

RETIREMENT AT 55.....

A DISTANT DREAM



Siobhan Record
Our Lifestyle's Financial Expert

Some of us will be planning to retire at age 55 (the earlier the better heh?) however HM treasury have recently issued draft legislation to increase the Normal Minimum Pension Age (NMPA), the earliest age that a pension saver can access their pension savings without penalty. The increase from 55 to 57, is proposed to take effect from 6th April 2028 and could adversely impact those that are intending to access their pension benefits before age 57.

Who is affected?

- Savers born before 6 April 1971 should be unaffected as they will reach 55 by April 2026 and age 57 before April 2028.
- Savers born on or after 6 April 1973 will be able to access their pension savings at age 57.
- Savers born after 6 April 1971, but before 6 April 1973, will reach the current NMPA on their 55th birthday and will have access to their benefits until 6 April 2028, at which point they will seemingly not have access until their 57th birthday – possibly an unwelcome surprise!

Awareness as the legislation unfolds...

- The Government have stated that they will provide further advice on the proposed transitional arrangements in due course.
- There will be rules that protect members of schemes who, as at 5th April 2023 had an unqualified right to access benefits at an age less than 57.
- A window is created for individuals to join a scheme that offers protected retirement age before 5th April 2023 – *does your scheme offer this?*
- Care should be taken if you transfer your individual pension after 5 April 2023 as it will result in a ringfence of the transferred funds complete with a retention of the right to access those benefits at the earlier age and no further contributions or transfers can be made to those ringfenced assets.

Do you need to review your arrangements sooner rather than later?

If you are interested in knowing more about how I work, our low-cost investment philosophy and you have investments of over £100,000 why not give Jo a ring on **01562 745730** to arrange a no obligation 30-minute free meeting in our offices.

The information in this article does not constitute investment advice; you must not rely on the content when making investment decisions without taking advice. Past performance is not a reliable indicator of future results. The value investments and the income from them, may fall or rise and investors may get back less than they invested.

Our clients have rated us as one of the top advisors in the country



- Want to really understand what you
- Want to leave a legacy for your children and grandchildren?
- Want to know how much you need to be able to retire securely, maintaining a good standard of living?



cre8
Wealth Management

9 Church Street, Kidderminster, Worcestershire, DY10 2AD T:01562 745730

www.cre8wm.co.uk

cre8 wealth management (trading name of Ineo (UK) Limited) is authorised and regulated by the Financial Conduct Authority, FCA number 597048.