

## User Guide – Pension Crystallisation

The YOUR SIPP can facilitate a range of drawdown options. This guide covers the crystallisation events. From an uncrystallised/accumulation pension you can crystallise funds as a one off or regular payment and you can do so under Flexi Access Drawdown (FAD) or Uncrystallised Funds Pension Lump Sum (UFPLS) rules. Details on the scenarios for these are covered below.

As part of the transaction, any remaining crystallised assets (from FAD) will move to a crystallised account, and you can facilitate one-off or regular taxable withdrawals.

The details in this guide cover the process for crystallisations. For withdrawals from the crystallised plans, there is a standalone guide. There is also a guide for the illustrations of drawdown plans and transfers onto the platform. If you have any questions, you can contact the YOUR Platform Operations Team by emailing [Questions@YOUR-Platform.co.uk](mailto:Questions@YOUR-Platform.co.uk).

### Step by step

- Navigate to the required pension account, which must be an uncrystallised plan, this is labelled as Accumulation on the platform

#### Accounts

Name	Type
<b>Pension</b> Accumulation	Pension

- Within the account screen, click on the 'Account actions' button at the top right of the screen and on the actions list click 'Crystallise'
- You must confirm that advice has been given and agreed and confirm the FCA number of the adviser who issued the advice.
- Confirm if the client has received Pension Wise guidance
- The screen will confirm the client bank details. These cannot be edited here but are for reference. If out of date they can be edited in the client details section, but this will add a slight delay to the payment as change in bank details will flag the transaction for a security check by the Platform Team.

- Answer the questions regarding your client’s current pension details

## Pension details

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Does your client have a lump sum and death benefit allowance enhancement factor?\*

Yes  No

Does your client have a protected early retirement age or scheme-specific tax-free lump sum protection?\*

Yes  No

Has your client taken benefits from their pension before the 6th April 2006?\*

Yes  No

Has your client taken benefits from their pension before the 6th April 2024?\*

Yes  No

- If the client has taken benefits from another pension scheme, you can enter this detail under the ‘Lump sum allowance (LSA)’ section

- Note that this can become quite complicated for clients taking regular crystallisations from multiple schemes, in this scenario contact the [Questions@YOUR-Platform.co.uk](mailto:Questions@YOUR-Platform.co.uk) team for assistance

### Lump sum allowance (LSA)

Not started ●

#### **i** Lump sum allowance (LSA)

Lump sum allowance (LSA) is the tax-free cash limit you can get from your pension(s) currently set at £268,275 from 6 April 2024.

Known lump sum allowance (LSA)

LSA used	Amount used
<b>LSA used by this scheme since 6th April 2024</b>	£0.00
<b>LSA used elsewhere since 6th April 2024</b>	£0.00

Has your LSA used elsewhere since 6th April changed from the above figure?\*

Yes  No

#### **i** Regular crystallisations and lump sum allowance (LSA)

If a member has a live regular crystallisation series and their LSA changes due to a crystallisation in a pension elsewhere, you'll need to set up a new regular crystallisation series and provide updated LSA figures.

### Lifetime Allowance (LTA)

LTA used by the scheme	0.0%
LTA used from transfers received	0.0%
LTA used but not transferred	0.0%
Do you need to notify us about other benefits used elsewhere?	<input checked="" type="radio"/> Yes <input type="radio"/> No
Additional LTA used but not transferred (%)	<input type="text" value="0.00%"/>

- Under the Pension protection section enter details of any protection the client has
- Under the 'Crystallisation Details' section, you can enter the details of the transaction(s) needed:
  - If you wish to fully crystallise the plan, you can select 'Yes' to the question and this will show you the expected PCLS value
  - If you select 'No' to fully crystallise the next question is whether to set up a **regular crystallisation** on the account, this will allow a monthly payment of some Tax-Free Cash
    - For regular crystallisations you can select if this is to be paid by UFPLS or FAD. UFPLS will pay the full TFC and crystallised value to the client. FAD will pay the TFC but allow a variable amount of the crystallised amount to be paid to the client out of a drawdown plan.

Which **pension access option** do you wish to use?\*

UFPLS     FAD

Monthly amount to crystallise*	Payment day*	Last payment month
<input type="text" value="£ 400.00"/>	<input type="text" value="7th"/> ▼	<input type="text" value="07/2025"/>

Your expected first payment month is

**May**

Monthly tax-free withdrawal

£100.00

Monthly taxable withdrawal

£300.00

- You can set the regular payments on 7<sup>th</sup>, 14<sup>th</sup>, 21<sup>st</sup> or 28<sup>th</sup> of each month and you can (optionally) set the date for the last payment to be made. Leaving this blank will run the series perpetually until either the fund is exhausted, LSA issues are reached or you stop them.

- For 'No' regular crystallisations you select the value you wish to crystallise, and again can do so under UFPLS or FAD
- Where any payments have been made via FAD there will be crystallised funds to be moved to a drawdown plan. You will be asked to select the drawdown plan, or where none present (note you cannot crystallise funds into a current drawdown **transfer** account due to HMRC rules to ringfence these benefits) you can name the new plan to be created.
- If you require a single taxable withdrawal from the crystallised funds, select this under the 'Single Withdrawal' section, you can select the full value or a specified value. NOTE that if you select the full value under FAD it may vary from the full 25/75 split depending on the value in cash vs investments and the price achieved on the sale of investments, this is not the case with UFPLS and so in that scenario UFPLS is possibly more appropriate.
- If there are funds remaining in the crystallised amounts after any single withdrawal (i.e., if you have not withdrawn the full value), you can use 'Regular withdrawals' to select any regular taxable withdrawals from the crystallised account

#### Regular withdrawals (taxable)

Do you require regular monthly withdrawals from the crystallised account?\*

Yes  No

Gross amount required per withdrawal\*

£ 500.00

Payment date\*

14th

The first payment will be made in **May**

**i** Regular withdrawal instructions start being processed six working days prior to payment

Should assets be sold down automatically to raise funds?\*

Yes  No

How should they be sold down?\*

Proportional  Largest

- Once complete, click the 'Review' button and check the details you have entered. Once happy, click 'Submit' and the trades and transactions will begin

## What happens now

- The process is automated for most scenarios. In these cases, the submission will immediately create any new drawdown account needed, sales needed for TFC will be made or payments instigated, funds crystallised will be moved to the drawdown plan and any payments or sales there will be instigated also.

- When income is processed the client will receive (1) a payslip and/or (2) a BCE statement to their message hub, this will in turn trigger an email to them confirming the document(s) has been added.
- Manual checks will be applied for the following scenarios which will mean you may not see the activity show on the accounts for up to two working days:
  - Benefit Crystallisation Events (BCEs) with full crystallisations and/or full withdrawals
  - BCEs where benefits were taken before April 2006
  - BCEs where a lump sum and death benefit allowance enhancement factor applies
  - BCEs with lifetime/lump sum allowance protection
  - BCEs with protected early retirement age / scheme-specific tax-free lump sum protection
  - Clients where the lump sum allowance exceeds 100%
  - Clients with outstanding transfers
  - Clients over the age of 75