

SSAS

Member brochure

The James Hay SSAS Service:
Pension flexibility for business owners

The James Hay SSAS Service

Our Small Self-Administered Scheme (SSAS) Service offers business owners choice, flexibility and competitive fees while building a pension fund. We find that customers choose us because we bring genuine administrative expertise to help with the often complex issues that can arise in running a pension scheme.

About James Hay Partnership

Our SSAS Service is provided by the relevant James Hay professional Trustee and scheme administrator appointed to your SSAS. This SSAS professional trustee and scheme administrator will be either be Union Pension Trustees Limited, PAL Trustees Limited, The Santhouse Pensioner Trustee Company Limited, Sealgrove Trustees Limited or Union Pensions Trustees (London) Limited. All of these entities are companies within James Hay Partnership.

We help manage retirement savings in a cost and tax efficient way. Our aim is to provide greater control and choice when investing for retirement, and to do so simply and transparently at a price that offers value for money.

It is our role to assist the Member Trustees and their financial adviser to make the most of the advantages of saving into a pension. We provide expert assistance and support when saving and when it comes to taking benefits.

We have been helping customers for over 40 years, and today James Hay looks after the pension savings of over 58,000 clients and £27 billion of assets.¹

¹As at October 2019

Advantages of our SSAS service

We can help build a retirement fund effectively by:

- allowing the Member Trustees and their financial adviser to pull all pension investments together to consolidate the value of the entire pension portfolio
- helping to maintain records of transactions and reporting as required by HMRC
- quickly and efficiently administering investments as instructed by the Member Trustees and their financial adviser
- providing the facility to draw retirement benefits from the SSAS
- using our knowledge of taxation and legislation to support the Member Trustees and their financial adviser.

Above all else, it is our experience and knowledge of pensions, acquired over 40 years of constantly changing legislation, that sets James Hay apart from our competitors and makes us the partner of choice for so many clients and their financial advisers.

Small self-administered pension schemes

A SSAS is designed to meet the needs of a small business owner who wishes to set up a pension arrangement.

The SSAS is set up under a single trust into which a company can pay contributions and from which members are entitled to take benefits. The scheme members act as Trustees and are responsible for the investment strategy, which can also involve the appointment of a financial adviser and/or discretionary investment manager.

The SSAS and the funds within it constitute a separate legal entity to the sponsoring company, whilst the trust status also ensures that in most cases the pension benefits are separated from other assets for inheritance tax purposes.

The benefits that a SSAS can provide:

Choice

The SSAS allows a great deal of flexibility when it comes to investment strategy. This is partly because HMRC permits a wide variety of investments to be accepted in the SSAS. As the SSAS is a pooled fund, it is readily suited to making larger investments.

In addition, through a loan facility, a SSAS can provide the finance to assist a company in acquiring its business premises or other commercial ventures.

Consolidation and control

The James Hay SSAS Service can be used as a home for other accrued pension funds, putting them all in one place so they can be managed in a more considered and strategic way.

Tax relief

The sponsoring company will normally benefit from corporation tax relief on the contributions it pays.

Taking benefits

A SSAS enables scheme members to draw an income from the fund that has been built up or transfer the money to an annuity provider. Also, it is normally possible to take a proportion of the fund as a tax free cash sum, or phase the income to suit changes in lifestyle as members move from employment to retirement.

Why choose James Hay for SSAS?

Many financial advisers seek our help because we have the ability to take over the management of existing schemes and assist with the administration of the member's SSAS.

Investments

- We allow members to invest in a wide range of assets allowed by HMRC². This includes most forms of collective investment fund, shares on recognised stock exchanges as well as cash.
- SSAS members choose who they wish to advise them on the investment strategy for their SSAS. They can even decide to have the portfolio managed by one or more discretionary investment managers.

- We allow commercial property within the pension fund.
- We will also help members organise a company loan from the SSAS if needed, to help purchase business premises or fund a commercial venture.

Simple transparent charges

- Members will not be charged by James Hay for buying and selling conventional investments within their SSAS.
- We charge a single fee for setting up the SSAS and an annual charge for administering it.
- Additional administration such as the payment of pension benefits, property transactions and adding new members will be carried out at an additional cost. Please refer to the SSAS Charges Schedule for details, which is available on our website at www.jameshay.co.uk.

Administrative support

- James Hay brings the highest level of knowledge and expertise as a Professional Trustee.
- The SSAS is allocated to a dedicated support team who will develop an in-depth knowledge of the SSAS and provide assistance whenever it is required.
- James Hay offers a SSAS accounts team in order to provide annual accounts for the scheme at an additional cost.

