admit they wouldn't know where to look. Interestingly, only one in five (21%) of those surveyed would turn to the help of a Government agency.

Figure 10: Where would look to track down a lost pension pot



Base: All UK adults in employment aged 18 to 66 with a private or workplace pension (1,927)

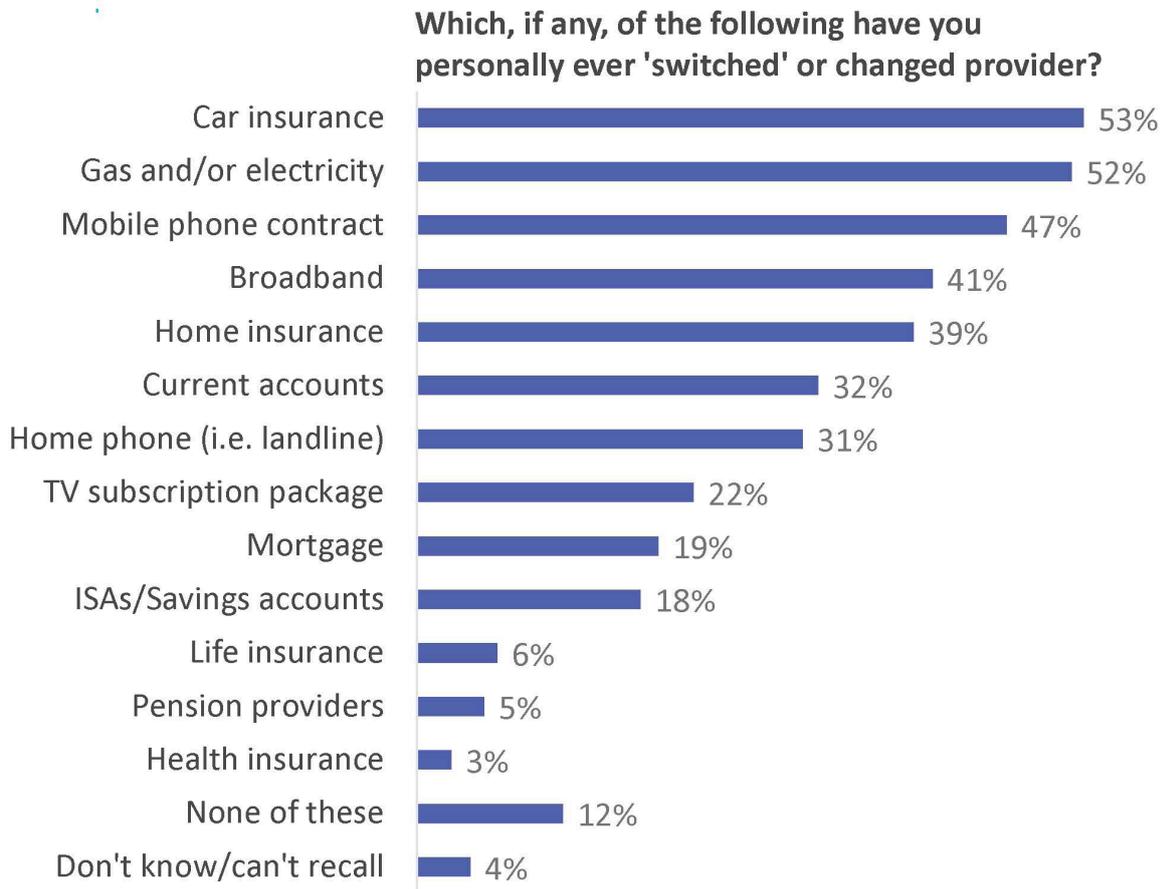


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UK workers are least likely to switch their pension provider

UK working adults are overall more likely to have ever switched their household insurances, energy suppliers, mobile phone contracts and broadband providers than their pension provider. The likelihood to switch bank accounts, insurance, utilities, phone and internet packages etc. increased with age, with those in higher demographic classes (ABC1) also more likely to switch. Only 5% of everyone surveyed admitted to having ever changed their pension provider.

