



## What should you consider as you approach your retirement?

Key financial and lifestyle checks to get ready for life after work

Reaching the final stage of your working life is a significant milestone, often bringing a mix of excitement and uncertainty as routines shift and new priorities come into focus. It's a chance to redefine how you spend your time, clarify what matters most, and set expectations for the years ahead.

Whether you plan to travel, spend more time with family, take up new hobbies, or simply enjoy a slower pace, it's wise to review your finances well before the transition begins. Evaluate your income sources, spending needs, and cash reserves; stress-test your plan for longevity, inflation, and healthcare; and consider how taxes and withdrawal strategies will impact your lifestyle. A thoughtful review now can make the change smoother and more confident.

### UNDERSTANDING YOUR PENSION POSITION

One of the essential steps is confirming exactly what pension savings you have. Many people accumulate several pots across different employers, and it can be easy to lose track of them over time. The Government's Pension Tracing Service permits individuals to quickly locate lost or dormant pensions<sup>[1]</sup>.

It is also wise to check when you can start accessing your funds. For most personal pensions, the retirement age is currently from age 55, rising to 57 from 2028. Some schemes, particularly older workplace arrangements, may have different rules. Reviewing this early helps avoid surprises when you decide the right time to stop working.

### REVIEWING VALUES AND ENTITLEMENTS

As retirement approaches, reviewing the value of your pension and other savings, such as ISAs or general investment accounts, can help clarify your income during later life. It is also a good time to request a State Pension forecast. This can be done online and shows how much you are likely to receive based on your National Insurance record.

Knowing your total assets can make it easier to plan how to utilise them. Some people prefer regular

withdrawals, while others may choose to secure income through an annuity. The key is to understand the available options so that you can make decisions confidently once you're eligible to access your pension.

### SETTING A RETIREMENT BUDGET

Understanding your expected income is only part of the picture. Equally important is recognising how your spending habits will change. Many retirees find that expenses such as commuting, work clothing, and pension contributions disappear, while others, like travel, leisure, or helping family members, may increase.

Creating a realistic budget helps ensure you can sustain your preferred lifestyle and provides a clearer understanding of potential adjustments. Those who retire with a financial plan often find the transition smoother and experience greater peace of mind in the early years of retirement.

### BALANCING MONEY AND MINDSET

Financial preparation is essential, but so is emotional readiness. Transitioning from full-time work to full-time leisure can be a major change in identity, routine, and social connections. Taking time to visualise your ideal week, plan how you'll organise your days, stay active, and nurture relationships can help ease the adjustment and prevent the "now what?" feeling that some new retirees face.

Beyond schedules and activities, retirement is about redefining purpose. Exploring hobbies, volunteer work, part-time projects, or learning opportunities can provide meaning and momentum. Align your time with your values, set a few goals to work towards, and build in flexibility as your interests evolve. When purpose and planning go hand in hand, retirement becomes not just financially sustainable, but personally fulfilling. ■

### APPROACHING RETIREMENT AND READY TO DISCUSS YOUR PLANS?

A few practical steps, such as checking your pensions, setting a budget, and reviewing your plans, can help you approach this next chapter with confidence and clarity. To discuss your financial plans as you approach retirement, please contact us; we look forward to hearing from you.

#### Source data:

[1] GOV.UK – Find pension contact details (Pension Tracing Service) – <https://www.gov.uk/find-pension-contact-details>

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A PENSION IS A LONG-TERM INVESTMENT NOT NORMALLY ACCESSIBLE UNTIL AGE 55 (57 FROM APRIL 2028 UNLESS THE PLAN HAS A PROTECTED PENSION AGE). THE VALUE OF YOUR INVESTMENTS (AND ANY INCOME FROM THEM) CAN GO DOWN AS WELL AS UP, WHICH WOULD HAVE AN IMPACT ON THE LEVEL OF PENSION BENEFITS AVAILABLE. THE FINANCIAL CONDUCT AUTHORITY DOES NOT REGULATE PENSION TRACING OR BUDGETING SERVICES.