

Do you have multiple pension pots to keep track of?

When leaving a job, how to stay updated on your retirement savings

Changing jobs often signals the start of an exciting new chapter, bringing fresh opportunities, new challenges and often a higher salary. However, amidst all this change, it's easy to overlook certain details, such as your old pension, especially since new employers usually auto-enrol you into a new pension scheme.

With over 3.3 million pension pots, each averaging £9,470^[1], believed to be 'lost' in the UK, and nearly a quarter of UK workers (23%) planning to leave their jobs in 2025^[2], it is crucial to stay informed about your retirement savings and understand the steps to take after changing employment.

WHAT HAPPENS TO YOUR PENSION WHEN YOU LEAVE A JOB?

When you leave a job, your investments stay in place. However, both your contributions and those from your employer cease. While your savings can still grow through investment, ongoing charges on the account may gradually decrease its value if not monitored.

It's important to notify your pension provider of any changes to your personal email or home address, particularly if your work emails are deactivated. Updating your contact details regularly helps you stay informed about your savings and prevents losing contact with your funds.

TRACKING DOWN OLD PENSIONS

If you've had several jobs, it can be difficult to keep track of your different pension pots. You may not immediately know where all your savings are held, but tools are available to assist you. A pension tracing service can help locate any lost pensions using details from previous employers.

Once you identify these old pots, consolidation could simplify the management of your retirement savings by reducing administrative tasks and allowing you to focus on a single account. However, the decision depends on individual circumstances, and important benefits might be lost during the transfer process.

SHOULD YOU CONSOLIDATE YOUR PENSIONS?

Before consolidating pensions, assess both the advantages and possible drawbacks. On the positive side, merging pensions could lower fees, make retirement savings simpler, and provide clearer insight into your progress towards retirement goals.

However, some older pension schemes provide unique benefits, such as guaranteed income options, higher growth rates or early retirement terms. These could be lost if transferred, so research your specific plans carefully to ensure that consolidation is the right decision for you.

WHAT TO DO IF YOU'RE IN BETWEEN PENSIONS

If you're taking a career break, changing jobs or working in a role that doesn't offer an immediate workplace pension, it's still important to manage your retirement savings. You might still be able to contribute to your existing pension, depending on your provider.

For those without such an option, considering a personal pension plan could be a practical solution. By remaining consistent with contributions, even during transitional periods, you will ensure your retirement savings stay on course. ■

IS IT TIME YOU BUILT A CLEARER FINANCIAL ROADMAP FOR YOUR RETIREMENT?

It is essential to keep track of your pensions to optimise savings for a comfortable retirement. Need guidance? Contact us to explore your options and create a clear financial plan.

Source data:

[1] <https://www.plsa.co.uk/News/Brits-missing-31-1bn-in-unclaimed-pension-pots>

[2] <https://www.personneltoday.com/hr/attrition-rates-2025-uk-culture-amp/>

THIS ARTICLE DOES NOT CONSTITUTE TAX, LEGAL OR FINANCIAL ADVICE AND SHOULD NOT BE RELIED UPON AS SUCH. TAX TREATMENT DEPENDS ON THE INDIVIDUAL CIRCUMSTANCES OF EACH CLIENT AND MAY BE SUBJECT TO CHANGE IN THE FUTURE. FOR GUIDANCE, SEEK PROFESSIONAL ADVICE.

A PENSION IS A LONG-TERM INVESTMENT NOT NORMALLY ACCESSIBLE UNTIL AGE 55 (57 FROM APRIL 2028 UNLESS THE PLAN HAS A PROTECTED PENSION AGE). THE VALUE OF YOUR INVESTMENTS (AND ANY INCOME FROM THEM) CAN GO DOWN AS WELL AS UP, WHICH WOULD HAVE AN IMPACT ON THE LEVEL OF PENSION BENEFITS AVAILABLE.