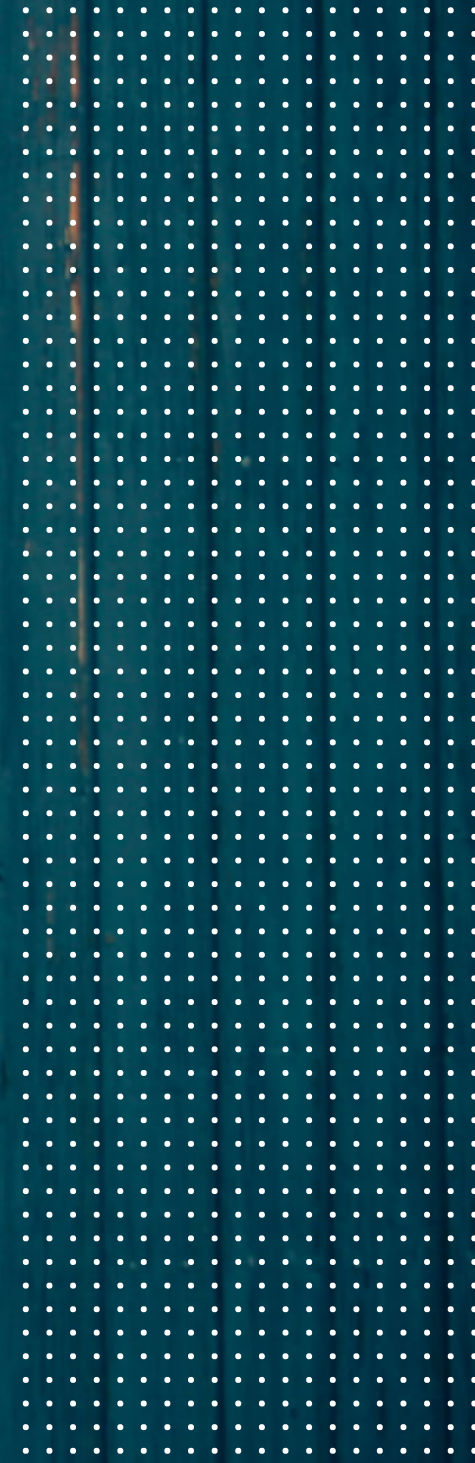


# Pension Pot Planning

Pre-prepare and put off the panic!



When you're in your 20's, managing your pension is at the bottom of your to do list. You're probably thinking about your next career move, finding (or keeping!) the love of your life, saving for round-the-world travels or a dream house. You haven't even thought about what lies ahead in a year's time, let alone 50. However, in reality, it is far more important than you might think.

The average person has around 11 jobs over their lifetime. That means 11 different pension pots, with potentially 11 different providers and 11 misplaced policy numbers, all linked to a specific address – if you are an average Brit, you'll likely move home 7 times before eventually settling in. You thought remembering your anniversary was hard?

Decision paralysis causes us to not take any action at all over our finances, in case we make the wrong one, meaning our 11 pots are likely to remain a persistent issue until retirement.

I recently started a new job, and third pension pot. I consider myself a little against the grain to the typical '20 something' year old. I am interested in pensions, and came upon an interesting company called Pension Bee who helped me and consolidate my two workplace pension schemes. The process was thorough, efficient and personable; Pension Bee spoke my language, and provided a very millennial experience.

But then, you are in your 20's so how are you supposed to know what standard of life you want to live when you retire. Will you have kids, will you have your own wheels, will you be surfboarding in Asia, writing a book in Tuscany, or living in a one bed flat in Brighton with your dog?



Using Pension Bee's Retirement planner, a tool which allows you to choose a specific retirement age and a desired amount that you want to receive each year of your retirement, I calculated how much I would need to save each month for the next 25 years or so.

Although the pots I consolidated were relatively healthy in their combined size and my contributions seemed adequate on paper, the Retirement planner demonstrated their balances would not leave a sufficient amount to live from in my retirement if the same percentage contribution was maintained, even if I had a salary increase.

I was left asking myself questions;

- Well when am I actually going to retire?
- How much will I even need to buy a loaf of bread or fill up my car with petrol... wait will I even need petrol or will I be in my own flybot?

I didn't like where this was going. At least I had time to figure it out...imagine if I was in my 40s and only starting to answer these complicated questions! It would risk sacrificing vital money that could be used for holidays or spent on mortgage and a family.

Thanks to Pension Bee's Retirement tool I now have the insight into the benefits of saving for retirement, and the confidence that I can have the well needed holiday once I finish working!

The industry needs to continue building the right tools to help the consumers make better informed decisions for their retirement. The benefits would be mutual as increased engagement and

investment from consumers increases the value for pension funds. It's win-win.

At Sopra Steria we recognise the importance of putting the consumer first and the business challenges facing the pensions industry. Our programme, Chemistry, works with industry leaders to overcome these challenges in a way which resolves both their business and customer expectations.

### About Chemistry

Sopra Steria launched Chemistry, an ecosystem bringing together established financial services organisations, fintechs, academia, charities and subject matter experts to solve the biggest consumer challenges using technology. With half of UK adults displaying a behaviour characteristic of a potentially vulnerable customer, Chemistry focuses on using the power of data to identify, prevent and mitigate vulnerable situations.

Interested? Click [here](#) for more information or contact Kerry Nicolaides who is leading our Chemistry programme at [Kerry.Nicolaides@soprasteria.com](mailto:Kerry.Nicolaides@soprasteria.com).

Thank you for reading

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