

Contents

Section one: Introduction and our approach to fees	3
Section two: Your advice journey with The Private Office	4
Section three: Initial advice fees	5
Section four: Financial Planning Only Service and Heritage Product Service	9
Section five: Ongoing advice fees & service classes	10
Section six: Examples of initial & ongoing advice fees	12

Our fee charges and VAT

The application of VAT in relation to financial planning advice and the provision of ongoing services is complex. Broadly speaking, VAT is not chargeable if the financial planning services we provide to you leads us to introduce (recommend) a financial product which is implemented. This is known as intermediation.

Where intermediation occurs both our initial advice fees and the ongoing investment and advice fees associated with these products are free from VAT.

However, it should be noted that not all of the services we provide fall within the definition of intermediation and in such cases VAT will be charged in addition to the fees outlined in this document.

Examples of services we provide where VAT will normally apply are listed below:

- Cash flow planning
- Cash Management
- Defined Benefit Transfer Analysis and Advice
- Financial planning assessment and discussion documents
- Ongoing Financial Planning fees (Enhanced and Bespoke service clients only) – this does not apply to your ongoing investment fees which are payable in addition and which are associated to a specific financial product making them VAT exempt.

We will always confirm the VAT position for the services you require before commencing work.

Introduction

Our approach to fees is simple – we aim to ensure that clients are clear about the services being provided, and the fees they are required to pay for those services. We aim to agree fees that represent fair value, both to ourselves and our clients. This provides a solid foundation for a successful long-term relationship.

Before we provide you with our advice, we will add together all of the costs and charges payable, so that you can clearly see and understand the overall costs of our services and recommendations.

This is referred to as ‘Aggregated costs and charges’ disclosure, and will be included within our scope of work and/or suitability letter.

Transparency is key, particularly where fees are concerned. Fees will be detailed in monetary terms, and agreed by you in advance.

You will also be notified of any additional costs which might be incurred, prior to work commencing.

Should you have any other planning requirements not listed, we will be happy to discuss them with you and agree a personal arrangement.

Our approach to fees

We work with many clients who have taken advice from other financial advice firms and therefore we have a good understanding of the fees they charge and how these are structured.

In the majority of cases, adviser fees depend on you following their course of action or investing capital; this is

called contingent charging. A typical implementation fee from such advisory firms will range between 1% to 5% of assets invested. Based on £1million, for example, that is £10,000-£50,000.

Our approach to fee charges is different as illustrated in the example below.

	Commonly adopted fees in our profession	*Indicative TPO initial fees
CASH FLOW	N/A	£2,125 to £3,450
EXISTING INVESTMENT & PLAN ANALYSIS	Nil	£2,125 to £6,900
ADVICE	Nil	£2,300 to £5,750
IMPLEMENTATION	1% to 5%	Nil
Total fee payable	£10,000 to £50,000 Fee is contingent	£6,550 to £16,100 If you accept our recommendations, we do not charge an implementation fee

*Your journey, and the services you engage us to provide, are based on your personal financial planning needs and will not necessarily mirror the journey in the example above. Please read on for our detailed menu of services and associated fees.

Your advice journey with The Private Office

Our journey starts with discovery – during the discovery phase you will get to know more about TPO, the services we provide and start to build a relationship with your adviser. This is a no obligation introductory meeting which is **free of charge**.

If you decide to engage with us to support you in meeting your current and future financial goals your adviser will seek a deeper understanding of your financial aspirations and the products and planning you have already put into place to meet your objectives. This will typically be followed by in depth analysis of your existing investments and plans to assess whether they offer good value for money and are fit for their intended purpose. We describe this as the planning stage and an explicit fee will apply to each planning service required from the menu of services later in this document.

Once we have completed our review we will prepare your personalised recommendation for how best to meet your objectives going forward. A separate advice fee will be levied.

We do not charge an additional implementation fee for facilitating the set up of the plans we have recommended.



