

The logo for FRP Advisory, featuring the letters 'FRP' in a large, bold, white font above the word 'Advisory' in a smaller, white font, all contained within a red square.

**FRP**  
Advisory

Pensions  
Advisory

# FRP Pensions Advisory

Practical guidance, advice and support



[www.frppensions.com](http://www.frppensions.com)



## Trusted Pension Advice

### We work with trustees, employers, investors, lenders, regulators and other stakeholders

FRP Pensions Advisory is part of FRP Advisory LLP which provides solutions to trustees and employers in response to specific events or longer term strategic planning in respect of defined benefit pension schemes.

We work with clients where the principal employers range from fully listed PLCs to small private companies. We also work with investors, lenders, regulators and other stakeholders to address issues arising from their perspective. See the other pages for further information.

We have a team of dedicated Partners and Directors to assist in negotiating an optimum outcome for you and your pension scheme. The team is located across the country which enables us to provide a national coverage. Their combined knowledge across a range of projects means that we have a wealth of situational experience. They are supported by a team of experienced individuals who are also focused on finding solutions to pension scheme related issues.

Being closely linked with our core business in FRP Advisory means our partners have a background in restructuring and working with financial institutions and are well versed in complex negotiations and finding solutions to seemingly impenetrable problems.

We aim to provide our clients with clear, concise and pragmatic advice together with an action plan. We continuously receive updates on developments in the defined benefits pensions sector so that we can advise clients accordingly.

## Services

### Employer covenant reviews

Guidance released by The Pensions Regulator proposes that, as a minimum, trustees should undertake a full covenant review at each triennial valuation. Also as a covenant can change quickly, it is further recommended that the covenant is reviewed regularly between the formal reviews. Changes in covenant can have implications for trustees' investment and funding strategies and therefore trustees should have a contingency plan mapped out so that prompt and effective action can be taken should it be required.

There are many factors that need to be considered when you are deciding on the required depth of a review and how frequently it is required. Follow this link to The Pensions Regulator website for further information. If you are looking at this for the first time, we would recommend downloading the Guidance issued in August 2015.

Whether an employer covenant review for a triennial valuation or an update, FRP Pensions can offer bespoke advice tailored to the specific situation.

We can carry out both in-depth reviews with detailed specific scopes as well as high level reviews which draws the attention of trustees to areas on which they should focus. Our reports to clients provide clear, concise and pragmatic advice together with action plans to facilitate negotiations which will have been shared and agreed with other appointed advisors.

### Response to a specific event

There are many events that can have a bearing on covenant strength which can require advice from an external trusted pensions advisor. These include share redemptions, dividend distributions, refinancing, mergers, demergers, acquisitions and disposals.

We are able to provide both pro-active and reactive advice to trustees when transactions are under discussions or have taken place.

Other specific events where we have extensive experience are negotiations between stakeholders in respect of scheme funding, recovery plans, clearance applications relating to material detriment, deficit mitigation, and scheme apportionment arrangements.

With a background in insolvency and working with major financial institutions, we are well versed in complex negotiations and in finding solutions to seemingly impenetrable problems and will act as intermediaries to "de-personalise" difficult situations.

### Assistance in negotiations

We provide advice and support negotiations between trustees and employers in connection with the triennial valuation process. This is typically done in parallel with your scheme actuary and can include developing a structured recovery plan (based on affordability and covenant strength) and the design of an integrated risk management framework.

## Case Studies

We have provided advisory services to trustees and employers in respect of a wide range of pension schemes, including the following:

<b>UK based domestic equipment manufacturer</b>	Employer covenant review to support the triennial valuation plus an assessment of the impact of the acquisition of the employer by a US Corporation	<i>Services resulted in increased contributions to the Scheme</i>
<b>Document management</b>	Advice to Trustees on employer covenant arising from UK financial and operational restructuring	<i>Services resulted in negotiations to grant security to the Scheme</i>
<b>Agricultural specialist</b>	Advice on employer covenant to the trustees to support the triennial valuation following a scheme merger plus revised recovery plans	<i>Services resulted in a base line for future monitoring of the merged scheme being set</i>
<b>Retail catalogue sales</b>	Employer covenant review to support the triennial valuation plus an assessment of the impact of the disposal of a trading subsidiary	<i>Services aided the trustees to work with the group to improve the employer covenant</i>
<b>International food supplier</b>	Employer covenant review to support the triennial valuation plus an assessment of the impact of the acquisition of the employer by a US Corporation	<i>Services aided trustees in obtaining asset based security for the Scheme</i>
<b>Multinational packing manufacturer</b>	Employer covenant review to support the triennial valuation plus an assessment of the impact of the re-organisation of the UK Group	<i>Services enabled trustees to agree an FAA and set a base for future monitoring</i>
<b>Repetition component manufacturer</b>	Employer covenant review to support the acquisition of the employer by a third party purchaser	<i>Services assessed the impact of the acquisition and secured mitigation for the transaction</i>
<b>Automotive component manufacturer</b>	Covenant review to assess viability of employer resulting in the crystallisation of the pension scheme liability	<i>Services aided trustees to secure entry into PPF assessment</i>

## Our People



### Gerald Smith

**Partner**  
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Gerald has a wealth of experience in pensions and insolvency practice, which has been developed over more than 30 years in the industry.

Within FRP Advisory, Gerald has overall responsibility for developing pensions covenant review and related services to trustees and corporate employers, in relation to defined benefit pension schemes.

Gerald is also actively involved in providing restructuring and insolvency advice to companies in financial difficulty across a wide spectrum of business activities including charities and other not for profit entities. In addition, he acts as an expert witness in respect of financial disputes which includes giving expert evidence in the High Court.



### Gareth Morris

**Partner**  
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Gareth has spent over twenty years working in insolvency with both large and medium size firms. He joined FRP as a partner on its formation.

Within FRP Advisory Gareth is a leading advisor to investment companies, fund managers and other financial services businesses, both regulated and unregulated. He also regularly works on assignments originating from the PPF. Based out of Bristol Gareth also advises large and mid-sized businesses who are suffering financial stress on their options, which frequently involves the need to address historic and current pension scheme obligations.



### Tony Wright

**Partner**  
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Tony has extensive experience and expertise in providing restructuring advice to companies, their directors and stakeholders. He is a qualified accountant and a Member of the Association of Business Recovery Professionals.

Tony is responsible for leading the pensions advisory team in the South East, advising defined benefit pension scheme trustees and other stakeholders in respect of the employer covenant provided by sponsoring employers which range in size from small companies to multinational organisations.

He also has experience across a wide range of sectors, having worked across a number of industry sectors including healthcare, education, retail, media, industrials and leisure, and has particularly developed specialisms in motor retail, leisure and professional practice arena.



### Miles Needham

**Director**  
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Miles is an experienced business restructuring and insolvency professional with 15 years' experience in the sector.

Miles is actively involved in employer covenant review exercises for trustees both for triennial valuations and deficit mitigation exercises associated with corporate transactions. He advises directors, lenders and stakeholders on strategies to enhance value when dealing with underperforming and distressed businesses, particularly in the owner-managed (SME) sector.

Miles has previously undertaken a secondment with a major UK clearing bank, gaining valuable insight into the approach of UK bankers in dealing with distressed businesses.

## Contact us

Our specialists are always happy to answer any questions.

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