

Making using advisers easier

April 2016

Introduction

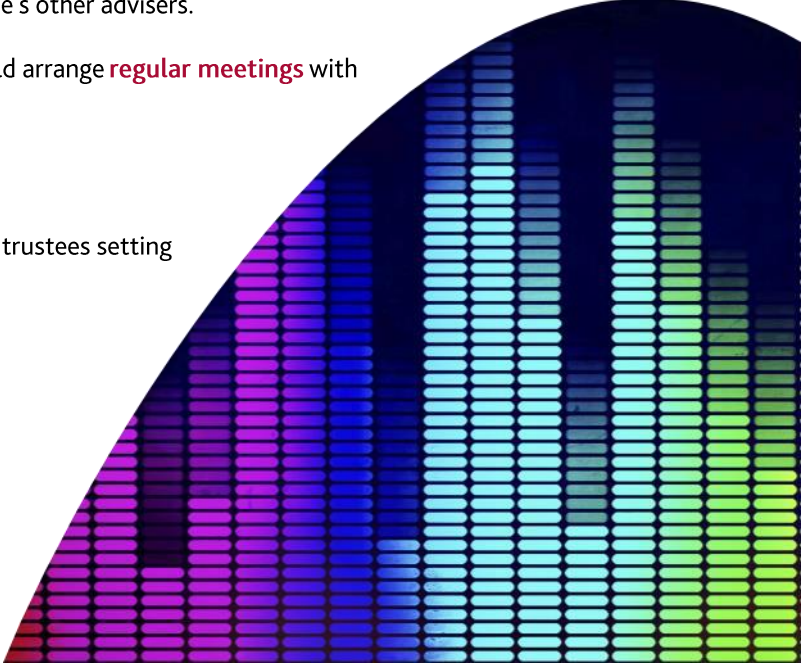
Pension schemes can give rise to all sorts of issues, and cannot operate without good advisers. Using advisers is not always easy, but trustees should think about the advice they need, and the way they would like this to be given. They should also think about the liability that their advisers accept for the advice that they give.

10 steps to successful appointments

1. Trustees need to **feel comfortable** with their advisers. They should ensure that they meet the people they will regularly work with before appointing them.
2. Trustees should also consider qualifications and experience, quality of service, fees, the extent to which the adviser accepts liability for their work and the adviser's professional liability cover.
3. Trustees should **compare a number of advisers** before making their final decision.
4. There should be clear and comprehensive **appointment terms**. These must be read carefully. Trustees should be prepared to negotiate these with their advisers, particularly administration agreements. Most advisers will be used to this.
5. If an adviser also advises the employer, **conflicts of interest** may be an issue. This should be considered at the outset.
6. Trustees should ensure that their advisers understand the needs of the scheme and do not use too much **technical jargon**. Advice should be in the format best suited to the trustees, rather than the advisers.
7. Trustees should feel comfortable asking for clarification and should **challenge advice** they do not agree with.
8. Advisers should be **proactive and practical**. They should be aware of current issues and developments.
9. Remember that, to advise properly, advisers need to understand the issues faced by the trustees. They need to be kept up to date and have a **good working relationship** with the scheme's other advisers.
10. The trustees need to **monitor performance**. Trustees should arrange **regular meetings** with their advisers to discuss concerns and give feedback.

Further reading

The Pensions Regulator has published [best practice guidance](#) for trustees setting out the key issues for them to consider.



Pensions law can be tricky... but it doesn't have to be. These 'making it easier' guides explain key issues in simple terms, giving practical help to trustees and employers.

The series is growing; additional copies can be downloaded from <http://www.pinsentmasons.com/en/expertise/services/pensions/publications/>

Current topics include: Employer covenants; Overpayments and Employer debt

Comments and ideas for further topics are welcome...

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