

Insider

February 2020

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The start of 2020 brought with it both the very planned departure of the United Kingdom from the European Union and, soon after, the shock departure of Sajid Javid from his position as Chancellor following the new Government's cabinet reshuffle, with Rishi Sunak appointed to fill his shoes. With so much change and the ongoing work to deliver a trade deal, markets are likely to be impacted by the continuing political upheaval. Despite all of this uncertainty, I'm pleased to say it's still very much business as usual here at AJ Bell Investcentre. And the imminent arrival of 5 April is a reminder of something else that famously never changes – tax year end planning activity is now upon us all.

Fergus Lyons, Managing Director

AJ Bell 'On the Road'

The team has been out on the road recently, delivering seminars in a variety of cities across the UK. The turnout and feedback have been fantastic across all sessions, which is always great to see. If you have attended any of our events, I hope you found it worthwhile and want to say thanks for coming out to see us.

Professional Adviser Best Platform for Advisers

The Professional Adviser awards were held at the Brewery in London on 6 February and I was delighted to see us pick up the award for Best Platform for Advisers in the 'above £25 billion' category for large platforms. We have been fortunate to win a number of awards over recent years and it's something that we never take for granted. Your support in all awards is much appreciated; it drives us to never lose sight of the things that matter and to continue to build great products and focus on delivering a first-class service.



Retirement Investment Account

Picking up on that very point, we launched our [Retirement Investment Account \(RIA\)](#) on 13 January this year and it is already proving to be a popular addition alongside our existing SIPP.

The RIA is similar to our current SIPP in that it offers a comprehensive choice of investments via our Funds & Shares Service, along with all the same functionality, cash management tools and benefit options.

However, the two pension options differ on how we apply charges, with the RIA applying an all-in charge of just 0.25% p.a., with no additional charges for transfers-in, account setup, account administration, online dealing or annual drawdown.

Retirement Investment Account	Charge
Pension portfolio up to £500,000	0.25% p.a.
Pension portfolio over £500,000	0.20% p.a.

The lang cat recently carried out a review of the product and their pricing heat maps for accumulation and drawdown are shown below.

Accumulation only

	£50k	£75k	£100k	£150k	£250k	£500k	£1m	£2.5m
Aegon Retirement Choices (ARC)	0.58%	0.55%	0.54%	0.51%	0.49%	0.24%	0.12%	0.05%
AJ Bell Investcentre – SIPP	0.68%	0.52%	0.44%	0.36%	0.20%	0.20%	0.20%	0.13%
AJ Bell – NEW RIA	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.23%	0.21%
Ascentric	0.36%	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%	0.18%
Aviva Platform	0.38%	0.37%	0.36%	0.36%	0.36%	0.28%	0.22%	0.18%
FundsNetwork	0.34%	0.31%	0.30%	0.28%	0.27%	0.26%	0.25%	0.25%
LV=	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.10%	0.10%
Nucleus	0.35%	0.35%	0.35%	0.35%	0.35%	0.35%	0.26%	0.13%
Old Mutual Wealth	0.42%	0.40%	0.39%	0.36%	0.33%	0.32%	0.28%	0.20%
Parmenion	0.30%	0.30%	0.30%	0.30%	0.30%	0.25%	0.20%	0.15%
Prudential Retirement Account	0.45%	0.45%	0.40%	0.40%	0.35%	0.30%	0.25%	0.25%
Scottish Widows Retirement Account	0.30%	0.30%	0.30%	0.30%	0.25%	0.20%	0.10%	0.10%
Standard Life Wrap	0.55%	0.55%	0.55%	0.53%	0.52%	0.48%	0.42%	0.32%
Standard Life Wrap (Core)	0.45%	0.45%	0.45%	0.43%	0.42%	0.38%	0.32%	0.22%
Standard Life Wrap: from April 2020	0.40%	0.40%	0.40%	0.40%	0.40%	0.35%	0.15%	0.15%
Transact: from April 2020	0.66%	0.56%	0.36%	0.33%	0.31%	0.30%	0.25%	0.15%
Zurich	0.50%	0.45%	0.42%	0.38%	0.35%	0.30%	0.20%	0.14%
Royal London Pension Portfolio	0.50%	0.45%	0.45%	0.45%	0.40%	0.40%	0.35%	0.35%
Market average	0.43%	0.40%	0.38%	0.36%	0.34%	0.30%	0.23%	0.18%