Initial advice fees for mainstream services

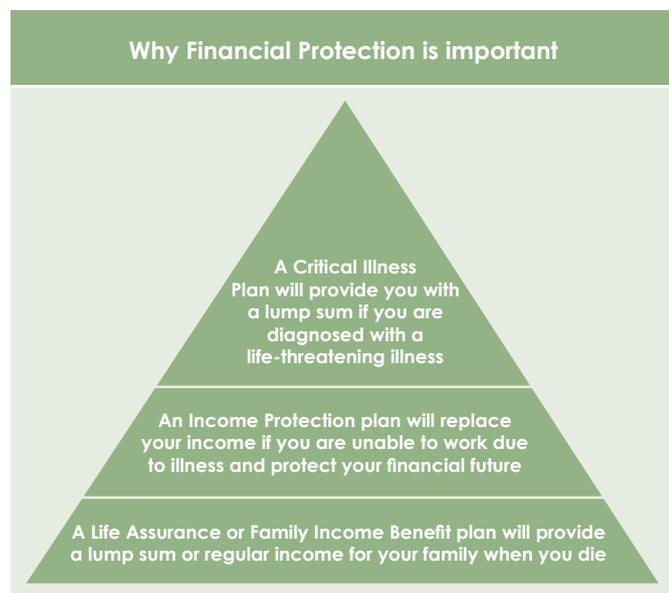
Cash flow	Cost of financial planning and analysis
Cash flow analysis of your current position (one scenario)	£500 fixed fee
Detailed cash flow forecast (multiple scenarios; price depends on number of scenarios required)	£2,125 to £3,450

Conducted by one of our experienced financial planners, cash flow modeling provides you with clarity on your current financial position and what it might mean for the future.

Core advice segments	Cost of financial planning	Cost of advice
Cash to investments and pensions	N/A	Advice segment fee between £2,300 to £5,750
Investment and Defined Contribution pensions review	£2,125 to £6,900*	
Inheritance tax overview	Each segment fee between £2,125 to £3,450	
Structured deposits		
Long-term care planning		

*Please refer to the case studies in section six to examples of our review charges.

Protection Planning Services



The fee charged will be based on the time and complexity of:

- The number of policies under review
- Complexity of the policy structures
- Technical expertise required from the team
- Complexity of the recommended solution

Notes

Please turn to **page 12** for worked examples of our initial and ongoing fees.

Product provider and/or platform as well as fund management charges will be payable in addition when investing - these will be fully disclosed in your personalised Financial Planning Agreement and/or recommendation letter.

Unless explicitly stated in our service menu VAT will not apply to our fees if you implement our recommendations. Please see page 2 for more information.

Protection Planning	Cost of protection advice
Review and provide recommendations to meet your personal Protection needs	Between £1,000 to £7,500 depending on planning needs identified and complexity of product



Initial advice fees for specialist services

Pension transfer service

It is important that you have read our Defined Benefit Pension Guide before deciding to take advice. Please get in touch with us to request a copy.

Defined Benefit pension review	Cost of financial planning, including investment advice
<p>Abridged Advice Service</p> <p>We will review your personal circumstances and retirement objectives to assess whether a transfer may be potentially suitable for you. An Abridged Advice Service provides one of two outcomes:</p> <ol style="list-style-type: none"> 1. A personal recommendation not to transfer 2. Confirmation that more detailed analysis is required and that you will require our Full Advice Service 	<p>Fixed fee</p> <p>£995 + VAT</p>
<p>Full Advice Service</p> <p>We will complete more detailed analysis of both your financial position using cash flow modeling and your pension scheme benefits to determine whether a transfer is suitable for you. If you have already engaged in our Abridged Advice Service we will reduce our Full Advice fee accordingly.</p>	<p>Fixed fee</p> <p>£9,500 +VAT*</p> <p>This fee includes the review of one Defined Benefit pension scheme; an additional fee of £2,000 per scheme will apply for multiple schemes</p>

*VAT will not apply if we recommend a transfer from your Defined Benefit Pension Scheme.

Alternative investing

This service is available for clients who, due to their level of investable wealth or circumstances have a need for more sophisticated tax planning strategies.

