

Insider

March 2017

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Fergus Lyons
Managing Director

There's a lot going on at AJ Bell right now. After 15 years based in Trafford House in Manchester, we'll soon be moving to a new home at Exchange Quay, Salford Quays. As well as providing a vibrant working environment for our people, this exciting move will also help to support our future growth ambitions.

Plus on top of the usual increase in work that comes at this time of year, we have also been busy launching our AJ Bell Passive fund range, creating a new platform Due Diligence Hub, updating our illustration tool and launching a new BETA website full of enhancements, which will help us on our journey to make your life easier.

Many of you will have attended Investival last year. With speakers like Neil Woodford, Mark Barnett and Edward Bonham Carter already lined up for the 2017 event, demand for seats is already high. The event will take place at the Royal Institute of British Architects in London on Thursday 9 November and we have already

filled more than 50% of the available seats. If you want to make sure that you get a place, please register here: www.investcentre.co.uk/investival.

AJ Bell Passive funds

Following on from the successful launch of our Managed Portfolio Service (MPS) in August 2016, we have now extended our range of multi-asset investment solutions by offering a choice of five AJ Bell Passive funds.

Delivered in the form of Open Ended Investment Company (OEIC) units and focusing on passive investment strategies, these funds offer a simple, transparent, low-cost approach to investing.

“ ... we have now extended our range of multi-asset investment solutions by offering a choice of five AJ Bell Passive funds. ”

The key benefits include:

- Actively targeting risk to avoid unnecessary surprises
- Long-term asset allocation approach to filter out short-term noise
- Diversification through a global multi-asset approach
- A focus on passive investments, keeping costs low and with the annual charge capped at 0.5% (OCF)*

- The Funds & Shares Service custody charge will be waived on investments in the funds until January 2019**
- Management by an experienced investment team to give you peace of mind

*Full details of the capped annual charge are outlined in the Key Investor Information Document for each fund.

**From January 2019 the custody charge outlined in our charges and rates document will apply as normal: www.investcentre.co.uk/charges.

We are now accepting applications for the AJ Bell Passive funds share offer. The offer period is now open and will remain open for applications until 11.00am on Tuesday 18 April 2017.

You can make applications for this offer on behalf of your clients through their SIPP, ISA or GIA – simply place the order online in the usual way. Our normal dealing charges will apply.

For more information about the AJ Bell Passive funds, please visit our webpage www.investcentre.co.uk/ajbell-passive-funds. Alternatively, contact your Business Development Manager.

Digital Strategy update

I am very pleased to say that the initial stage of the developments we have been working on as part of our Digital Strategy project are now live on our new BETA website.

This first drop includes a new dashboard with improved navigation, filters and intuitive text search to help you find clients and information quicker. It also provides access to our new Capital Gains Tax calculator and a new Funds & Shares Service dealing area. If you would like to have a look around and see what we've been up to, I'd strongly encourage you to do so – just click on the link from the landing page after you have logged in. **Please remember though that the BETA site is live, so any instructions you apply on it will be actioned and reflected in your clients' accounts.**

“ ...initial stage of the developments we have been working on as part of our Digital Strategy project are now live on our new BETA website. ”

The 'platform enhancements' area of the BETA site will be regularly updated with details on any new and forthcoming developments that you need to be aware of. It will also feature some handy tips on how to manoeuvre around the site and access certain functionality.

In our next deployment to BETA in late April, we will aim to include:

- An enhanced new business application process – a simplified and more user-friendly experience with improved verification processes and an integrated capability to initiate transfers.
- Straight through cash transfer processing – where the transferring scheme has ORIGO messaging capability, transfers can be initiated and completed online with no manual user interventions required.
- Transfer case tracking – monitor the progress of outstanding transfers via a simple-to-use tracking tool.

If you have any feedback on the BETA site and its new features, please let us know via digitalstrategy@ajbell.co.uk.

