



Key Changes to Pensionhelp process on cases received after 1 October 2020

Further to our last communication explaining that our last day for referrals of Defined Benefit (DB) Transfer advice on our current terms is the 24th September, we are pleased to now share with you details of the changes to our processes following the FCA's new rules for DB Transfer Advice that will come into effect on the 1st October. These changes are as follows.

- Client referrals should still be made via our portal.
(<https://pensionhelp.co.uk/documents-section/>) (This section of our website will be updated before 1st October with new documentation)
- Our requested items for the referral are;
 - Client Privacy Notice
 - Client Agreement
 - Details of any current Workplace Pension Scheme (please see the Q&A section of our Introducer Guide)
 - Completed Financial Review Form (Fact Find)
- We no longer require a fee agreement as this is now replaced with a document called 'Your Personalised Charges'. We do however need you to provide details with the referral of any **introducer fee** you wish to take (within our total fee cap), your **ongoing fee** and whether this should be added at the outset to any new plan or after you take the agency back over.
- We will provide your client with login details to access our new **Triage** process via our website. You can see a demo of this here; <http://test.pensionhelptriage.co.uk/how-it-works/> Please note that on completing our triage your client will need to click to confirm that they wish to proceed to regulated advice. Please feel free to enter details on this demo site if you wish to test it. The triage process is compulsory for clients referred after 1 October. We have a postal triage solution for the digitally excluded.

- Following our fact find call(s) and confirmation of the pension values under review, we will issue the client with the '**Your Personalised Charges**' document detailing our fees for Abridged Advice and for Full Advice (calculated as a percentage of the total transfer value(s)). The client needs to provide acceptance of these fees before we can proceed further.
- Any Defined Benefit Transfer advice now needs to be charged for on a **non-contingent** fee basis. However, for advice on anything other than Defined Benefit Transfers, or where the client qualifies for a '**Carve Out**' on the grounds of serious ill-health or financial difficulty, we can still provide advice on a contingent basis.
- Pensionhelp will offer **Abridged Advice** (an abbreviated form of advice) which can only be used to recommend no action, or where there is not enough information to provide advice to transfer.
- If we do not provide Abridged Advice, we will provide **Full Advice** which will be subject to a non-contingent charge. There will be an Appropriate Pension Transfer Analysis (APTA) and a Transfer Value Comparator (TVC) with full advice.
- With a Full advice recommendation, we will issue the client with a **Draft Report** and our Pension Transfer Specialist will be required to complete an **Affirmation Call** with the client before the **Final Report** can be issued.
- The **Affirmation Call** is an important requirement as we need to gather and record evidence that the client understands the risks of proceeding with a pension transfer before finalising our recommendation. We must therefore complete this before we are able to issue our Final Report and recommendation.
- The FCA now require that where a Defined Benefit Transfer is recommended, and the client holds a current **Workplace Pension Scheme (WPS)**, this should be considered in priority to any alternative scheme as the destination for the transfer. An alternative plan can only be recommended in a few situations if it can be shown to be demonstrably better than the WPS taking into account the client's specific requirements. It is therefore essential for us to obtain details about a client's current WPS, ideally with the referral.
- For cases received after 1 October 2020 our charges for DB advice will be on a non-contingent basis and is chargeable where 'Full Advice' is given irrespective of the recommendation or final outcome. Whilst the fee is non-contingent, we have not changed the level of our fees.

Although Transfer Advice Fees can still be paid from the transfer value if the destination plan facilitates this, please be aware that in the following situations this will not be possible:

- 1) Full Advice is given but the recommendation is not to transfer; or
- 2) A product is used that does not facilitate adviser fees.
- 3) A recommendation to transfer is not proceeded with.

In line with the FCA's requirements for non-contingent charging, in these situations your client will be invoiced for the fees.

We now have a new **Introducer Video** (link Below) and a **Guide** (attached) which give further details on the above changes with answers to many questions that we are commonly asked;

<https://www.youtube.com/watch?v=mfl7vZZ7FcA>

If you have any further questions, please feel free to contact us. Please can you send any queries by email to Graeme.fountain@pensionhelp.co.uk We are experiencing a high number of enquiries. We aim to collate all questions raised and respond with a Frequently Asked Questions document.



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