

# Retirement

Author: Frances Rimmer

Position: ABC Researcher



As you get older, you may start considering giving up work for the rest of your life. This may be a practical decision, for example if you can no longer take part in physical work or find yourself too unable to continue working as you used to, or perhaps you'll decide that you have worked to build a comfortable life and now wish to enjoy it. Whatever your reasons, this article will talk about retirement and state pension age, and how you can support yourself financially in retirement or old age.

## When Can I Retire?

In the UK, retirement age used to be 65, but this was abolished in 2011. You can now work for as long as you like, and employers cannot set compulsory retirement ages or force you to retire unless they can justify doing so. Therefore, retirement age is now the age at which an individual chooses to retire. If you are considering retirement, it is your responsibility to discuss how and when to retire with your employer. For example, you may arrange a "phased retirement" with your employer, which is a form of flexible working and may mean you reduce your hours or work from home instead of giving up work altogether.

When you consider retiring, you should look in to your pension scheme to make sure your retirement plans are supported by your pension. In some cases, you may not be allowed to claim your pension before a certain age or before working a certain length of time, or it may have not support working past a certain age or phased retirement schemes.

## State Pension Age

While there is no specific age at which you have to retire, many pensions require you to be of a certain age before you can start claiming your pension. The minimum age you must be to claim your state pension depends on when you were born and your gender, but currently stands between 61 and 68 years of age. You do not need to retire to claim your state pension, and you do not have to stop working once you reach state pension age.

To learn more about pensions, take a look at our advice guide which covers them in more depth.

## Managing Finances in Retirement

When you retire, you obviously stop receiving income as you are no longer working, so you need to plan your money to make sure you have enough to live on through your retirement. You may want to consider ways to keep earning an income when you have retired, for example by renting a room in your house or claiming a pension, and keep in mind benefits available to the retired, should you need them.

Pensions are the main form of financial support through retirement and are certainly the best way to keep claiming an income after you have stopped working. We have written an advice guide about pensions, which you should read for more information on the different types of pensions, as well as advice on when you should start saving for retirement (Tip: the answer is as soon as possible!)

In addition to pensions, there are a number of benefits you may be able to claim if you are retired. These include:

### *Pension credit*

If you are on a low income and have reached state pension age, these are available to top up your pension.

### *Council Tax support*

You can ask your local authorities for help paying your council tax

### *Winter Fuel Payment*

Tax-free payments to help you heat your home throughout winter

### *Cold Weather Payment*

Paid automatically to those on other forms of income support, such as pension credit, this is a £25 payment for every week of very cold weather in your region.



#### *Insulation/Heating Schemes*

Designed to improve energy efficiency in homes without insulation or central heating, especially for those on income support.

#### *Health benefits*

If you are over 60, you get free prescriptions and eye tests. You could also be able to get help paying for dental treatment, glasses and travel to hospital.

#### *Disability and Care benefits*

Available to those living with disability, or with specific care needs.

#### *Bus Passes*

Free bus passes are available across the UK for the elderly. The age at which you can claim this depends on when you were born, and you can contact your local council to see if you are eligible.

#### *TV License*

Currently, anyone over 75 receives a free television license.

To find out if you could claim any of these benefits, you should contact your local council, who will be able to advise you better and can tell you if you are eligible for any extra support.