Alternative investing for tax planning and diversification	Cost of financial planning, including investment advice
<p>Stage 1 – Assessment and discussion document (including cash flow forecast)</p> <p>Once our initial analysis has been completed, including a detailed assessment of your knowledge and experience of investing and your capacity for loss combined with a consultation with your accountants and legal advisers (where appropriate) we will present our conclusions and discuss the potential solutions available to meet your planning needs</p>	<p>£2,875 + VAT</p> <p>This fee includes 3 cash flow scenarios; there will be an extra £500 fee applied per additional scenario</p>
<p>Stage 2 – Advice and recommendation</p> <p>Following presentation of our stage 1 findings we will prepare our detailed recommendations</p>	<p>Advice segment fee between £2,300 to £5,750</p>

Notes

The applicable fee for Stage 2 would vary dependent on a number of factors, including:

- Complexity of solution (type and number of underlying strategies required to meet individual circumstances and objectives)
- Number of plans/schemes under review
- Time and technical input required

Unless explicitly stated in our service menu VAT will not apply to our fees if you implement our recommendations. Please see page 2 for more information.

Estate planning service

Inheritance tax review service	Cost of financial planning, including investment advice
<p>STAGE 1 Assessment and discussion document (including cash flow forecast)</p> <p>Once our initial analysis has been completed, including consultation with your legal advisers and accountants (where appropriate) we will present our conclusions and discuss the potential solutions available to meet your estate planning needs</p>	<p>£2,875 + VAT</p> <p>This fee includes 3 cash flow scenarios; there will be an extra £500 fee applied per additional scenario</p>
<p>STAGE 2 Advice and recommendation</p> <p>Following presentation of our stage 1 findings we will prepare our detailed recommendations, including an investment strategy (if appropriate)</p>	<p>Advice segment fee between £2,300 to £5,750</p>

Equity release service

Equity release fee	Cost of financial planning, including investment advice
<p>STAGE 1 Assessment and discussion</p> <p>A personal consultation to talk through your requirements to get to know your particular circumstances and needs.</p>	<p>Advice fees ranging from £5,000 to £30,000 determined by the complexity of your needs.</p>
<p>STAGE 2 Advice and recommendation</p> <p>We will undertake full research and present you with a detailed recommendation, including an investment strategy (if appropriate).</p>	

Lifetime Allowance planning

Managing your Pension Lifetime Allowance	Cost of financial planning, including investment advice
<p>STAGE 1 Assessment and discussion document (including cash flow forecast)</p> <p>A personal consultation to establish your overall financial planning objectives and priorities, including the interaction of personal taxes such as income tax, and inheritance tax with management of your pension Lifetime Allowance.</p> <p>Detailed analysis to identify your current Lifetime Allowance position.</p> <p>We will present our conclusions and discuss the potential solutions available to meet your objectives.</p>	<p>£2,875 + VAT</p>
<p>STAGE 2 Advice and recommendation</p> <p>Following presentation of our stage 1 findings we will prepare our detailed recommendations, including the sequence of Benefit Crystallisation Events to meet your objectives and any protection measures which may be available to you.</p>	<p>Advice fees ranging from £2,300 to £5,750 plus VAT determined by the complexity of your pension arrangements.*</p>

*Where a mix of defined benefit and defined contribution pensions are held

Notes

Unless explicitly stated in our service menu VAT will not apply to our fees if you implement our recommendations. Please see page 2 for more information.

Initial advice fees for additional services

Planning work	Cost
Designing your retirement plan	£4,425*

*Existing client service charge. This charge does not apply to existing clients in the Bespoke ongoing service class. Loyalty fee reductions available for all qualifying clients in other service classes.

New clients requiring this service will receive a personalised scope of work and fee proposal which will take into account the assets available to support retirement expenditure. Please refer to page 5 for indicative costs.

Retirement planning – accessing your pensions

Planning work	Cost
Pension annuity	£2,125*
Accessing tax free cash only	£2,125**
Pension income withdrawal only from crystallised fund	£1,050**
Drawing an Uncrystallised Funds Pension Lump Sum (UFPLS)	£2,125**

*This charge does not apply to existing clients in the Bespoke ongoing service class. Loyalty fee reductions available for all qualifying clients in other service classes.

