

I've heard that the new pension reforms mean that I will have full access to my pension pot when I turn 55. How do I work out what I should do with my pension savings?

The pension reforms that came in this April give people the freedom to access their defined contribution pension how and when they want. You can buy an annuity, or take your pension out in one go, or withdraw it bit by bit and leave some it invested. Planning for your retirement can be complicated so it's important to get guidance on your options.

The good news is that the Government has introduced Pension Wise, a new free service offering guidance online, over the phone with The Pensions Advisory Service, or face to face with Citizens Advice. The appointments are pre-booked 45 minute sessions tailored to your individual circumstances. Guidance is impartial, meaning that it will not recommend products or services, but they will describe your options and help you consider their impact.

To get the most out of Pension Wise guidance, preparation is key. First, work out the value of your pension pots. Look at your most recent statement, or contact your provider. Check if there are any restrictions attached. Next, get a state pension forecast, and gather the details of any benefits you receive.

The next step is to work out your likely expenditure. Include the cost of essentials like housing or utilities, and leisure activities. This should give you a rough budget.

Bring the information to your Pension Wise appointment. Your guider will help you think through your circumstances, and present the options available to you.