

# **OPINION: 'Lost' pensions could be worth £442 a year – time to dig them out**

IT was 'National Pension Tracing Day' (who thinks these up) last week, which I am sure took priority over pretty much everything you had planned and involved the cancellation of holidays and parties, too.

If you did miss it, which is possible of course, here's what you missed – popcorn at the ready. In 'olden times', we used to have a folder in the house with our financial documents, which may or may not go astray. Today, most items are held digitally, leaving little to be lost or even forgetting to review.

However, given their longevity and cauliflower-like attraction, pensions can easily be pushed to the back of the lowest drawer in the fridge, and well, you know the rest. This happens particularly in a company pension scheme for someone who just automatically joins a scheme and forgets about it. Pensions are a long way away and not a priority. Not a good strategy – think cauliflower.

Dormant, or even lost, pension pots are on average worth around £9,500 and there are around 2.8 million of them in the UK worth around £26billion, which is a lot of cauliflower.

These are calculated to be worth £442 per year to the average household.

This can happen through job changes. The average time in a role in the UK is five years, with the 'average' consisting of those good organisations with strong ESG credentials and loyalty, and others, where an annual job hop is considered okay.

What happened from 2019 to 2021 knocked the stuffing out of most people, with our sense of purpose, autonomy, goals and participation in community ripped out from under us. It's okay to feel bad or bewildered about that. As such, thinking about your income 30 years from now is in the freezer category, let alone the back of a smelly fridge drawer.

It is no surprise that from 2018 to 2022, the increase in lost pension pots rose by £7billion, ie well over a third of the above number.

And that is why 'national cauliflower fridge drawer clean-out day' is probably a great idea.

It is not just the younger with this problem (who have either been furloughed, made redundant or just left employment), missing pensions and assets are everywhere. The Unclaimed Assets Register located all sorts of other assets like bank accounts, ISAs, investments etc. In fact, nearly £50billion, which sounds a lot when I type it. Sadly, after many years, this lost assets service has been 'lost', decommissioned in August this year.

You can still find such accounts via the 'estatesearch' service which not only finds lost assets, but also has a simple live link up with what you have. In 30 days, all positive matches are sent to you of assets that match you, or perhaps an elderly or deceased person where the probability of misplacing a document is understandably greater.

Gretel is another service just like this. Its chief executive has reunited people with six and seven-figure sums that have just been forgotten about. It's that one or two share certificates bought by your parent or grandparent that has accumulated with capital growth and dividends, often some of the older oil companies which have also rocketed of late.

The UK authorities are currently looking at releasing some of these assets for, 'good causes', so acting before this happens

is a good idea.

Think of all those child trust funds you automatically received, didn't remember but moved home since and now they are hidden, with the company name changed five times. There is likely to be around £800 in there for the average person who just received the money and didn't add to it.

Aside from that, think of the management of the money. A column I recently did showed the difference between the best and worst performing scheme was more than 900 per cent over just 20 years.

Your independent financial adviser will make sure it is in the best performing solution.

For your planning, send one email to your family or trustees explaining who your independent financial adviser, solicitor and accountant is, and they will keep a record of everything.

That may be the difference between eating a fibrous vegetable, laden with vitamin C, hydration and antioxidants, or a clean-up job. Get in those drawers and rejoice in national cauliflower day.

*If you have a financial query please call 01872 222422, email [info@wwfp.net](mailto:info@wwfp.net) or visit us on [wwfp.net](http://wwfp.net)*

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