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Combining old pensions

Most people collect a trail of pension pots as they change jobs — and an estimated £30bn+ sits in pots their owners have lost track of. Consolidating can be a genuinely good idea. It can also be an expensive mistake. The skill is knowing which.

Why combining can make sense

- **Visibility** — one pot, one statement, one investment strategy you can actually monitor.
- **Charges** — older plans can carry charges far higher than modern equivalents; moving can save meaningfully over time.
- **Simpler retirement** — drawing an income from one well-organised pot is far easier than juggling six.
- **Estate planning** — keeping beneficiaries and paperwork up to date is far easier in one place.

When NOT to transfer

Some older pensions contain valuable features that are lost forever on transfer. Before moving anything, check for:

- **Defined benefit (final salary) pensions** — these promise a guaranteed income for life. Transferring out is rarely in your interest, and for values over £30,000 regulated financial advice is a legal requirement.
- **Guaranteed annuity rates (GARs)** — some 1980s/90s plans guarantee income rates far better than anything available today.
- **Protected tax-free cash** — a few schemes allow more than the standard 25%.
- **Exit penalties or with-profits funds** — leaving at the wrong moment can crystallise charges or forfeit bonuses.

Finding lost pots

The free government Pension Tracing Service (gov.uk) will locate scheme contact details from old employer names. From there, ask each provider for a current value, the charges, and crucially whether any guarantees apply — those three answers tell you most of what you need to know.

Watch out for…

- Transferring a pension with guarantees you did not know existed — always ask the provider in writing first.
- "Free pension review" cold calls — pension cold-calling is illegal; legitimate firms do not do it.
- Consolidating into a plan that is simply more expensive than the ones you left.
- Forgetting that a DB pension is an income promise, not a pot — its transfer value is not "your money" in the same sense.

How taking advice might help

Consolidation is where a proper look pays for itself most reliably — not because moving pensions is always right, but because knowing which ones you should NOT move is usually worth thousands.

A one-off analysis to catalogue every pot, flag any guarantees or exit penalties, and produce a straight comparison of what you would gain or lose by consolidating is exactly the kind of piece Pension Helper handles well; anything involving a DB transfer moves into regulated advice territory.

Questions worth asking yourself

- Can you list every employer you have had — and match a pension to each?
- Do any of your old plans contain guarantees, protected cash, or exit penalties?
- What are you paying in charges across all your pots today — do you actually know?
- If you combined everything tomorrow, what would the money be invested in — and who decided?

Want to talk it through?

Send your question via pensionhelper.com — you'll get a straight answer within 24 working hours. Free to ask. Fixed-fee guidance from £99 when it's worth doing the numbers properly. A regulated adviser introduction when it's genuinely warranted.