Figure 11: Products and services have ever switched



Base: All UK adults in employment aged 18 to 66 (2,297)

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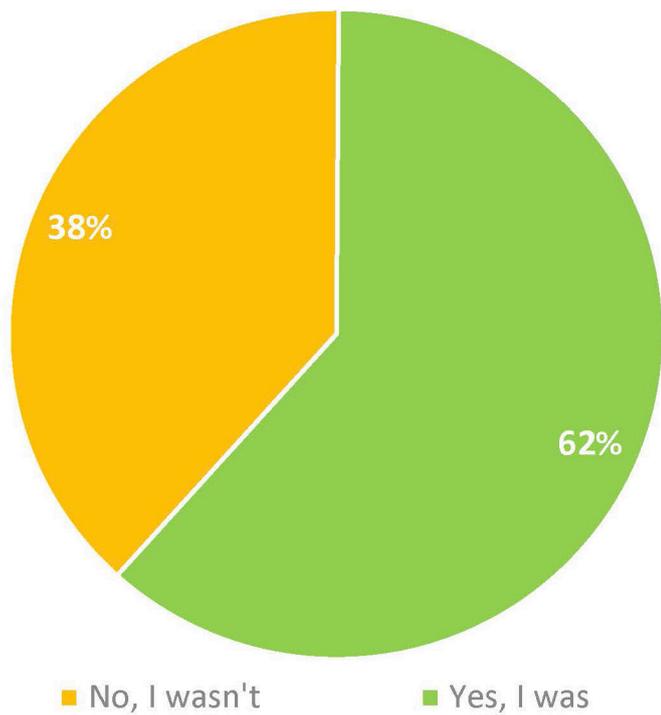


Nearly 2 in 5 people are unaware they can move their pensions

Nearly two out of five (38%) of those surveyed didn't know they could consolidate their pension savings pots. This level of awareness improves significantly as you get older where 41% of 18 to 24 year olds know they can combine their pension pots with another pension company compared to 82% of those aged 55 or older.

Figure 12: Whether aware you can combine pension pots

Before taking this survey, were you aware that you can move most pension pots from one pension company to another (i.e. to move or combine your pension pots)?



Base: All UK adults in employment aged 18 to 66 (2,297)





Having everything in one place so it's easier to manage, is a top reason why people would combine their pension pots (46%)

The joint top reasons that would encourage pension savers to move their pension pots from one pension company to another; is to have everything in one place so it's easier to manage (46%) and 45% would be persuaded by a better return. Just over a third (34%) said it would be to save on charges while under a fifth (17%) would be persuaded if the other pension company was better known or more trusted. Just under a fifth (18%) wouldn't be encouraged to move their pension pot to another provider.

Figure 13: Motivations for combining pension savings pots



Base: All UK adults in employment aged 18 to 66 with a private or workplace pension (1,927)



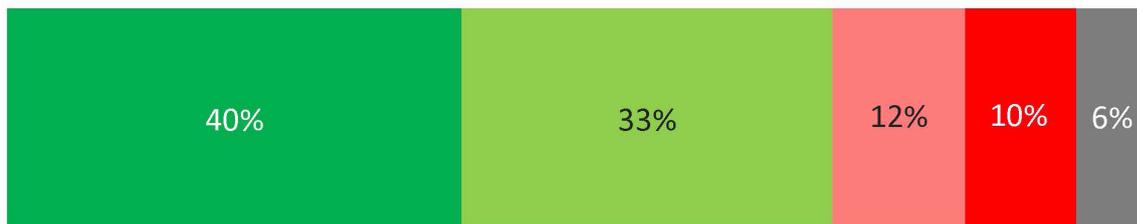


Over seven out of ten workers are interested in being able to view all their pension pots in one place online

When presented with the prospect of being able to view all their pension pots in one place online, over seven out of ten (72%) of UK working adults would be interested in this idea. Encouragingly, for those aged 18 to 24, who are at the start of their working life, this level of interest is as high as 81% compared to 57% of those aged 55 or older.

Figure 14: Interest in ability to view all pension savings pots in one place

How interested, if at all, would you be in being able to access a website where you can see all of the different pension pots that belong to you (i.e. company, private and state pension schemes) in one place?



■ Very interested ■ Fairly interested ■ Not very interested ■ Not at all interested ■ Don't know

Base: All UK adults in employment aged 18 to 66 with a private or workplace pension (1,927)



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