



Creating your company pension scheme

Pension Schemes in the UK are typically set up under contract with a 'Provider' such as an insurance company, or by establishing a special 'Discretionary' Trust. The pension schemes that Empowered Pensions help clients set up are Trust based.

Empowered Pensions will provide the Trust Deed (document) and the 'Rules' that govern the operations of the Trust. Together this forms the pension scheme.

To become a 'proper' pension scheme and benefit from the tax advantages it must then be 'Registered' with HMRC. Once registered it becomes known as a Registered Pension Scheme and only at that stage can contributions, investments and transfers be considered.

To register a pension scheme an application has to be made via the HMRC 'portal' and a good deal of information is sent for HMRC to consider with the application. The Scheme Rules, the Scheme Administrator, The Trustees and the investments are considered in detail. Only when HMRC are satisfied will they provide the Registration certificate.

This process is manually intensive and may take 4-26 weeks before a decision is made.



Once the registration is received the Scheme Administrator will help the Trustees establish an appropriate scheme bank account of which all the Trustees should be signatories.

The Scheme is now ready to receive funds. These funds may be in the form of pension contributions from Members, or the Employer.

Members may also consider whether to transfer in pensions that they have already built up. Some Pension types will have important guarantees attaching to them and it is important that the Members take FCA regulated Financial Advice where necessary, or required by law.

The Provider of the pension that is transferring the pension to the SSAS will need to undertake a significant amount of 'due diligence' on the SSAS, the parties involved and the reasons for transfer. These checks are put in place by the Provider transferring the pension to protect the Member from Pension Liberation Fraud. It is not unusual for Transfers to take between 8 and 26 weeks.

Members considering a transfer must exercise patience whilst the transferring Provider undertakes these checks, which are ultimately for the Members benefit.