**No charge if invested in one of our centralised investment portfolio solutions on a preferred platform.

Defined Benefit scheme pension services at retirement*	
Accessing your pension benefits (without investment advice)	£3,275 + VAT
With investment advice (following extraction of a pension commencement lump sum)	£5,575

*This segment does not apply to defined benefit (DB) transfer work; if you are considering transferring out of your DB scheme, please refer to page 6 which contains more information on the services we provide in this regard.

Notes

Unless explicitly stated in our service menu VAT will not apply to our fees if you implement our recommendations. Please see page 2 for more information.

Ancillary services for existing clients

Planning work	Cost
Topping up your existing ISA, Investment Account or SIPP within Preferred Portfolio Service	No charge for this service if you are investing in your existing portfolios.
Investment strategy switch within Preferred Portfolio Service	No charge for this service
Annual allowance/carry forward analysis	£500 to £2,125*
Lifetime allowance analysis	£500 to £2,125** No charge for this service if you are paying an ongoing service fee.
Purchase life annuity	£2,125

*Cost will vary in accordance with number and type of plans; for example, the planning cost for carry forward analysis on a DB scheme would be £2,125.

** Costs will vary based on the number and types of plans held and an assessment of any Lifetime Allowance already used (if applicable).

Cash management

Core advice segments	Cost of financial planning	Account administration
National Savings & Investments	£575	£250 (maximum 3 accounts) ⁱ
Cash platform	£1,150	£250
Open architecture cash portfolio	£2,125	£50 per account

ⁱ£50 per additional account

Financial Planning Only service: starting from £4,250 per annum

We have our own highly qualified investment team in place to ensure that the investment solutions we offer are suitable for the needs of our clients. However, we recognise that some individuals prefer to manage their own portfolios or to maintain an existing investment management relationship but need assistance in structuring and maintaining their financial arrangements. We are able to offer a Financial Planning Only service which provides the following core services:



Ongoing Services

Regular review meetings

Ensure that your financial plan remains suitable for your needs

Cashflow updates

Ensure your plan remains on track

Financial Planning

Advice on the funding of your tax efficient allowances

Client Portal and App

For the secure exchange of documents

Tax and legislative updates

which may impact your financial plan

We are happy to provide a bespoke financial planning only service whereby additional services can be added to our core service menu on request – annual fee by agreement.

Heritage product service

If you are a long term investor you may already have capital invested in products offered by traditional Life Assurance providers.

Our heritage product service has been designed for clients who are invested in Life and Pension products offered by these providers, for example Onshore Investment Bonds, Retirement Annuity Contracts and Personal Pension Plans.

Our heritage product service fee of £575 per annum (per plan payable annually in advance) includes an annual review of the ongoing suitability of the plan, taking into account any change in your personal circumstances, and a review of the underlying investment fund/s to ensure they continue to reflect your appetite for investment risk and volatility.

The plans will also be included in your annual valuation.

Ongoing advice fees & service classes

We believe that ongoing advice is the key to enabling clients to make sensible, long-term decisions about money which can help them to achieve their personal goals. We work closely with our clients to help them build plans and stay on track, through a process of regular consultation refinement and restructuring where appropriate.

It is never too early to start planning for your long term financial well-being and we offer a range of ongoing services which have been designed to suit the individual needs of our clients.

TPO service class

1	Core
2	Premium
3	Enhanced
4	Bespoke

Our **Core** service has been designed for clients who are at the start of their savings journey and are seeking a simple solution to their planning needs but underpinned by sound planning principles.

Our **Premium** service is a natural progression service for clients who have seen their investments grow in value and start to need a more refined solution. As invested wealth increases there may be a heightened need for tax planning services and more diversified investment solutions. Our **Premium** service also caters for clients needing a guided decumulation service but who have not achieved sufficient momentum in their savings journey to require more specialized services and are content to remain invested in a centrally managed investment proposition.

