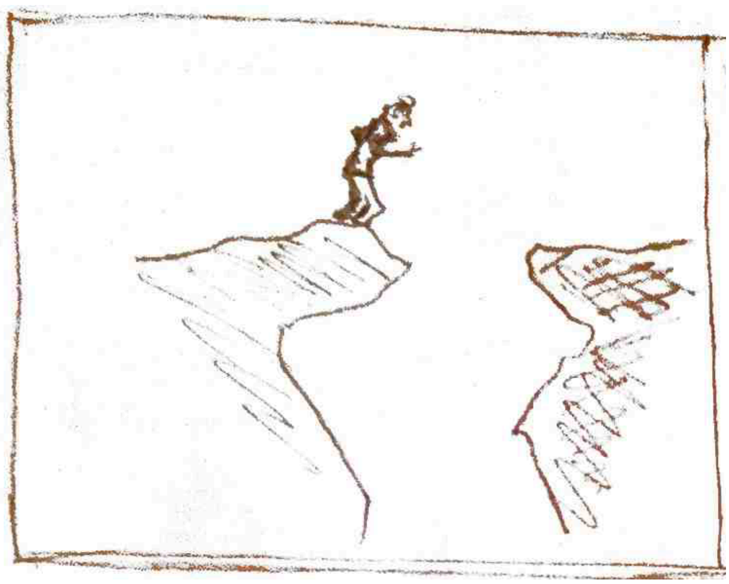
Client: Zurich
Magazine article for FutureYou website

<magazine page>

Savings gap? How will you fill yours?
Imagining the perfect future is one thing. Financing it is another. Read our tips on how to bridge your retirement savings gap.

<Button> Five-tip gap analysis



<Article page>
Savings gap? How will you fill yours?

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Imagining the perfect future is one thing. Financing it is another. If you've slipped behind on your retirement savings, there are ways to get back on track.

Cogitating on how much you've got in your pension pot may not be top of your to-do list. But one day it's going to be the pot that feeds you. So if you don't keep it well nourished now, the chances of it satisfying your appetite later on in life aren't great – and a maximum weekly state pension of £155 is hardly something to dine out on.

The harsh reality though is we're not saving enough for our retirement. According to the Department for Work and Pensions[1], around 12 million adults in the UK haven't put enough aside to finance their life after work.

There are ways round it though. Here's our five-tip gap analysis.

1 https://www.gov.uk/government/publications/scenario-analysis-of-future-pension-incomes

Box

Tip 1 <image of an older worker e.g. a barrister or teacher>
Don't give up the day job
Keep on working and boost your retirement savings

Working for longer gives you more time to save – and more time to build up a healthy pension pot. We're living longer, healthier lives, so our retirement savings have got to stretch that little bit further.

Delaying the date you start to take your pension could help reduce the gap between what you've got and what you need in retirement.

And remember: you should be earning more, and hopefully have less debt in the sunset years than you did earlier in your career – so you should be able pay more in to your pension to boost your retirement savings.

Box

Tip 2
Step it up! <image of a steps fitness class>
Top up your pension pot – a little now could mean a lot later

Whether you've got a company pension or your own personal plan – if you can afford to, it's worth putting a little extra money in today. Your employer may chip in too (check the terms of your workplace pension). And the taxman will do his bit too: you should get 20% tax relief on your payments, automatically added to your plan. If you're a higher-rate taxpayer, you can claim an extra 20% through your tax return, and if you're an additional-rate taxpayer, you can claim back an extra 25%. That's the norm – there are differences depending on what type of pension you have. You can read more on Gov.uk.

Starting a regular additional payment of only a few pounds now could make a real dent in your savings gap when you come to retire. The further away from retirement you are when you top up, the longer your money has to grow. Step it up today!

Box

Tip 3
Look under the mattress <image of money under a mattress>
What other savings and investments have you got squirrelled away?

You may have more than your pension to keep you going in retirement. Remember that inheritance you put into a high interest savings account? What about your small online share portfolio? And you've dutifully been using up your tax-free ISA allowance each year.

Why not use these savings to help top up your retirement income?

Think about:

- pensions you may have with other companies
- your state pension
- ISA savings
- income from property
- share dividends
- money from downsizing your home
- cash from expected inheritances
- lump sums from policies and bonds that will soon pay out
- releasing equity from your home, or other assets like shares
- cash under the mattress…

Box

Tip 4

Transfer your pensions <image of a stack of small pots and one big one>

Put all your pensions in one place and you could save money

Combining all your pensions with the one you have with Zurich could save you money, and help bridge your savings gap.

There's a chance you're paying too much in charges on your old pensions. So transferring to Zurich could mean lower fees – and more money when you retire, especially if you took your pension out before 2001. According to a 2014 report, pension scheme charges have been steadily decreasing over recent years – by as much as 30%.[2]

If you've moved from job to job, you may have picked up a few different pension pots on your travels. So why not tidy things up and bring them all under one roof?

Find out about transferring your pensions on FutureYou <link to transfer journey>

Box

Tip 5

Run a retirement health check <image of stethoscope and white coat>

Review your pensions, get some financial advice, make sure your pensions are working hard for you.

- Check you're on track for a full basic state pension. The maximum is currently £155.65 a week. Not a lottery win, but not to be sniffed at. To get the full amount you'll need 35 years of qualifying National Insurance payments by the time you retire. Work out if you're falling behind, and if you are, top up. Find out how here. <link to gov.uk website>
- Don't be afraid to take advice. Speak to one of our advisers <link to advice page> and get a steer on whether your retirement savings are on track to

[2] Spence Johnson Pension Trends - Defined Contribution Market Intelligence 2014

finance your retirement, or whether a more diverse or riskier portfolio could help reduce any savings gap.

Box

Zen Master or Lifelong learner – how do you see yourself in retirement?
Find out your profile and plan a future you'll love.
Play Picture this <Link to Picture this>