

# SSAS Scheme Administrator v Scheme Practitioner

## SSAS roles – the background

From 2006, legislation removed the requirement for a SSAS to appoint a professional ‘Pensioner Trustee’ to oversee the administration of a SSAS. In its place, the requirement for a Scheme Administrator was introduced. The Scheme administrator can appoint an authorised Scheme Practitioner who HMRC will correspond with as if they were the Scheme Administrator. In this factsheet we outline the key differences between these two roles.



## Scheme Administrator role

This role carries formal responsibilities and tax liabilities under pensions law for running the scheme. The Scheme Administrator is also responsible for completing and submitting returns to HMRC and providing information to the pension scheme members and The Pensions Regulator. When we’re appointed to this role we operate a sole signatory bank account from which all financial transactions are made. This enables the Member Trustees to delegate the administration of transactions and can help ensure that valuable pension assets remain protected from breaching HMRC rules.

Further guidance on this role can be found via this link –

[http://www.xafinity.com/theme/www.xafinity.com/SIPP%20%26%20SSAS%20Images/Documents/SSAS/SSAS\\_HMRC\\_Role\\_of\\_a\\_Scheme\\_Administrator\\_Key\\_Facts\\_09.pdf](http://www.xafinity.com/theme/www.xafinity.com/SIPP%20%26%20SSAS%20Images/Documents/SSAS/SSAS_HMRC_Role_of_a_Scheme_Administrator_Key_Facts_09.pdf)

## Scheme Practitioner role

Whilst a scheme **must** appoint a Scheme Administrator, a Scheme Practitioner is not a formal role but is one aimed at supporting the Scheme Administrator in complying with pensions law. Where a company or one or more individuals wishes to appoint themselves (or another third party) to the Scheme Administrator role, we can still effectively run all aspects of the scheme administration, albeit ultimate responsibility and liability for these activities will rest with the Scheme Administrator.

## Fit & proper persons check – introduced September 2014

In 2014, HMRC introduced further checks on ALL Scheme Administrators to ensure they are ‘fit and proper persons’. This was largely due to an increase in issues with registered pensions schemes, including fraud. The formal explanation of this, and the criteria that must be met by Scheme Administrators, is outlined in more detail in this guide –

[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/352737/Guidance\\_on\\_the\\_fit\\_and\\_proper\\_person\\_criteria\\_for\\_pension\\_scheme\\_administrators.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/352737/Guidance_on_the_fit_and_proper_person_criteria_for_pension_scheme_administrators.pdf)

It should be noted where a Scheme Administrator does not have sufficient working knowledge of pensions and pensions tax legislation in order for them to meet the fit and proper persons check they should employ an adviser with this knowledge.

## What roles does Xafinity undertake?

At Xafinity, we believe in client choice and we can act as Scheme Administrator OR Scheme Practitioner.

## The key differences between the roles

The table below outlines the key differences between the two roles and the stance we take:

Subject / approach	Xafinity as Scheme Administrator	Xafinity as Practitioner
<b>Responsibility for scheme administration</b>	<b>Xafinity</b> , with support from Financial Adviser and SSAS Member Trustees	<b>Appointed Scheme Administrator</b> , but Xafinity will fully support SSAS Member Trustees in this role
<b>Liability for unauthorised payments &amp; sanction charges</b>	<b>Xafinity</b> however these will be payable from the scheme assets. We aim to prevent such charges.	<b>Appointed Scheme Administrator</b> but Xafinity will fully support SSAS Member Trustees in this role
<b>Responsibility for submission of annual scheme return, event report and quarterly accounting for tax</b>	<b>Xafinity</b>	<b>Scheme Administrator</b> , but Xafinity can support as long as we are 'associated' on HMRC website by scheme administrator
<b>SSAS bank account and financial transactions</b>	Sole signatory bank account with <b>Xafinity acting as sole signatory on all accounts</b>	<b>Xafinity</b> must be at least 'co-signatory' to the SSAS current accounts
<b>SSAS loans – types of 1st charge security we accept</b>	Commercial property preferred, other assets considered	Most other assets over which it is practical that a 1st charge security can be obtained
<b>Xafinity fees</b>	Standard schedule of charges, available upon request	Around 10% lower than Scheme Administrator Charges – available upon request

## Changing roles

The Scheme Administrator can be changed at any time. How this change is effected will depend on the current scheme rules. The change in Scheme Administrator is often executed by a formal Deed of Amendment/Appointment. This requires HMRC online services to be updated by the existing Scheme Administrator and associated parties.

## Support from Xafinity

Xafinity have a wealth of experience in administering SSAS, so please get in touch with our team at [SSASTeam@xafinity.com](mailto:SSASTeam@xafinity.com) or visit [www.xafinityssas.com](http://www.xafinityssas.com) for further information and help.



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