



**Media Release
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Xafinity SIPP sees “second hand” property SIPP market double

Xafinity SIPP & SSAS has recorded twice as many “second hand” property SIPPs being transferred from other SIPP providers into their SIPP contract. Xafinity currently has around 100 commercial property purchases underway for clients and 20% of these are in specie from other providers.

In 2014 only 9% of Xafinity SIPP business written came from this source.

Jeff Steedman, Head of SIPP/SSAS Business Development at Xafinity, said: “The second hand property SIPP market is certainly evolving as clients, with the help of their financial advisers, seek out alternative providers to administer their property SIPPs. Advisers often shield clients from poor service on their property SIPPs, but they too seem to be losing patience as poor administration creates extra work and cost for them that they can’t invoice the client for.”

The main reason given by financial advisers for transferring a client from one SIPP provider to another is the introduction of additional fees by some SIPP providers for property insurance, property managers and other property related fees. The second reason is the consistently poor levels of customer service being offered by some firms coupled with errors made with property rental collection, VAT returns and lease reviews/renewals.

Andy Bowsher, Director of Self Invested Pensions at Xafinity, added “Fees for property SIPPs are a hot topic right now for advisers and clients alike. No-one likes to see new charges being added. There are additional one-off legal and other fees that will arise from transferring from SIPP to SIPP when a commercial property asset is involved, but a SIPP is a lifetime product, people are clearly taking a longer term view and want to use someone they can trust.”

“I’d guess we’ll see the second hand SIPP market continue to grow in 2016 as the Capital Adequacy requirements continue to put a squeeze on some SIPP providers, which may of course impact the services they offer and the price at which they do so.”

ENDS

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Notes to Editor

Xafinity

Xafinity is one of the UK's leading specialists in pensions and employee benefits. Our expertise addresses the needs of both trustees and companies in pensions and actuarial services, flexible benefits and healthcare. We are committed to providing a professional and proportionate service, tailored to our clients' needs and delivered cost effectively.

Xafinity has managed SSAS since 1979 and SIPP since 2004 and we have built a hugely experienced and growing team, with 55 specialised staff based in Stirling. We administer SIPPs and SSASs for around 4,500 clients, with over £1.5bn worth of assets which includes over 1,600 commercial properties, a specialist area of self-invested pensions