Changes to our illustration tool

We will be releasing an updated version of our illustration tool on 6 April. As well as covering off all the changes that the FCA laid out in its PS16/12 Policy Statement, the update also features an improved interface, with easier navigation, a slicker process for inputting information, and a new search function so you can retrieve existing illustrations more quickly.

The new interface will have a built-in user guide, but if you still need some help or you have any questions, please just email enquiry@investcentre.co.uk or contact our Adviser Support Team on 0345 83 99 060.

“ We will be releasing an updated version of our illustration tool on 6 April. ”

In the coming months we will introduce further enhancements to the illustration tool with a single point of data entry and the ability to use illustrations to pre-populate applications.

Due Diligence Hub

“ ... we have launched a new online Due Diligence Hub. ”

The FCA has made it clear that it expects advisers to take due diligence extremely seriously, and that careful research must be carried out regularly to ensure that any platform is appropriate for the needs of your clients now and into the future. This task is made even more critical – and difficult – right now by the extraordinary changes that are happening across the platform industry.

There has been a spike in platform mergers and acquisitions activity in 2016, probably in response to a growing sense of impatience among large parent companies with their unprofitable platform businesses. At the same time, several platforms now also have to confront the huge challenge of moving to newer, more scalable technology solutions. As I mentioned in the first edition of Insider this 're-platforming' work is both enormously expensive and extremely disruptive, with the potential to seriously impact service levels.

So, on top of all the usual due diligence considerations, you now have to take into account profitability issues and looming technology challenges too. With all this in mind we have launched a new online Due Diligence Hub (www.investcentre.co.uk/duediligence-hub). Featuring contributions from the lang cat, Platforum and FinalytiQ, the Hub provides a wealth of information on how to carry out robust platform due diligence. We have also secured the rights to distribute FinalytiQ's 2016 Advised Platform Report, which contains detailed financial analysis of all the leading advised platforms – you can download a free copy of it by going to the Hub. We hope you find all of the material useful.

Funds & Shares Service custody charges

This is just a quick heads-up that the Funds & Shares Service quarterly custody charge for the period from 1 January to 31 March will be debited on, or just after, 25 April. If you haven't done so already, you will need to make sure that your clients' Funds & Shares Service cash accounts have enough funds available in them to pay it.

The cash management view on our website makes it easy to see when Funds & Shares Service custody charges and other account deductions are due and to plan your clients' cash accounts accordingly. You can access it by logging into your account, going to the 'Client list' tab, then selecting 'Cash management' from the drop down of available views and clicking 'Apply view'. You can then access the cash management tools for a particular client and account by selecting 'View'.

If you want to, you can also set up regular disinvestments from here. These attract no dealing charges and offer a cost-effective way of ensuring that ongoing commitments, such as the custody fee, can be covered.

Tax year end - Adviser Support Team extended hours

To make sure our busiest period of the year continues to go as smoothly as possible, our Adviser Support Team will once again be extending its opening hours in the run-up to 5 April. Staff will now be available between 8am and 8pm from Monday 3 April 2017 to Wednesday 5 April 2017.

We always experience a rush of new applications and additional payments (including electronic payments) for SIPPs, ISAs and JISAs in the run-up to the tax year end deadline of 5 April. If you could get all the necessary forms completed and sent over to us (we also welcome personal delivery of paperwork and payments to our office) well in advance, it would be greatly appreciated.

Monthly service performance

To give you a flavour of our service delivery and how we are performing, our typical turnaround times for a number of key service areas are outlined below. We will update this in each issue and flag any hotspots which may occur, particularly in the lead-up to peak periods.

The information below is not provided as a formal measure of our service levels, but rather to give you a general flavour of how our Customer Services Team is currently performing. Looking across all of the areas listed below, we are hitting the indicative timescales provided in 96% of cases. This is an incredible effort from the team, bearing in mind the huge levels of business being submitted in the run in to the tax year end.



Key contacts

Adviser Support Team

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Business Development Team

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