² Subject to our internal requirements.

Running the scheme

Within the James Hay SSAS Service, all scheme members are appointed Member Trustees and are jointly responsible for investment decisions. The Member Trustees can appoint a financial adviser or a discretionary investment manager to help determine the most appropriate strategy for the SSAS to achieve the financial objectives for retirement.

Contributing to the SSAS

The sponsoring company can make cash contributions on a regular basis or as single lump sums. Regular monthly contributions can be stopped or adjusted as circumstances change. The employer is not tied into paying a certain contribution level each year. We will accept cheques, standing order, CHAPS, Faster Payments and BACS payments.

Investment choice

An extensive range of investment options is open to the Member Trustees and their financial adviser to use in planning for retirement. Please refer to our SSAS Permitted Investment List which is available from the SSAS literature section of our website.

Building the retirement fund

- The sponsoring company will normally benefit from corporation tax relief on the contributions it pays.
- Please note that the Government can change the rules and limits for tax relief on pension contributions and the benefits that can be taken. In particular scheme members should ensure that they do not exceed any Lifetime Allowance or Annual Allowance limits.
- During the time the SSAS is in operation, the role of Scheme Administrator is the responsibility of the Trustees. The appointed Professional Trustee will be responsible for ensuring that all relevant reporting and liaison with HMRC is carried out thoroughly and professionally.

Retirement benefits

- Each member of the SSAS will build up their share of the overall pooled fund through contributions, transfers and the investment performance achieved. At some time the members will seek to use the SSAS to provide a retirement income. Benefits from the SSAS can be taken from the age of 55 and the SSAS offers a wide choice of benefit options.
- The SSAS will allow members to take a proportion of their fund, normally up to 25%, as a tax free lump sum. The remainder of the fund can be used in a number of different ways.
- It may be possible to continue to contribute to the fund after taking pension benefits, although this may trigger the Money Purchase Annual Allowance rules for the member.
- Members can draw an income from their fund via flexi-access drawdown, or take lump sums out on an ad-hoc basis (uncrystallised funds pension lump sum), leaving the bulk of the fund invested. The amount drawn each year can vary according to their circumstances and subject to HMRC rules.
- Members can use the fund, or part of it, to buy an annuity which will then provide an income in retirement.

The SSAS on death

- As the members' pension benefits are held in trust, and the trustees are able to have discretion regarding who receives the benefits, the fund normally lies outside the members' estate for the purpose of inheritance tax. Any uncrystallised funds will be tested against the members' lifetime allowance when calculating the benefits payable following a death.
 - Should a death occur the fund may be paid free of any tax to beneficiaries. Any uncrystallised funds will need to be paid or designated within two years in order for them to be paid tax free to the beneficiaries. Payments made after the two year deadline will be taxed at the beneficiary's marginal tax rate.
 - If the member dies on or after reaching the age of 75, the payment(s) to the beneficiaries will be taxed at their marginal tax rate.
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The James Hay SSAS Service at a glance

- Wide range of investment choices
- A SSAS cash account facility
- A choice of financial adviser and/or discretionary investment manager to determine investment strategy
- Allows purchase of commercial property
- Allows the fund to provide secured loans to the sponsoring companies
- Accepts transfers in the form of non cash assets such as shares, property and collective investment funds
- No additional transaction charges from James Hay Partnership for buying and selling conventional investments
- Permits benefits to be taken in any form allowed by HMRC
- Expert pensions support and a dedicated support team
- An optional dedicated accounts team to provide annual accounting

Complaints

How can I make a complaint?

We have a formal complaints procedure, and a copy is available on our website.

Complaints should be made by contacting us at our address below, by letter, telephone or email.

An acknowledgement to a complaint will be issued within 5 business days from the date of receipt and we will aim to issue a full response within 28 days.

If the matter is not dealt with to your satisfaction, you can write to:

The Office of the Pensions Ombudsman
10 South Colonnade
Canary Wharf
London
E14 4PU

Telephone: 0800 917 4487

Making a complaint will not affect your right to take legal proceedings.

If you would like to know more about the James Hay SSAS Service, please talk to your financial adviser, or call us on 03333 205 392 or write to us at our postal address:

James Hay Partnership
SSAS Department
Dunn's House
St Paul's Rd
Salisbury
SP2 7BF

We are able to provide literature in alternative formats. For a Braille, large print, audio or E-text version of this document call us on 03455 212 414 (or via the Typetalk service on 18001 03455 212 414).

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