Our **Enhanced** service is our most comprehensive offering for individuals at any stage of their investment journey who value a personal administration and adviser relationship. Clients will typically have accrued a substantial amount in invested wealth and may require more complex planning solutions. Clients receiving our **Enhanced** service will have access to inheritance tax planning solutions as well as capital preservation and structured decumulation advice services.

Finally, we have our **Bespoke** service concierge offering. Clients will typically have accumulated £10 million+ of investable assets and are seeking a highly personalised planning service, often working in conjunction with their tax planners and legal advisers. This service is ideally suited to entrepreneurs, business owners planning for a business exit and those with inherited wealth wishing to preserve their estate for successive generations.

Please check the table opposite for a more detailed explanation of each of our ongoing services and their associated costs.

Paying your ongoing advice fees

The facilities we are able to offer for payment of agreed ongoing services will vary depending on your service class. This will be explained in more detail by your adviser.

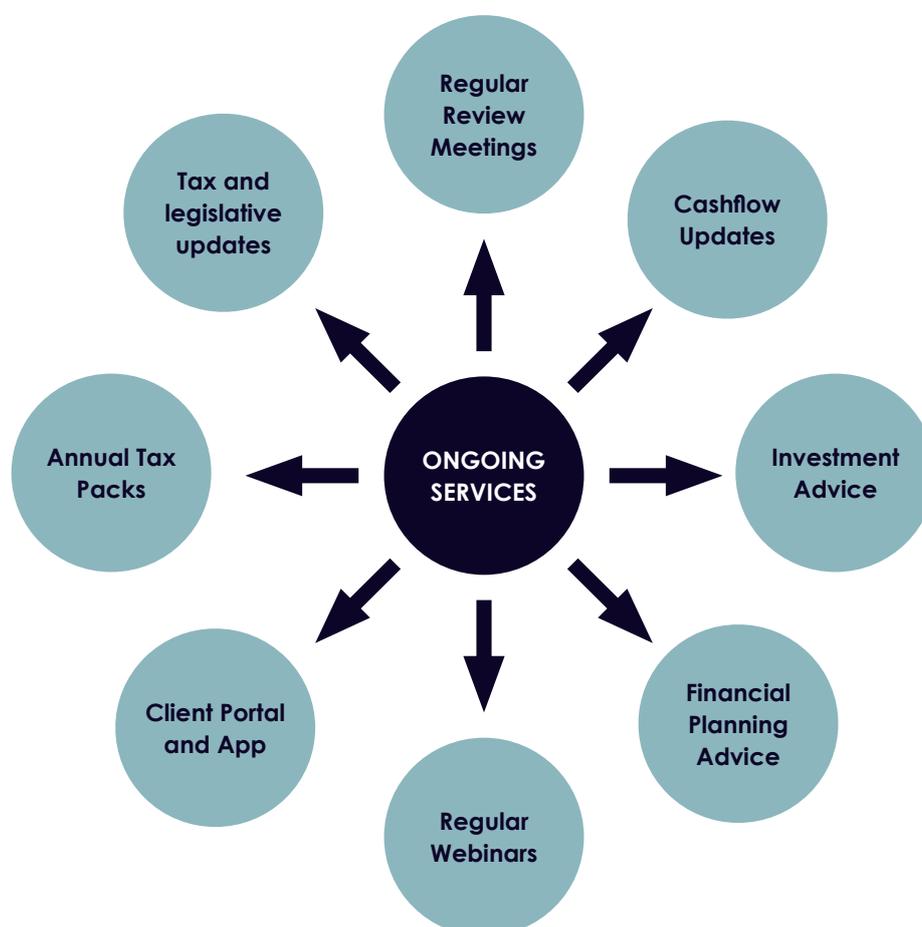
Ongoing services

Service class	Service features	TPO Ongoing Fees
Core	Loyalty bonus - 10% initial fee reduction for new work	0.95% p.a. minimum annual fee £1,000 p.a.
Premium	Loyalty bonus - 25% initial fee reduction for new work	0.95% p.a. Minimum annual fee £2,500 p.a.
Enhanced	Loyalty bonus - 50% initial fee reduction for new work	£3,000 plus 0.75% p.a. Minimum annual fee £10,000 p.a.
Bespoke	Concierge service, fully tailored to your needs and provided by our most experienced practitioners and support team	£7,500 plus 0.65% p.a. or £25,000 plus 0.45% p.a. In either scenario, a minimum annual fee of £25,000 applies

Qualification period for loyalty reward – 2 years from the date you become an ongoing client.

