

Insider

February 2019

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Fergus Lyons
Managing Director

Tax year end is creeping up on us again, which means the usual rush of activity and increased workload is not too far away. It stands to reason that this spike in activity might mean some 'business as usual' tasks take more of a back seat.

Having said that, we think tax year end can be a great opportunity to look again at the platforms and products you have recommended for clients. With this in mind, I've used this issue of Insider to share a number of initiatives we have been working on that will offer you more choice and, crucially, help you manage that choice in a way that fully respects the FCA's PROD rules and guidance. I'm sure you'll find it useful.

New info hub

The FCA is understandably placing huge importance on firms achieving high standards in product governance, delivering value for money, and ensuring that any products they recommend are really suitable for each client's particular needs.

In light of this we have created a new info hub, which features a number of articles, reports and guides on a range of topics. These include contributions from:

- former FCA man Rory Percival, who outlines the key considerations for advisers around PROD and client suitability
- Regis Media's Robin Powell, who will be contributing six investment articles
- AJ Bell Investcentre's Head of Product, Mark Rendle, who explains our approach to product governance
- AJ Bell's Senior Technical Consultant, Charlene Young, who provides an update on pension transfer suitability
- the team at FinalytiQ, who provide a pile of insightful information in the form of their Advised Platform Reports

From early March there will also be a comprehensive report from the lang cat, on the subject of barriers to transferring clients platform to platform.

You can visit the hub at www.investcentre.co.uk/hub

Launch of 'Pactive' MPS

We have always been a company that likes to innovate, and a good example of this is the latest addition to our [Managed Portfolio Service \(MPS\)](#) range.

The new 'Pactive' MPS is built around one of AJ Bell's low-cost Passive funds, which means a low Ongoing Charge (OCF), frequent rebalancing (where appropriate), and access to instruments like gilts that often aren't directly accessible in an MPS. But because we take an active approach to its management, we think it could be the perfect match for those clients who don't easily fit into either the passive or active camp.

AJ Bell Passive funds OCF cap reduction

As well as our preoccupation with innovation, we also spend a lot of time trying to improve the value for money or efficiency savings we can generate for our customers. To this end, the guys at AJ Bell Investments have announced a 30% reduction to the OCF cap on our [AJ Bell Passive funds](#).

Reducing the OCF cap from 0.5% to just 0.35% p.a. on AJ Bell Passive funds makes a competitive offering even more compelling and is further evidence of our focus on lowering costs where at all possible.

Next generation products

In a recent survey, 50% of 22- to 37-year-olds stated that they would not consider using their parent's financial adviser. I am sure many of your clients will not think that way but one obvious way to counter such resistance would be to involve the next generation in the financial planning process sooner rather than later.

To help with this, it's worth remembering that we have a range of low-cost 'next generation products'. With a custody charge of just 0.20% p.a. and no charges for initial set-up, administration or withdrawals, our Junior SIPP, Junior ISA and Lifetime ISA could be the ideal way for clients to help the next generation of their families, while also providing a useful way for you to build relationships with your next generation of clients.

New adviser website release

Having spent the last few months in 'build mode' we are excited to be planning the launch of the next stage of enhancements to our revamped adviser website. We will be looking to release a number of changes to the Beta area of the website soon.

To avoid running this back to back with the tax year end rush, we are currently looking at introducing these changes towards the end of April. We will of course provide details at the time but keep an eye out for the first reporting templates on our new adviser-facing client reporting tool, which will allow you to create valuation reports for your clients. We will follow this up with additional templates and reports within the tool, including performance reports, CGT reporting and transactional data.

You might have seen Microsoft's recent announcement in the news that it is taking the stance that Internet Explorer (IE) has come to the end of its useful life. We still see a reasonable proportion of users accessing the website via different versions of IE, and while we will try to support all main browsers for as long as possible, you will find that your experience of our existing and new websites will be much smoother if you use a more widely supported browser such as Chrome or Edge.

Spring 'On the Road' tour 2019

We are heading out soon for 2019's spring On the Road tour, during which we will visit eight cities between 4 and 7 March.

Our Senior Technical Consultant, Charlene Young, will be there to explore the barriers you could face when looking to switch platforms for existing clients, and our Chief Investment Officer, Kevin Doran, will examine the nuts and bolts of a Central Retirement Proposition to see how it fits together in a PROD environment.

Robin Powell from The Evidence-Based Investor will be there too, discussing the cost of investing and the questions you need to ask in order to ensure that the products and strategies you recommend are in your clients' best interests. We will also be joined by regulatory expert Rory Percival, who will examine the PROD rules and look at how you can comply in a good practice way that may also help you take a more robust approach to investment and platform selection.

Adviser registrations for these events are at record levels; if you are interested in attending please [register here](#).

Tax year end reminder

With the end of this tax year fast approaching, the following provides a quick update on the key dates and deadlines in what is always an incredibly busy period.

