Mr John Coldrick

Springfield Business Papers
Spectrum House

St Ivel Way

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BS30 8TY

 Date 20 March 2020

Ref:

Dear John,

Many thanks for taking the time to discuss the pension scheme, your requirements and concerns with Paul Davies. As promised, I write in follow up to that meeting with Paul.

1. Banking

As you may be aware, Bank of Scotland, Investec and Metro Bank pulled out of the pension market, this was because it represented a small part of their business and also they could not profit in the market place. In respect of Metro Bank, we had a separate concern with them given the financial difficulties they have experienced as a bank and their business merger with St James Place created a conflict of interest. AIB have continued to operate in this sector and whilst they do not provide interest on current accounts (only Metro Bank did) we have offered term deposit rates which outstrips anything offered by Metro Bank and is also protected by the Financial Services Compensation Scheme.

We have been advised that one major bank does offer trustee pension scheme bank accounts, namely Lloyds Bank (who ironically own Bank of Scotland). If you bank with them, they can provide this account facility directly and this would leave you in control of the account in full.

2. Structure

Since we opened in Practice in 2006, we have made one change in our business structure in 14 years of practitioner work. This is because HMRC were granted additional powers by the Treasury whereby a pension practitioner could be held liable for actions of trustees. These powers were issued in 2016.

We therefore took the decision, following consultations with our Insurers to split the business risk whereby the actions of trustees independent of us did not affect the wider client book. This has worked successfully and has allowed us to continue with scheme administration and reporting, without the very high costs of higher levels of insurance which would have been passed on to our customers. This change was made in 2016 and in the four years of practice since then we have also been able to keep costs lower than the industry average, which you will have seen the benefit of.

3. Office Locations

We have changed office twice in 14 years. We acquired a pension book from another firm which was located in Bolton in 2016 and took the decision to centralise administration for clients in one centre.

Unfortunately, the administration service at Bolton from the staff who joined the practice was not to our satisfaction and we had on-going postal issues at a local level. We took the decision to close the office service centre in Bolton and centralise at Venture Wales, which has been working very well over the last 2 years.

In respect of Gibraltar, our IT services and online technology development has been located here for four years and as we move into the digital environment expected by our customers, we will continue to develop our technology and platform applications from Gibraltar, reflecting the excellent local pool of developers in the local area.

4. Tax Returns

All pension scheme tax returns for the Scheme are fully up to date and there has been no HMRC audit checks or concerns raised. A copy of the 2019 tax return and trustee report will be sent to you from Emily.

We are sorry that you have not been receiving the newsletters we issue on a periodic basis. We will speak with our marketing team to make sure that you are on the list.

Finally, I have been working as a pension specialist for around 25 years and have undertaken pension project work for the travel industry, I act for the former Bank of Scotland chairman, an ex-pensions minister and a number of high profile people, including a former england football manager. This profile is known by some in the media.

I became a victim of media intrusion in 2015, when I received a phone call to participate in a pensions survey. That survey was generally about pensions and it transpired the person in question was a journalist who lied to me about the nature of his call. He also wrote a factually incorrect article that I was operating a misleading website. He claimed correctly though that I was a shareholder in wide-boys r us limited, but he did not explain that this was a college friend’s over-sized clothing firm and that I had invested into. This had no relevance, but it did make for a salacious article.

It was quite a distressing time for me and my family, but thankfully it is in the past. It has not affected my work for clients. In point of fact we now act for several hundred schemes and I continue to be referred work on account of my in-depth understanding of pension issues, technical ability and good advice. I believe the value I give with that of co-administrator Emily is to always put your needs first. Hopefully this allays your concerns on my competency and ethics.

If you have any further questions, please do not hesitate to get in touch.

Kind regards

Yours sincerely

Gavin McCloskey **For Pension Practitioner**