Provider, platform and fund management charges will be payable in addition when investing - these will be fully disclosed to you in your personalised Financial Planning Agreement and/or recommendation letter.

Ongoing services we provide



Examples of initial & ongoing service fees

Please find below some examples of how our different service classes are charged in practice.

Example 1

CORE SERVICE

If you are a new client and have simple financial affairs and were to invest £150,000 from cash into a new ISA, pension and General investment account as a new client to TPO, hence no loyalty reward factored in.

Core	
Initial advice fees	Ongoing service fees
Initial discovery meeting – no cost	Annual service fee 0.95%
Initial advice and administration £2,000	
Presentation meeting – no cost	
Total initial fee £2,125	Total annual fee £1,425 (0.95%)

Example 2

PREMIUM SERVICE

As invested wealth increases financial planning needs become more complex and regular reviews are necessary to ensure your plan remains on track. Cash flow planning and a review of your existing pension and investments totalling £900,000 are delivered under our Premium service as part of your ongoing service.

This example assumes that you have surplus wealth of £200,000 available for investment and that alternative investment solutions are considered to mitigate increasing income tax liabilities.

Premium	
Initial advice fees	Ongoing service fees
Cash flow planning – no cost	Annual service fee 0.95%
Investing £100,000 into existing ISA and General Investment Account – no cost	
£100,000 allocated for alternative investing to reduce income tax liabilities £5,175	
Presentation meeting – no additional cost	
Total initial fee £5,175	Total annual fee £8,550 (0.95%)

Example 3

ENHANCED SERVICE

You continue to save over the next three years and are coming up to retirement at age 65. Your invested wealth has grown to £1.5m and you require a full holistic review and re-structure of your invested wealth in preparation for retirement. You also decide to undertake a review of your inheritance tax position.

Enhanced	
Initial advice fees	Ongoing service fees
Creation of a retirement plan £2,212.50 (£4,425 less 50% discount)	Annual service fee 0.75% Annual fixed financial planning fee £3,000
Estate Planning review £4,312.50 (£8,262.50 less 50% discount)	
Total initial fee £6,525	Total annual fee £14,250 (0.95%)

Notes

Provider, platform and fund management charges will be payable in addition when investing - these will be fully disclosed to you in your personalised Financial Planning Agreement and/or recommendation letter.

The following examples include investment and pension reviews from our mainstream services. Our minimum fee for reviewing up to three investment or pension arrangements is £2,125. Each subsequent plan will incur an additional charge as follows >

ISA	£200
GIA	£250-£450 (depending in complexity)
DC Pension	£400
Onshore/Offshore Bond	£500

The plans with the highest fee tariff will be charged first.

Example 4 CORE SERVICE

If you come to us as a new client with an existing portfolio to be reviewed and we recommend changes to these plans valued at £294,000.

CORE	
Initial advice fees	Ongoing service fees
Initial discovery meeting – no cost	Annual service fee 0.95%
Pension and investment review £2,325	
Initial advice and administration £2,300	
Presentation meeting – no cost	
Total initial fee £4,625	Total annual fee £2,793 (0.95%)

Breakdown of pension and investment review charges

3 Defined Contribution Pensions valued at £270,000
1 ISA valued at £24,000

Three Defined Contribution Pensions charged at	£2,125
ISA	£200
Total review fee	£2,325

Example 5 PREMIUM SERVICE

You have been self managing your portfolio for several years. As invested wealth increases financial planning needs become more complex and regular reviews are necessary to ensure your plan remains on track. You engage TPO to provide this service. Cash flow planning and a review of your existing pension and investments totalling £875,000 are delivered under our Premium service.

