

UK Pension Transfers – Set to start again

Following HMRC's removal from the 1 July 15 Recognised Overseas Pension Schemes (ROPS formerly QROPS) list of virtually all of the Australian Superannuation Schemes due to them not meeting the new UK 'Pensions Age Test' introduced on 6 April 15 therefore halting UK Pension Transfers in their tracks it seems that Transfers will soon be starting again.

Well at least for people over age 55 for the time being anyway as the latest ROPS list released on 1 September has had the first Australian Super Fund approved under the new rules. The Super Fund that was approved was a Self-Managed Super Fund (SMSF) strictly permitted to individuals' age 55+.

I am personally aware of the client who opened this SMSF and was in close contact with the Lawyer whose Trust Deed was used so that QROPS status could be obtained and by only permitting membership to those over age 55 by its very nature gets' over the UK 'Pensions Age Test' hurdle.

This is a positive step as it means that a solution does exist for retirees to have their retirement monies in their country of residence (if of course a transfer is the right thing for their UK Pensions).

At this stage an SMSF is the only Australian option available (other than the Local QLD Government Scheme (LG Super) which is only open to QLD Gov workers and their spouses) but theoretically it is possible for other major public offer schemes to construct a Super Fund that will also satisfy the UK 'Pensions Age Test' by restricting membership also to age 55s+.

However whether they will remain to be seen, I personally am in discussions with some major Super Funds and some smaller ones to see if they are prepared to consider this but of course they will need to decide whether it will be commercially viable for them.

In the meantime care should be given before opening a SMSF as it is not something that should be done lightly and it is highly recommended that financial advice is sought. There is a lot of responsibility that comes with managing an SMSF and one should also have a thorough understanding of superannuation rules as well as HMRC QROPS rules.

See here for an overview of a Self-Managed Super Fund: [SMSF Overview](#)

It should also be noted that from April 6 2015 anyone wishing to transfer a UK Pension that has safeguarded benefits (typically defined benefits (final salary schemes)) valued over 30k GBP requires advice in the first instance from a FCA regulated Adviser who is authorised in Pension Transfers.

If you are over age 55 or approaching age 55 and have a UK Pension that you wish to consider transferring to Australia, Vista Financial Services can assist in the advice process (for safeguarded pensions we have a relationship with an FCA regulated International Advisory firm) and transfer process (if applicable).