

# Approaching retirement

## Frequently asked questions



### How much money do I have with Nest and where is it invested?

You can see how much is in your pension pot by [logging in to your Nest account](#). It'll show you [the fund that your money is invested in](#), the breakdown of contributions from yourself, your employer and tax relief, and any transfers you've made from other pension pots.

You'll also receive a statement every year with details on how your pot has performed from 1 April to 31 March. The statement includes a projection of how much you're likely to have in your pension pot by your Nest retirement date and the income you could get from this.

### How do I withdraw my Nest pension savings?

You have [several different options available](#), including withdrawing your money to manage it yourself, transferring it to a different pension provider, buying an annuity, or keeping your money in the Nest Guided Retirement Fund if you're eligible.

If you choose to withdraw your money, the entire process usually takes 1-2 weeks as we may need to run security checks to protect your savings from fraud. Payments are made via BACS, which takes 2-3 days to appear in a personal bank account. However, it's worth remembering that withdrawing all your savings in one go can [land you with a big tax bill](#).

You can also call our contact centre to request a withdrawal form to be sent through the post. This process takes longer due to postal timings.

### When can I withdraw my savings?

The earliest that you can withdraw some or all of your money from a pension pot is age 55. This will increase to age 57 in 2028.

You may be able to withdraw your money at a younger age if you are suffering from [serious ill health or are unable to work](#). If you're 75 or under and suffering from a serious health condition, you can withdraw your entire pension savings tax free.

### Are pension withdrawals taxed?

When you withdraw money from your pot, 25% will usually be tax-free. The rest is normally taxed in the same way as any income you'd earn, like your wages. This, when added to any other income you earn, may increase the rate of income tax you have to pay in that tax year.

If you take a large amount in any one year, this could push you into a higher tax bracket. This means you might be paying tax at higher rates, even if you aren't usually a higher rate tax payer.

Nest will always explain the amount of tax deducted. We'll provide an estimate of this amount before you make a withdrawal and confirm the actual amount deducted once the withdrawal has been made. However, it's worth checking directly with HMRC if you think you've paid too much tax.

You can find out more information on our [pensions and tax webpage](#).

### What happens when I reach my Nest retirement date?

Over 99% of our members are in a Nest Retirement Date Fund, which is designed to invest your money so it's ready for the year you want to withdraw your savings. That's why it's important to update your Nest retirement date in line with your life plans.

Your Nest retirement date is set to whatever your State Pension age was at the date that you were signed up to Nest because that's the year we think you'll start to withdraw your pension savings. However, you can change it at any point. Simply [log in online](#).

If you reach your Nest retirement date and don't withdraw your savings, we'll roll your Nest retirement date forward to age 75 and put your savings in either the Nest Post Retirement Fund or the Nest Guided Retirement Fund, depending on how much you have in your pension pot.

If you've switched to any of our other funds and haven't withdrawn your money by the time you've reached your Nest retirement date, we'll roll your retirement date to age 75. However, it's best to review your Nest retirement date and choice of fund well before you reach this point.

### What's the best thing to do with my pension savings?

The best thing to do depends on your personal circumstances.

We'll start to send you letters after you turn 50 years old, sharing helpful information on how to plan for retirement, potential risks, and links to help and support.

You're eligible for free and impartial financial advice from [Pension Wise](#), a government-backed service for over 50s. This 45-minute consultation is usually held over the phone and should help you work out what to do with your savings. However, you may want to make more detailed plans with an [independent financial adviser](#) for a fee.

### How long can I save into my pension for?

You can pay into your Nest pension pot for as long as you like. You'll get tax relief added to each contribution if you're eligible, until age 75.

Your employer is usually required to top up your pot every time you contribute. However, they're no longer expected to contribute once you reach State Pension age.

### Can I transfer my pension savings to someone else?

If you're combining pension pots to get ready for retirement, you can only send your money to another UK registered pension savings account or an overseas qualifying scheme in your name.