Pension payments

- If you have any clients who are considering taking pension benefits and who require a pension commencement lump sum (PCLS) payment prior to tax year end, then please send us the completed [benefit form](#) by **18 March 2019**. Please note that payment of a PCLS is dependent on the SIPP being valued, all transfers being received and cash being available to cover the payment. Funds will also need to be available to cover the corresponding income payment.
- If any of your clients wish to convert to flexi-access from capped drawdown before taking an income payment from their SIPP, please ensure that a completed [flexi-access conversion form](#) is sent to us by **25 March 2019**.
- If you have any clients who are considering taking an uncrystallised funds pension lump sum (UFPLS) payment prior to tax year end, then please send us a completed [UFPLS form](#) by **25 March 2019**.
- If you have any clients who are already taking benefits from their SIPP and who would like to take a one-off income payment prior to tax year end, please ensure that you request the payment online by no later than **12 noon on 3 April 2019**. Any payments requested after this may fall into the next tax year. You must also ensure that sufficient cleared funds are available by this date in your client's SIPP cash account.
- Should any of your clients need an income payment after **3 April 2019** but before the end of the tax year, please contact us in the first instance.

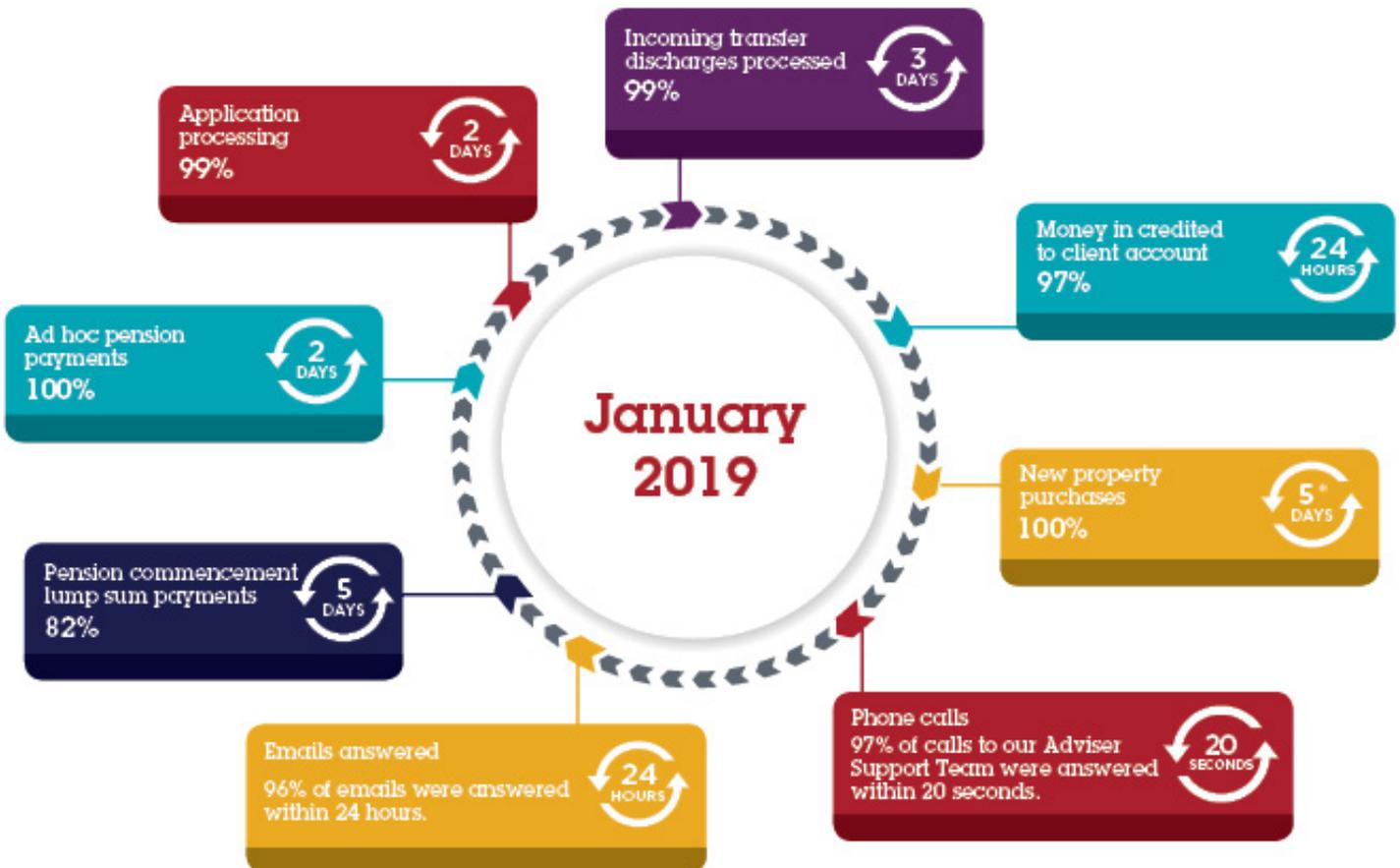
ISA / General Investment Account withdrawals

- If you have any clients who are considering taking a withdrawal payment and who require the payment prior to tax year end, please be aware that an ISA/GIA withdrawal can take up to five working days to be paid to your client (although we always aim to make payment at the earliest opportunity, and typically do so within 48 hours). Our default payment method is BACS, which takes three working days to clear. Payment can be made by CHAPS for an additional charge.
- The easiest and quickest way for your clients to request a withdrawal is online. Please note that trades need to have settled in your client's account prior to the payment being instructed.

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.

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.



*Assuming all required information and documentation has been received.

Key contacts

Adviser Support Team

☎ 0345 83 99 060

✉ enquiry@investcentre.co.uk

Business Development Team

☎ 0345 40 89 100

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