



Helping your clients' pension savings work harder and smarter

We know that you'll be looking for new business opportunities at a time when they're perhaps more difficult to come by. So if you have clients with older pensions, now's a good time to review their existing plans to make sure they're achieving the best possible outcomes.

People in the UK have several jobs during their lifetime – so it's not uncommon for your clients to build up more than one pension throughout their working life. But are they getting the most out of them?

Perhaps they're paying higher charges, or their existing plans may not provide the flexibility they need. One way to help your clients' pension savings work harder and smarter could be combining their existing pensions into one modern, flexible plan.

Benefits of pension switching

Consolidation

Having one plan and one yearly statement could make it easier to keep track of your clients' pension savings.

Flexibility

Clients could have more flexibility over how and when they access their pension savings.

Value for money

Clients could benefit from lower charges.

More suitable investment options

Your clients' pension savings will have a coherent and consolidated investment strategy.

Why Royal London?

We keep our charges low

We think your clients should only pay for the services they use – so we build a competitive charging structure around the chosen features of their plan. That way, they'll always know what they're paying for. What's more, our management charge for Pension Portfolio reduces as the value of your clients' savings grows – this could really make a difference to their savings over the long-term.

You'll find more information about our charges in our Pension Portfolio charges guide.

We offer governed investment options

Our Governed Portfolios are designed to suit different attitudes to risk. They have a twelve year track record of delivering performance, governance and risk management and combine strategic and tactical asset allocation from RLAM's multi-asset team with robust and transparent governance from our Investment Advisory Committee.

We offer a range of retirement options

Pension Portfolio gives your clients full flexibility over how and when they access their pension savings. And if they'd like to access their pension savings from age 55, they can do so via our integrated drawdown facility, Income Release.

Our Beneficiary Income Release option also allows your clients to pass on their pension savings to anyone they choose.

Pension switching may not be suitable for all your clients. For example, if they're part of an employer's pension scheme, a Final Salary scheme or their existing plans have any guarantees or enhanced tax-free cash, transferring into a new plan may not be in their best interests.

Pension switching case study

Let's take a look at a client who has multiple pension plans, which includes some with higher charges, and the benefits of combining them into one Pension Portfolio plan with Royal London.

John's 56. He's self-employed and has built up four pension plans throughout his working life. The table below shows that as well as having multiple pension plans, there's no overall structure to John's retirement planning.

The plans are all invested in different funds, so they don't make up a coherent asset allocation strategy which is tailored to John's attitude to risk. The retirement age is also different, making it difficult for John to understand when he'll retire. And with different review dates, it's difficult for him to get an overall picture of what pension savings he could have when he retires. Finally, each plan has a different charge.

Product	Transfer value	Contributions being made	Review date	Retirement age	Plan charge	Investments
Personal Pension	£42,000	No	1 July	65	0.80%	UK Equity Tracker fund
Personal Pension (formerly part of a previous employer's workplace scheme)	£85,000	No	1 April	60	0.75%	Lifestyle Strategy
Personal Pension	£65,000	Yes	1 October	65	1.25%	Managed fund
Stakeholder Pension	£15,000	No	1 May	60	1.00%	Default fund

The impact on John's pension savings

Now let's take a look at the impact on John's pension savings if he combines all his existing pensions into one Pension Portfolio plan. In this example, John would save £1,108 per year on charges. Over 9 years, this means that John could be around **£10,000** better off. For simplicity, this is based solely on charges and doesn't take account of investment performance.

Annual management charge payable on John's pension savings	
Separate plans	One Pension Portfolio plan
£1,936	£828

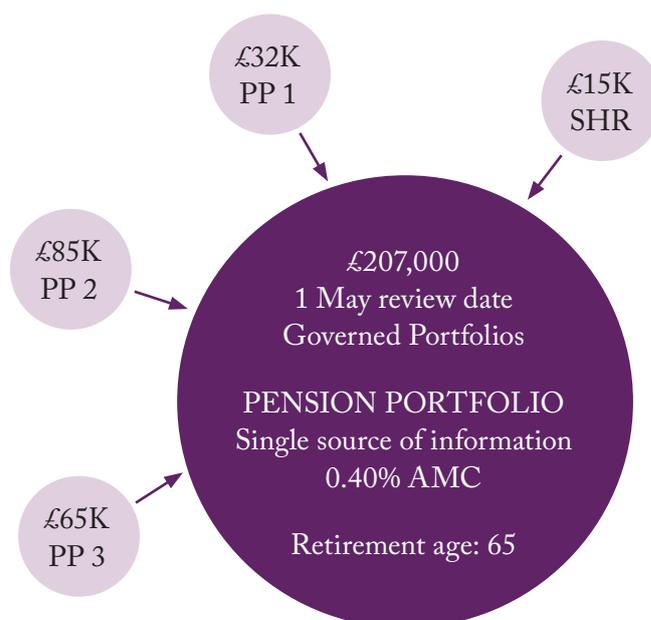
By combining all his pensions into one Pension Portfolio plan, John will benefit from:

- A coherent and consolidated investment strategy
- A lower annual management charge based on all of his pension savings
- One review date
- One retirement age
- One yearly statement
- Access to our mobile app to keep track of his pension savings

As John's over 55, he can also access his pension savings immediately using our integrated drawdown facility, Income Release. If John has other drawdown plans, the transfer process is the same as any other transfer. Once we receive the transfers, we'll aim to pay tax-free cash within 5 working days.

Having one plan will also make it easier for John's adviser to review his pension savings. There will be less paperwork and there will be one review, saving the adviser time and money.

The adviser can use our range of tools to provide a cost-effective planning and review service, which they can charge for.



More reasons to choose Royal London

Tools to support client conversations

You can use our tools to provide a cost-effective planning and review service for your clients and create visually engaging reports, which you can charge for.

Our financial planning tool gives your clients a full picture of their different sources of income and how their spending needs could change over time.

You can use our client review service as part of your regular review process to show clients how their plan is doing and what their future looks like.

And our drawdown governance service helps you monitor the income your clients are taking and see when things are heading off track.

Five star service

We believe the key to delivering an outstanding experience for you and your clients is great people, backed by smart technology.

Our business development managers deliver hands-on support to help you grow your business. And they're backed by a network of expert teams, there to help with anything from initial illustrations to helping your clients access their pension savings.

We won five stars for service for the twelfth year in a row at the Financial Adviser Awards 2020. And we're proud to say we're the only one of our main competitors with this track record in service.

Comprehensive remuneration options

Once you've agreed a charge with your client, we'll automatically pay you directly from their savings.

From initial charges to ongoing payments, we've layered your charging options with plenty of freedom and flexibility. So you can tailor the right structure for each client, whatever their specific needs might be.

Charges can be a monetary amount, a percentage of contributions or a percentage of your client's savings. You can also tell us exactly how it should be paid and for how long.

Our mutuality

All this is underpinned by our mutual status. As a mutual, we're run purely for the benefit of our members and customers – so we focus on the things that will make a difference to them, like sharing our profits through ProfitShare and reinvesting our profits to provide better products and services.

While a PLC will try to push its resources towards generating greater profit for its shareholders, our actions will always be driven by the long-term best interests of our members and customers – your clients.

It's this simple ethos that makes us different to most of our competitors.

Next steps

To find out more about Pension Portfolio and the benefits of switching to Royal London, speak to your usual Royal London contact.

We're happy to provide your documents in a different format, such as Braille, large print or audio. Just ask us when you get in touch.

All of our printed products are produced on stock which is from FSC® certified forests.



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