

Financial Adviser Newsletter

With winter now upon us and Christmas fast approaching, we thought it would be a good time to update you on various matters. This newsletter includes details of some of our products and services, our stance on DB and safeguarded benefits transfers, changes to SIPP wake up packs and to the FCA register, our financial strength, illustrations and our Christmas operating hours.

Our low cost Single Investment SIPP for only £195pa

Our SI SIPP has been running for just over a year now. It is proving to be a very popular product with an annual fee of only £195 (one of the lowest in the industry) and over 40 fund managers available on our panel. The SIPP accepts contributions and transfers in, as well as offers all benefit options including PCLS, FAD, UFPLS, and capped drawdown. If the fund manager that you would like to use is not currently available for the product, then please contact us and we will look into adding it. In the last year, we have already added four new fund managers to the panel.

Details of the product are available at:

<https://www.dapco.co.uk/sipp/single-investment-sipp/>

SSAS specialists – and a free SSAS MOT for your clients

We have been running SSASs since our company was first set up in 1985. With all those years of experience there really isn't anything that we haven't seen in the SSAS world. We have a proven track record of high quality service and for resolving issues.

This often forgotten pension product still has some key benefits particularly to business owners and their families. They offer all the flexibility of a SIPP with the added option of being able to lend money to the members business. We can set up a new SSAS or take over the administration of an existing one.

If you have a client with a SSAS that has issues, is behind on its reporting requirements, or has just been a bit neglected, then we can help. Maybe the clients have tried to run it themselves, or are dissatisfied with their current administrator. We can meet with you and your client, either in our offices or any location that is convenient. We would welcome the chance to carry out a free of charge review of the SSAS using the information you and your clients are able to provide.

Details of our SSAS product can be found at:

<https://www.dapco.co.uk/ssas/>

SIPP and SSAS Property experts – and a free initial meeting to look at the viability of a purchase

With almost 35 years of experience dealing with property in member directed pensions, holding over 1,000 properties in our schemes, and very competitive property investment fees, we really are the provider of choice for any clients looking to invest in this area. Our pension schemes hold a wide variety of property including offices, warehouses, shops, farmland, pubs and hotels. We have properties that are held solely by the pension scheme, as well as a large variety of joint investments, including multiple SIPPs and SSASs, and properties held jointly with the member personally or their business and third parties. We regularly have clients looking to develop their property as well as rent it out to their own business or third parties.

Information about property investment in our SIPPs and SSASs can be found on our literature pages at <http://www.dapco.co.uk/literature/>, or just call your account manager or one of our property experts.

We do not accept final salary or safeguarded benefits transfers in

You may recall that in March of this year we suspended accepting defined benefit and safeguarded benefits transfers following the FCA's Dear CEO letter and subsequent comments. Six months on and the DB transfer landscape continues to be unclear with the FCA taking a keen interest in the quality of advice given. As a result, we have decided to continue our suspension of accepting both DB transfers and safeguarded benefits. We have updated our literature to reflect our stance.

Changes to SIPP Wake Up pack under PS19/01

From November 2019, the FCA requires us to issue more wake up packs to clients in a prescribed format, which will also include risk warnings. In addition to the packs that we already issue in the run up to a member's selected retirement age, we will also issue packs around their 50th birthday, then at age 55 and every 5th year from then on until they are fully crystallised. These packs will be issued directly to clients, and a copy will of course be sent to you as well.

Changes to the FCA Register as a result of SMCR

As you are aware, the new Senior Manager and Certification Regime comes into force on the 9th December. One of the effects of this is that details of individual advisers will be removed from the FCA Register on that date. We currently use the register as part of our due diligence on firms to check the firm and individual are authorised for the advice they are giving. Since we will not be able to check on individuals going forward, we may contact your firm for confirmation that an adviser is still active.

Our Financial Strength and Due Diligence

It's impossible to be in our industry and not be aware of the plight of some SIPP operators following the collapse of certain non-standard investments (NSIs) held within their SIPPs. As a result you and your clients should quite rightly be concerned about the financial strength of your chosen SIPP operator.

We are pleased to confirm that we are in a very strong financial position with a limited exposure to NSIs. We have always acted responsibly in our acceptance of NSIs and never had any relationships with non-regulated introducers. As a result, less than 4% of the SIPPs that we administer contain a non-standard investment. Our current capital adequacy requirement is £1.54 million. We hold £2.55 million of resources which is all held as cash in the bank, which means that we have a buffer of over £1 million above what is required. (All figures as at 31/08/2019). We continue to monitor the position to ensure that we always have sufficient funds to meet any claims as they become due.

In an effort to make it easier for you to comply with your due diligence requirements, we have put together a

document which addresses the questions that we commonly get asked.

Our due diligence information is available on our website at: <https://www.dapco.co.uk/literature/financial-adviser-downloads/>

We hope the document is useful, but if you have any extra questions not covered in it, or need us to complete your own paperwork, then please get in touch and we'll be happy to help.

Illustrations

We recognise that advising a client on which pension to choose involves a huge amount of work for you and your team. Often, you will need to provide multiple illustrations showing different scenarios. To make this easier, we can set you and your staff up on our illustration system so you can produce illustrations yourself whenever you need them. If that doesn't work for you, then you also have the option to have us produce them for you, using our illustration request form.

Details of both options are available at:

<https://www.dapco.co.uk/literature/financial-adviser-downloads/>

Christmas Season hours and pension payroll deadline

Our Christmas opening hours are as follows. We are closing at 1pm on Christmas Eve and will not open again until Monday 30 December 2019. We will then shut at 1pm on 31 December and open again on 2 January 2020.

We normally ask that we receive requests to set up or vary a benefit/pension payment from our SIPPs or SSAs by the 20th of each month in which you want them to be paid. For December payments, we ask that all instructions to start or change a pension payment are with us by the 17th December. The payment will be made on the 31st December.

We wish you all a Merry Christmas and a prosperous new year

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