

Flexible SIPP benefit options bring greater flexibility

Pension savers who have reached retirement age can now draw their funds without limit thanks to the new 'pension freedoms'.

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We have introduced numerous changes to improve flexibility when taking benefits – exactly what 'freedom and choice in pensions' (in the words of The Chancellor) is all about.

New

From 6 April 2015 new pension benefit options bring greater flexibility over how pension savers can take their pension benefits.

- Uncrystallised Fund Pension Lump Sum (UFPLS)
- Flexi-Access Drawdown (FAD)

These new options are available through our SIPPs. They are explained in briefing notes available on our [website](#).

We continue to administer capped drawdowns. Eligible SIPP members may designate further funds to existing capped drawdown arrangements. We also accept transfers in of capped drawdown arrangements.

Improved

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- **Illustrate online** – advisers can produce new business illustrations for the new benefit options
- **UFPLS on demand** – processing begins immediately, payable on any business day
- **Ad hoc income payments**
 - 1 working day to set up payroll
 - payable on any business day
 - reduced fee
- **Two payment dates per month** – regular payroll on 1st and 15th – choose which suits best
- **Fast processing for shorter cut-off periods** – 6 working days before payroll to set up or amend regular income
- **Simple conversion of capped drawdowns** – for a small admin fee, moving to FAD eliminates review fees
- **No closure fee** – no penalty fee if members exhaust their fund through drawdown or UFPLS

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Enduring

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- Nominee and successor drawdown arrangements allowed

This is explained in a briefing note on our [website](#).

FAQs

Must a financial adviser be used to access flexible benefit options?

No but we strongly recommend that SIPP members take independent advice. Accessing pension benefits is a complex area of financial planning.

What are the charges for the new flexible benefit options?

These are detailed in our schedule of fees, available on our [literature page](#).

Can I transfer in defined benefit pensions to access flexible benefit options?

Yes but you must take advice from an Independent Financial Adviser who has the relevant qualifications. We do not accept 'insistent client' transfers.

How does someone switch from capped drawdown to flexi-access?

An instruction form will need to be completed and signed by the SIPP member. An FCA questionnaire will also need to be completed.

Will you provide formulae to guide withdrawal levels?

No. Determining an appropriate withdrawal level is one of the many benefits of using financial advice.

What assumptions do your service times make?

They assume we have received all paperwork, correctly completed, we have current valuations of SIPP assets and cleared funds are available.

Please contact your Barnett Waddingham consultant if you would like to discuss any of the above topics in more detail. Alternatively contact us via the following:

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