Drawdown

	£50k	£75k	£100k	£150k	£250k	£500k	£1m	£2.5m
Aegon Retirement Choices (ARC)	0.73%	0.65%	0.61%	0.56%	0.52%	0.26%	0.13%	0.05%
AJ Bell Investcentre – SIPP	1.04%	0.76%	0.62%	0.48%	0.27%	0.24%	0.22%	0.14%
AJ Bell – NEW RIA	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.23%	0.21%
Ascentric	0.36%	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%	0.18%
Aviva Platform	0.38%	0.37%	0.36%	0.36%	0.36%	0.28%	0.22%	0.18%
FundsNetwork	0.34%	0.31%	0.30%	0.28%	0.27%	0.26%	0.25%	0.25%
LV=	0.60%	0.48%	0.43%	0.37%	0.32%	0.29%	0.12%	0.11%
Nucleus	0.35%	0.35%	0.35%	0.35%	0.35%	0.35%	0.26%	0.13%
Old Mutual Wealth	0.42%	0.40%	0.39%	0.36%	0.33%	0.32%	0.28%	0.20%
Parmenion	0.30%	0.30%	0.30%	0.30%	0.30%	0.25%	0.20%	0.15%
Prudential Retirement Account	0.45%	0.45%	0.40%	0.40%	0.35%	0.30%	0.25%	0.25%
Scottish Widows Retirement Account	0.30%	0.30%	0.30%	0.30%	0.25%	0.20%	0.10%	0.10%
Standard Life Wrap	0.55%	0.55%	0.55%	0.53%	0.52%	0.48%	0.42%	0.32%
Standard Life Wrap (Core)	0.45%	0.45%	0.45%	0.43%	0.42%	0.38%	0.32%	0.22%
Standard Life Wrap: from April 2020	0.40%	0.40%	0.40%	0.40%	0.40%	0.35%	0.15%	0.15%
Transact: from April 2020	0.66%	0.56%	0.36%	0.33%	0.31%	0.30%	0.25%	0.15%
Zurich	0.50%	0.45%	0.42%	0.38%	0.35%	0.30%	0.20%	0.14%
Royal London Pension Portfolio	0.90%	0.72%	0.65%	0.58%	0.48%	0.44%	0.37%	0.36%
Market average	0.50%	0.45%	0.41%	0.39%	0.35%	0.31%	0.24%	0.18%

For more information, take a look at the [lang cat's review](#) or have a play with our simple-to-use [calculator](#).

AJ Bell Investcentre V2.0

If you haven't already tried the AJ Bell Investcentre V2.0 site, I'd recommend you do. You can access it via the 'V2.0' tab on the top right of the secure area landing page. Once there, you'll see that it now features a new straight-through transfers process for existing clients. To use it, simply select an individual client from the client list, then choose the 'Transfer in' option from the action menu. Transfers that can go through Origo will automatically be requested without the need for a transfer form. If the transfer can't go through Origo, the system will simply generate a pre-populated transfer form.

AJ Bell Investcentre V2.0 also boasts a new benefits dashboard, where you can view details of all clients who are taking pension benefits. For each client, the split between crystallised and uncrystallised funds is displayed, along with the regular income amount being taken, the percentage of LTA used, the client's current tax code and the amounts paid out in the tax and pension years.

AJ Bell Investcentre V2.0	Status
Adviser branding	
Desktop – adviser- and client-facing	Live
Mobile app – client-facing	Live
Benefits dashboard	Live
Client mobile app	
iOS app	Live
Android app	Coming soon
Corporate actions dashboard	Coming soon
Illustration integration – illustrate to apply and pre-populated	Coming soon
New cash management tool	Coming soon
Online management of adviser charging	Coming soon
Report builder	Live
Reports	
Adviser charges	Live
Portfolio x-ray	Live
Pension income	Live
Capital Gains Tax (CGT)	Live
Portfolio valuations	Live
Performance	Coming soon
Straight-through transfers for existing clients	Live

In the near future, you will also see a new corporate actions dashboard, which will provide details of all open corporate actions across your Funds & Shares Service clients, including details of the client accounts that hold the related investment. The corporate actions dashboard will also allow you to provide instructions on elective actions.

Another feature coming down the track will be the functionality to manage adviser charging online. This enhancement will allow you to:

- request ad hoc adviser charges from the web – the charge will then be communicated to the client and, after five days, will be applied to their account, ready to be paid out in the next weekly payment run;
- set up tiered ongoing charging structures, and vary the rate of charge applied as the value of assets on the platform increases;
- cap your ongoing charges at a certain £value, or cease charging after a certain asset value;
- take a core ongoing ‘minimum charge’, with flexibility to potentially apply additional charges; and
- set up and manage initial and ongoing charging structures online, both as part of the new business process and separately.

Webinar: The rise of the outsourced MPS

Just a reminder that our Chief Investment Officer, Kevin Doran, will host a webinar on Wednesday 19 February at 10am. In it, he’ll discuss the growing popularity of outsourced investment solutions, and look at the factors driving some financial advisers to review their traditional approach of picking funds and building model portfolios in-house.

It should be a very interesting session, so why not join him online and earn yourself 45 minutes of CPD time in the process? You can [register here](#).

Tax year end deadlines

As mentioned in my introduction, the end of another tax year is already creeping up on us. With this in mind, I thought it might be worth reminding you of the following key deadlines.

16 March – client(s) who require a [pension commencement lump sum \(PCLS\)](#) payment prior to tax year end.

23 March – client(s) who wish to convert to [flexi-access from capped drawdown](#) before taking an income payment from their SIPP.

23 March – client(s) who are considering taking an [uncrystallised funds pension lump sum \(UFPLS\)](#) payment prior to tax year end.

12 noon on 1 April – client(s) who are already taking benefits from their SIPP and who would like to take a one-off income payment prior to tax year end.

3 April – client(s) who need an income payment after 3 April but before the end of the tax year (please contact us in the first instance).

We always experience a rush of new applications and additional payments (including online payments) for SIPPs, ISAs and JISAs in the run-up to our tax year end deadline of 3 April 2020. If you could get all the necessary forms completed and sent over to us well in advance, it would be greatly appreciated.

If you have any questions regarding the above, please email us at enquiry@investcentre.co.uk or contact our Adviser Support Team on 0345 83 99 060.

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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