

# Appointing a professional trustee



There are various important considerations to take into account when appointing a professional trustee, which we explore in this guide, as well as the likely costs involved.

## At a glance

- You can appoint a professional trustee and/or more individuals as trustees of a trust.
- Professional trustees may be appropriate because they are independent and objective.
- You can appoint an individual member of Mills & Reeve as a trustee, or the Mills & Reeve Trust Corporation.
- Appointing the trust corporation provides continuity and ensures there will always be a professional trustee available.
- We charge by the hour for trustee services.

When creating a trust, you are entitled to appoint any person to be a trustee of your will trust and/or your lifetime trust. In turn, they are free to engage the services of a professional to assist with the administration of your trust.

As well as choosing one or more individuals to be trustees, you might appoint a professional trustee to work alongside them. Alternatively, you can appoint a professional trustee to act alone.

Clients frequently choose to appoint a professional trustee for the following reasons:

- To ensure independent and objective decisions are made in relation to the investment and distribution of the trust assets.

- To provide a degree of personal distance from family members who may find it difficult to make decisions where there is a conflict of interest or emotional complications.
- To tie the family and the administration of your trust to your trusted professional advisors.

Mills & Reeve can act as a professional trustee. This can be arranged either by appointing an individual member of the firm as a trustee, or by appointing the Mills & Reeve Trust Corporation.

Appointing the trust corporation, rather than an individual at the firm, provides continuity and ensures that there will always be a professional trustee available. The sole purpose of the trust corporation is to act as a corporate trustee and, at any one time, around 20 partners of the firm are directors of it. The trust corporation does not undertake any trading or business activities and therefore does not pose any financial risk to the trust fund.

## Our fees

Our charges are calculated on the same basis, regardless of whether an individual or the trust corporation is appointed as a trustee. We charge by the hour. Our current hourly rates for the employees who will typically be involved in this work are:

<b>Trust manager/legal executive</b>	£145 - £235
<b>Associate/senior associate/principal associate</b>	£185 - £310
<b>Partner</b>	£345 - £550

We review our rates each year and notify our clients of any changes. All work is supervised at a partner level, but most of the administration work is dealt with by an experienced trust manager or legal executive to keep costs down. Decisions regarding the investment of trust assets or distribution among the beneficiaries are always made by the partner most familiar with the wishes of the settlor and the circumstances of the trust's beneficiaries. It is difficult to provide an accurate estimate of the costs involved in acting as a professional trustee. There are many factors that affect the work involved, including the nature of the trust, the beneficiaries and the co-trustees and the extent, nature and location of the assets in the trust. Wherever possible, we provide a best estimate of the likely costs as soon as details are available, and revised estimates as and when circumstances change.

Discrete pieces of work are quoted for separately. These may include:

- Conveyancing charges in connection with the sale of property
- Litigation affecting the administration of the trust
- Tax planning for beneficiaries of the trust

## Billing

Whenever we are instructed to deal with the administration of a trust or to act as a trustee, detailed terms of engagement are sent out for approval to co-trustees and, in some cases, to beneficiaries. We usually bill on a monthly basis. If costs are low in a particular month, they will usually not be billed until the following month. In some matters involving minimal ongoing administration, quarterly billing is more appropriate. Issuing bills at regular intervals enables the co-trustees and beneficiaries to monitor the expenditure of the trust. Detailed reports of the time involved will be provided.

## Also in the series

- Making a will
- A family investment company
- Administering an estate
- Lasting powers of attorney
- Grandchildren's education trust
- Pre- and post-nuptial agreements
- Appointing a professional executor
- Distributing the estate of someone dying intestate
- Trusts
- Lasting powers of attorney: property and affairs
- The family home: gift and lease planning
- Deeds of covenant for surplus income
- Gifts made within seven years of death
- Digital assets: what happens to them when I die

## Meet our experts

Our experienced team operates nationwide. For further advice, please get in touch with your local contact.



**Chris Belcher**  
Partner | Cambridge  
T +44 (0)1223 222618  
chris.belcher@mills-reeve.com



**Sarah Cormack**  
Partner | London  
T +44(0)20 7648 9232  
sarah.cormack@mills-reeve.com



**Virginia Edgecombe**  
Partner | Norwich  
T +44(0)1603 693293  
virginia.edgecombe@mills-reeve.com



**John Grundy**  
Partner | Birmingham  
T +44(0)121 456 8212  
john.grundy@mills-reeve.com



**Andrew Playle**  
Partner | Leeds  
T +44(0)113 388 8470  
andrew.playle@mills-reeve.com



**Zahra Siddiqui**  
Partner | Manchester  
T: +44(0)161 234 8862  
E: zahra.siddiqui@mills-reeve.com

Mills & Reeve LLP is a limited liability partnership authorised and regulated by the Solicitors Regulation Authority and registered in England and Wales with registered number OC326165. Its registered office is at 7th & 8th floors, 24 King William Street, London EC4R 9AT, which is the London office of Mills & Reeve LLP. A list of members may be inspected at any of the LLP's offices. The term "partner" is used to refer to a member of Mills & Reeve LLP.

The contents of this document are copyright © Mills & Reeve LLP. All rights reserved. This document contains general advice and comments only and therefore specific legal advice should be taken before reliance is placed upon it in any particular circumstances. Where hyperlinks are provided to third party websites, Mills & Reeve LLP is not responsible for the content of such sites.

Mills & Reeve LLP will process your personal data fairly and lawfully in accordance with professional standards and the Data Protection Act 2018, General Data Protection Regulation (EU) 2016/679 (as applicable) and any other applicable laws relating to the protection of personal data and the privacy of individuals. You can set your marketing preferences or unsubscribe at any time from Mills & Reeve LLP marketing communications at [www.preferences.mills-reeve.com](http://www.preferences.mills-reeve.com) or by emailing [preferences@mills-reeve.com](mailto:preferences@mills-reeve.com) T +44(0)344 880 2666