

Do nothing

There is no maximum age by which you must have drawn your pension funds. If you don't need to take your pension now, you can leave it where it is until you are ready to take the benefits. If you do this, make sure you are not losing out on any valuable guarantees.

Your money will continue to be invested but it can fall as well as grow.

Take a guaranteed income for life

You can usually take up to 25% of your fund as tax free lump sum. You can use the rest to purchase an annuity which will provide you with an income for life no matter how long you live. Any income will be taxable. However, if you don't live for very long after retirement, you may not receive good value for money as once you die, the payments usually cease.

Take a flexible income from your pension

This is called Flexi-Access Drawdown. You will usually take 25% of the fund tax free and leave the rest invested in a pension. You can then take an income from this as and when you wish. Any income you take from this will be taxable.

Your money will continue to be invested but it can fall as well as grow.

Take it all as cash

Regardless of the size of your pot, you can take the whole lot as cash. If you do, the first 25% will be tax free. The rest will be taxable.

You can also take the money out in a series of lump sums if you wish. If you do this 25% of each withdrawal will be tax free. The remainder will be taxable.