

Skottowe & Associates

FREQUENTLY ASKED QUESTIONS

WHAT QUALIFIES YOU TO ACT AS A PROFESSIONAL TRUSTEE?

Philip Skottowe is a Fellow of the Pensions Management Institute. He was a Fellow of the Institute of Actuaries from 1992 to 2020. The training for these qualifications covered the role of the trustee, the operation and funding of occupational pension schemes and strategic asset allocation, based on the liabilities of the scheme.

Until January 2005, he acted as Scheme Actuary for a number of occupational pension schemes. In this role, he was responsible for advising and educating the trustees on the funding of the schemes and strategic investment allocation, based on the liabilities of the schemes, and general operational issues.

He has also provided strategic advice to employers on the operation of their pension arrangements. This has included negotiating with trustees and employee representatives regarding the funding and operation of the arrangements, liaising with other company advisers and dealing with regulators.

He has also acted as a director of a number of companies that were approved by the Inland Revenue to act as a pensioner trustee for Small Self Administered Schemes.

WHAT FEES DO YOU CHARGE?

Our fees for Trustee work are a combination of the following:

Meeting Attendance Fee

A fixed fee, of the order of £2,500 + VAT, will be charged for each meeting.

This allows one day for travel and attendance at the meeting and preparation time, normally up to 7 hours, for the meeting. Preparation time in excess of this would be charged at the hourly rate set out below.

In practice, this will cover most day to day work relating to a scheme. This provides certainty as to cost and minimizes the potential for "discussions" over extra costs.

Special Projects And Ad Hoc Work

Any work required for special projects will be charged for on an hourly basis. The rate for such work would be between £50 and £200+VAT per hour, depending on the level of expertise needed for the work.

In practice, the scope of the work would be agreed in advance and an estimate provided based on this. We would normally consider an estimate prepared in this way as binding unless the original scope of the work on which the estimate was prepared was subsequently proven to be inaccurate.

Expenses And Disbursements

Any expenses and disbursements incurred will be charged in addition to the fees set out above. These items will normally relate to travel, accommodation or other such items.

DO YOU CHARGE FOR DUE DILIGENCE BEFORE APPOINTMENT?

No.

Prior to accepting an appointment, we will review the documentation relating to the scheme. We will provide you with a list of documents that we will require; this will include items such as the Trust Deed and Rules, the accounts, the last actuarial report and subsequent actuarial advice, any investment advice provided to the trustees and other statutory documents. If any issues come to light from this review, then we may wish to speak to the scheme's administrators or one or more of the trustee's advisers.

We would expect the trustees or the sponsoring employer to meet any charges made by the administrators or any advisors in respect of this exercise.

HOW FLEXIBLE ARE YOU IN ATTENDING MEETINGS?

Subject to other diary commitments, we are available to attend meetings at short notice. However, we anticipate that regular trustee meetings will be booked in advance.

We are able to attend meetings anywhere within the UK, subject to any travel and accommodation costs being reimbursed as above.