



Getting retirement ready

Key steps to achieving a comfortable retirement

A comfortable retirement is a common financial goal, and contributing to a pension is essential to achieving it. Although retirement may appear distant at the moment, there's much to consider. Let us assist you in navigating this crucial life milestone.

By planning ahead and making smart decisions about your savings, you can ensure a stable and enjoyable retirement.

HERE ARE 10 STEPS TO HELP YOU GET PENSION RETIREMENT READY:

1. Assess your current financial situation

Start by evaluating your current financial standing, including your income, expenses, assets and liabilities. Determine how much you can save for retirement without compromising your current lifestyle.

2. Set retirement goals

Think about the kind of lifestyle you want to have during retirement. Consider factors like travel, hobbies, healthcare and support for family members. Estimate the annual income you will need to maintain this lifestyle, taking inflation into account.

3. Calculate your pension gap

Compare your projected retirement income with your current savings and expected pension benefits. This will help you identify any potential shortfall in your retirement fund, known as the 'pension gap'. Knowing this gap will give you a clear target to work towards.

4. Contribute to your pension plan

Commit to regularly contributing to your pension plan. The earlier you start, the more time your investments have to grow, thanks to the power of compounding. Look into your employer's pension scheme and take advantage of any matching contributions.

5. Diversify your investments

Don't rely solely on your pension plan for your retirement income. Diversify your investment portfolio with other assets like equities, bonds and property. This will help spread risk and provide the potential to increase your returns.

6. Review your pension plans regularly

Revisit your pension plan at least once a year to ensure it's on track to meet your retirement goals. Adjust your contributions or investment strategy if necessary, and contact us about seeking professional financial advice if you need clarification on your decisions.

7. Plan for the unexpected

Life can be unpredictable, so it's essential to have contingency plans in place. Ensure you have an emergency fund to cover unexpected expenses and consider insurance policies like life and health insurance to protect yourself and your family.

8. Reduce debt before retirement

Aim to pay off high-interest debts, such as credit card balances and personal loans, before you retire. Entering retirement with minimal debt will reduce your financial stress and help you enjoy a more comfortable lifestyle.

9. Consider working part-time during retirement

If you're concerned about your retirement income, consider working part-time or freelancing during your retirement years. This can provide additional income and help you stay active and engaged.

10. Stay informed about pension regulations and changes

Keep updated with any changes to pension regulations, tax laws and investment options that could impact your retirement planning. Staying informed will help you make better decisions and adapt your strategy accordingly.

By following these steps, you can take control of your financial future and work towards a comfortable and fulfilling retirement. Starting early and staying consistent with your contributions and investments is vital to a successful pension plan. ■

DO YOU NEED TO GET YOUR RETIREMENT PLANS IN ORDER?

We prioritise building personal connections with our clients, using our expertise to instil confidence in your financial decisions. We aim to help you enjoy life today while strategically planning for a secure tomorrow. Don't hesitate to get in touch with us to discuss your plans.

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.

YOUR PENSION INCOME COULD ALSO BE AFFECTED BY THE INTEREST RATES AT THE TIME YOU TAKE YOUR BENEFITS.