

Activity: Why have a pension?

Split the room into separate groups and give the clients a time-limit to come up with as many reasons to have a pension as they can. Alternatively, in a one-to-one session, ask the client to try to list as many reasons to have a pension as they can in a time limit.

The following discussion points are offered as guidance:

- A pension is money you'll use to live on when you retire. Most people get a State Pension but this only provides for your basic needs.
- The help offered by the state can change over time. If your retirement is a long way off you shouldn't assume that all your needs will be covered by state benefits, or that State Pension rules will be the same as now.
- You can put aside money during your working life into a pension fund. When you reach retirement age, you get your pension to live off for the rest of your life. The amount you get will depend on how much you have saved.
- There are several ways you can save for a pension. Your employer may offer a workplace pension scheme or you can take out a personal pension through an insurance company. You may do both during your working life.
- As well as paying into a pension scheme, you'll also be paying National Insurance Contributions throughout your working life. This builds up your entitlement to the State Pension. You can get this on top of any workplace or personal pension you save for.
- The maximum basic State Pension is **£115.95** (tax year 2015-16) a week.

If this was of use, why not try...

Directing the client to the Pensionwise service (if they are eligible and need further guidance). Further information on pensions is available online, or they can seek financial advice.



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wise**

Your money. Your choice.

Backed by HM Government



Approaching retirement?

Not sure what to do?

Talk to us about Pension Wise – a free and impartial government service providing guidance and information on the new pension freedoms.

pensionwise.gov.uk

For an appointment call: 0300 330 1001





Pension wise

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Now that you have booked your Pension Wise appointment, here is some further information on what you can expect.

The appointment

Your appointment will last about 45 minutes. Your trained guidance specialist will talk to you to understand your situation and plans for retirement.

Your trained guidance specialist will then explain:

- what you can do with your pension pot(s) and the different options available to you
- other things you need to consider, including tax and benefits
- the key points for each option, taking into account your circumstances
- practical next steps and things to think about before you decide what to do
- how you can shop around to get the best deal and avoid pension scams.



Preparing for your Pension Wise appointment

The guidance you get will be tailored to your circumstances so you will get the most out of your appointment if you:

- know the value of your pension pot(s) and any special arrangements attached to it
- have a state pension forecast
- have thought about your plans for retirement
- have thought about your financial circumstances more generally along with the health of you and your family.

If you don't know this information the appointment will still go ahead but the guidance will not be tailored to your circumstances.

After your appointment

You will receive a summary of what you discussed along with suggested next steps.

Your trained guidance specialist will give you information, help you explore options and direct you to other sources of help.

Remember Pension Wise offers guidance, not advice; so it won't recommend any products or tell you what to do with your money.

With your agreement your appointment may be observed for training and quality assurance purposes.