



LLOYDS BANK

PRESS RELEASE

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Only two fifths of Brits know how to boost their pension

Lloyds Bank launches Ready-Made Pension to make saving for retirement easier

Just two fifths (42%)¹ of the UK population know how to contribute more into their pension, according to new research from Lloyds Bank.

The same study also found that of those who have multiple pots, a quarter would not know where to start to combine multiple pension pots accrued throughout their working life².

This research comes as, for the first time, savers will be able to choose a simple pension product that is tailored to their needs through their existing banking app or internet banking. Ready-Made Pension is a digital-first product which has been designed to make saving for retirement simpler, whether someone is combining multiple pensions or opening their first pot. In fact, the research reveals 50%³ of UK adults would more frequently engage with their pension if it was accessible throughout their banking app.

The new product will be available initially to customers who bank with Lloyds Bank, Halifax or Bank of Scotland. Lloyds has 21.5 million customers regularly using online banking, and around 7 million of them already check their pension using their banking app every week. Now they can use the app or internet banking to consolidate up to 10 pension pots and have a pension created for them which is tailored to their age and retirement plans, managed by experts and enables them to track contributions and make changes at any point.

Ready-Made Pension has also been designed to support the industry wide drive to improve pension engagement levels. 47% of those surveyed said they would like to be able to engage with their pension through their banking app. The Department for Work and Pensions (DWP) has said that better engagement leads to better outcomes, yet engagement is currently low. The Financial Conduct Authority (FCA) Financial Lives Survey reported that 47% have not reviewed how much their pension pot is worth in the last 12 months.

Jo Harris, Director at Lloyds Bank, commented: *“Pension saving can seem complicated and inaccessible for lots of people, but it is something we should all be doing as soon as we start working.*

“We wanted to create a pension product that was genuinely easy to use, simple to access, and removed all the jargon which can often be so off-putting. Most people focus on managing their day-to-day finances like paying the bills and putting money away for a rainy day, so pension planning can sometimes be pushed down the to-do list. When we were developing our Ready-Made Pension product, we wanted it to appeal to those who are time poor and might not know a huge amount about how pensions work.”



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The self-employed is a large group that is often overlooked in the discussion of saving for retirement. Between April 2018 and March 2020, only 20% of self-employed people were paying into a pension compared with 80% of employees.⁴ A simple and accessible product like Ready-Made Pension takes many of the barriers away. Those with fluctuating incomes can take advantage of investing differing lump sum amounts or set up a direct debit payment.

The Ready-Made Pension default offering will have an annual account fee of 0.3% (or a minimum of £5 a month), ongoing investment charges of up to 0.24%, and a transaction cost of 0.14%. Ready-Made Pension is only available to Lloyds Bank, Halifax and Bank of Scotland customers initially. Customers can open a Ready-Made Pension with a minimum cash investment of £5,000 or set up monthly contributions from as little as £150 a month, and can transfer in existing pensions from £10,000 upwards.

Ends

Notes to editors

Research conducted by Censuswide with 2024 UK adults (over 18) between the dates of 18.03.24 and 20.03.24

¹ Combining answer options “Strongly agree” and “Somewhat agree”

² Respondents who have more than one pot

³ Combining answer options “Somewhat more likely” and “Significantly more likely”

⁴ <https://www.ons.gov.uk/peoplepopulationandcommunity/personalandhouseholdfinances/incomeandwealth/bulletins/pensionwealthingreatbritain/april2018tomarch2020>

Media contacts:

Martyna Stepień-Nesbitt, Martyna.stepien@lloydsbanking.com, 07515164565