PREMIUM	
Initial advice fees	Ongoing service fees
Initial discovery meeting – no charge	Annual service fee 0.95%
Cash flow planning £2,125	
Pension and investment review £3,725	
Initial advice and administration £2,300	
Presentation meeting – no additional cost	
Total initial fee £8,150	Total annual fee £8,312.50 (0.95%)

Breakdown of pension and investment review charges

1 Joint General Investment Account valued at £350,000
(20 holdings)
2 ISAs with a combined value of £200,000
1 Onshore Bond valued at £150,000
4 Defined Contribution Pension valued at £175,000

Onshore Bond, GIA and one DC pension	£2,125
ISAs	£400
Three Defined Contribution Pensions	£1,200
Total review fee	£3,725

Example 6

ENHANCED SERVICE

Your financial adviser has recently retired and you decide to move to a new financial advice firm which can meet all of your financial planning needs. You engage TPO to provide this service. Cash flow planning and a review of your existing pension and investments totalling £2.65 million are delivered under our Enhanced service.

ENHANCED	
Initial advice fees	Ongoing service fees
Initial discovery meeting - no charge	Annual service fee 0.75%
Cash flow planning £2,125	
Pension and investment review £4,125	
Initial advice and administration £2,300	
Presentation meeting - no additional cost	
Total initial fee £8,550	Annual fixed financial planning fee £3,000
	Total annual fee £22,875 (0.86%)

Breakdown of pension and investment review charges

1 Joint General Investment Account valued at £600,000 (20 holdings)
 2 ISAs with a combined value of £650,000
 1 Offshore Bond valued at £550,000
 5 Defined Contribution Pension valued at £850,000
 Total value = £2,650,000

Offshore bond, GIA and one DC pension	£2,125
ISAs	£400
Four Defined Contribution Pensions	£1,600
Total review fee	£4,125

EQUITY RELEASE

Our planning fees for providing an equity release service range from £5,000 to £30,000 with the fee applicable being determined by the complexity of your needs and the work which we will undertake to provide you with the most appropriate solution for your particular circumstances.

EQUITY RELEASE	
Example scenario	Estimate fees
<p>Home adaptation</p> <p>In this situation the expenditure need is known in advance and there are no additional planning needs to be addressed.</p>	£5,000
<p>Care needs funding</p> <p>In addition to exploring equity release options we will also consider the availability of local authority assistance and the purchase of a care annuity (funded from existing liquid assets or from equity released from your home).</p>	£10,000
<p>Debt Repayment</p> <p>Getting a detailed understanding of current debts to be cleared and costs. This can sometimes involve multiple properties. Looking at cash flow and implications of clearing the existing debt and benefits of doing so.</p>	£20,000
<p>Estate Planning</p> <p>Property wealth can make estate planning challenging during your lifetime and equity release can be a useful tool in passing wealth to the next generation during your lifetime in a tax efficient manner. When estate planning is the key planning need we will engage with the extended family and their legal advisers to ensure that a joined up approach is taken. This type of planning will often include an element of trust planning, gifting and insurance considerations.</p>	£30,000

Leeds | London | Bath

Head Office

No 2 The Bourse, Leeds LS1 5DE

T: 0333 323 9060

E: enquiries@theprivateoffice.com

W: theprivateoffice.com



The Private Office and TPO are trading names of The Private Office Limited, authorised and regulated by the Financial Conduct Authority, firm reference number 789482. Registered in England and Wales at 2 The Bourse, Leeds LS1 5DE, company number 10226899.

Advice Champion Services Limited and Investment Champion Online Limited are Appointed Representatives of The Private Office Limited.

Our financial services register entry may be checked by visiting <https://register.fca.org.uk/>

Please note that the Financial Conduct Authority (FCA) does not regulate cash flow planning, estate planning, tax or trust advice.

© 2022 The Private Office

07/2022 FP: 0622030

