Retirement is one of the biggest life changes you will face, so it’s vital to prepare for it properly. Whether you have many years before you retire or whether you’re retiring now, this checklist will help you take the right steps at the right time to maximise your income and provide peace of mind.

When do you expect to retire?
The further in advance you start planning for it, the more you improve your chances of achieving the retirement you want. However, even if your retirement is close and you’ve done little to prepare, any action you can take now is generally better than none.

Have you decided on your retirement age?
- If so, what age is this?
- If not, jot down a minimum and maximum age here

Go now to your starting point, depending on when you expect to retire:
- In 10 years’ time or more – go to 10 years and counting
- Within the next 5 years – go to 5 years and counting
- Less than a year from now – go to At retirement

Remember that each stage of preparation can still make a big difference, even if you haven’t carried out the preceding stage(s).

10 years and counting
You’re near enough to retirement to have some idea of your preferred lifestyle and the goals you might have on your list (such as travel). This is the time to work out how you will afford it, so you can take any necessary action to boost your retirement income.

Think about your assets
- Do you have a recent estimate of the total size of your pension pot(s)?
- Do you have any final salary pensions?
- Are there any old work pensions you may have forgotten about?
- Have you requested a state pension forecast from the Department for Work and Pensions?
- Do you have any other savings or investments?
- Do you own any additional assets that could generate income (e.g. property)?
- Do you have any non-pension savings that could work harder for you in a more tax-efficient environment?
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Notes

5 years and counting

Now you should be actively considering how you will take your income in retirement. Explore the range of options and see how well each one fits in with your planned lifestyle and goals. See if your current retirement plan needs any adjustments or further action from you.

Think about your pension freedom

- Are you aware of the various options available to you?
- Have you discussed these options with a financial adviser?

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Think about what you need to do

- Is your pension pot sufficient for the plan you have in mind?
- Can you take any action to boost your pension pot if necessary?
  - Make additional contributions
  - Transfer savings into your pension (for extra tax relief)
  - Delay your retirement

Now compare the two

- How confident are you that your assets will cover all your costs for the whole of your retirement? (1 = not confident, 10 = most confident)

Finally

- Have you completed an expression of wish form to tell your pension provider who should receive your fund if you die?

At this stage you have plenty of time and various options for boosting your assets to cover predicted shortfalls in retirement income. Speak to a financial adviser about ways to do this.

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Good to know: Delaying your retirement by just a few years can lead to a significantly bigger retirement income. It lets your pension fund gain more value, it results in a higher state pension, and if you are buying an annuity it can also mean you obtain a better rate.

- Do you want your pension fund to be transferred out of high-yield, high-risk investments as you near retirement?  
  - Yes  
  - No

Good to know: Traditionally it has been good practice to transfer pension funds out of riskier investments in the run-up to retirement. However, some pensioners who choose to leave their funds invested may prefer to keep at least some of their money in high-yield investments, despite the greater risk of fluctuations. This is an area where financial advice is crucial.

- Are your National Insurance contributions up to date, with no gaps (so that you will receive your full state benefits)?  
  - Yes  
  - No
- Do you have any ways to supplement your income in retirement?  
  - Yes  
  - No
- Is your will and your expression of wish with your pension provider up to date?  
  - Yes  
  - No
- Have you talked to a financial adviser about maximising your pension savings?  
  - Yes  
  - No

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At retirement (six months or less to go)

This is the home stretch. It is time to book a retirement plan review with a financial adviser. No matter how much (or how little) preparation you have done so far, the actions you take now can make a surprisingly big difference to your retirement income.

Think about your choices

- Do you know the total value of all your pensions and other savings?  
  - Yes  
  - No
- In retirement are you considering:
  - a lump sum  
  - an annuity  
  - a lump sum and an annuity  
  - investing for income  
  - a series of lump sums  
  - a combination of the above  
  - other?  
  - Yes  
  - No
- Have you received general guidance on these options (e.g. through Pension Wise)?  
  - Yes  
  - No
Good to know: Pension Wise is a government service providing free impartial guidance on retirement options. It is a very useful starting point, but does not provide formal advice and so cannot make recommendations for your specific circumstances. For this, you will need to consult a regulated financial adviser.

- Have you consulted an adviser to explore your choices in detail?  
  Yes  No
- Has your adviser helped you to find the best products (e.g. annuities, drawdown schemes, investments)?  
  Yes  No
- Could you be eligible for an enhanced annuity?  
  Yes  No

Good to know: If you’re in poor health or have a qualifying health condition, you may be able to buy an enhanced annuity. These can pay much higher rates than a standard annuity, so discuss this with your adviser if you think you might be eligible.

- Have you fully considered any tax implications of your plan?  
  Yes  No
- Are you clear in your own mind exactly how you will receive your income in retirement, how much this will be and whether the amount may vary?  
  Yes  No
- Do you plan to help your family financially?  
  Yes  No
- Have you weighed up the risks of your retirement fund running out?  
  Yes  No

Good to know: Once you’re over the state pension age you can stop paying National Insurance contributions.

Final things to think about
- Have you had a pre-retirement meeting with your employer?  
  Yes  No
- Have you notified HMRC? (Retiring will affect your tax code)  
  Yes  No
- Are both your will and your beneficiary information up to date?  
  Yes  No
- Have you contacted the Department of Work and Pensions to claim your state pension?  
  Yes  No
- Have you made sufficient provision for your loved ones if you should die first?  
  Yes  No

Notes

You should now have a clearer idea about your retirement plans! Bring along this completed checklist when you meet your financial adviser.

Look out for advisers with this badge, who are offering our FREE pension check and £50 off the cost of any subsequent advice.

Find your financial adviser at unbiased.co.uk