

Insider

April 2017

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Fergus Lyons
Managing Director

It's that time when we heave a collective sigh of relief that yet another tax year end has been successfully navigated. Our Customer Services Team did a fantastic job as usual, ensuring that we maintained our excellent service levels during an extremely busy time - just read the monthly service performance overview at the back of this issue and you'll get a good idea of what they managed to achieve.

I have to say though, it's not just the Customer Services Team that's been busy. With new funds launched by AJ Bell Investments, more Digital Strategy enhancements forging ahead and a new seminar roadshow underway, it's safe to say that all areas of the company are putting in a big effort right now. I look forward to telling you more about it all in the following pages ...

New head office address



I'm very pleased and excited to say that, after 15 years at Trafford House in Manchester, we will soon be moving our head office to a new home at Exchange Quay, Salford Quays.

The building we are moving to is being completely refurbished for us in order to provide a modern, vibrant working environment for our staff. The move will also give us the space we need to support our future growth ambitions, so it's a big deal for the company in more ways than one.

The layout includes specially equipped seminar rooms, so if you attend some of our upcoming events there's a chance you'll get to have a look around the place for

yourself. Of course you are also welcome to get in touch and drop in any time you like, but in the meantime the photographs below give you a good idea of what our new place is like.



There will be a significant amount of work involved in shifting our 450 Manchester-based staff - and all the technology that supports them - across to EQ4. This process will take place over three weekends up to Monday 8 May, and a huge amount of planning and preparation has gone into making sure things go as smoothly as possible. However, some teething problems are always a possibility, so please bear with us in this period as we settle into our new home.

“ we will soon be moving our head office to a new home at Exchange Quay, Salford Quays ”

From Tuesday 2 May you will be able to contact our Adviser Support and Business Development Teams at the following address:

4 Exchange Quay
Salford Quays
Manchester
M5 3EE

Our phone number and email address will remain the same, so please continue to call us on 0345 83 99 060 or email us at enquiry@investcentre.co.uk.

Managed Portfolio Service update

Our Managed Portfolio Service is proving popular so it feels like the decisions we made when designing it have been vindicated. However, as part of our ongoing management of the portfolios, we do have to undertake regular asset allocation reviews with Moody's Analytics.

Following the latest review, we have decided to make some minor changes across all five MPS portfolios in order to reflect the changing outlook of the underlying asset classes, both in terms of volatility and potential returns.

The changes we have made are as follows:

- The equity exposure has been increased across all regions
- High yield bond exposure has been increased
- Exposure to property has been increased
- The fixed interest exposure has been reduced
- Exposure to cash and cash-equivalent assets has been reduced

In addition to these asset allocation changes, we have also decided to change one of the underlying holdings. Rather than continuing to hold the Vanguard UK Long Duration Gilt Fund, we have instead switched to the Vanguard UK Government Bond Index Fund, which we think offers a more robust way of gaining exposure to UK gilts.

“ we have decided to make some minor changes across all five MPS portfolios in order to reflect the changing outlook of the underlying asset classes, both in terms of volatility and potential returns. ”

The revised asset allocations are now live on the portfolios available on the website, and existing clients were rebalanced to the new asset allocation on 18 April. Updated portfolio factsheets have been published on www.investcentre.co.uk/managed-portfolio-service.

If you have any questions, please contact us: www.investcentre.co.uk/contact-us

AJ Bell Passive funds

Don't forget that our new AJ Bell Passive funds are now also available. Accessible via the Funds & Shares Service, they can be used across your clients' SIPPs, ISAs and GIAs, and offer a number of key benefits, including:

- The ability to actively target risk to avoid unnecessary surprises
- A 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**
- They are managed 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.

“ Don't forget that our new AJ Bell Passive funds are now also available. Accessible via the Funds & Shares Service, they can be used across your clients' SIPPs, ISAs and GIAs, and offer a number of key benefits ”

For more information on AJ Bell Passive funds, including each fund's factsheet, please visit: www.investcentre.co.uk/ajbell-passive-funds.

Spotlight seminars

Between 3 May and 5 July two of our technical experts - Mike Morrison and Lisa Webster - will be presenting the first of our Spotlight seminars at locations across the UK. By focusing on a specific topical subject, these Spotlight seminars give our experts a chance to really explain the nitty gritty behind some of the key issues you need to consider on behalf of your clients right now.

The first subjects to come under our spotlight are defined contribution (DC) and defined benefit (DB) transfers. DB transfers are well and truly in the spotlight at the moment, and the terms available to transfer are stronger now than they have been for many years. Mike and Lisa will examine what's driving these conditions, before outlining the key points to look at when contemplating a transfer. An increasing number of providers are easing their approach to transfer penalties now too, so there will be a look at the key issues around DC transfers as well. The March edition of Insider included a number of key pointers on issues to be aware of on DB transfers - if you missed it, click on the link above to have a read.

“ Spotlight seminars give our experts a chance to really explain the nitty gritty behind some of the key issues you need to consider on behalf of your clients right now. ”

Mike and Lisa will go on to examine the main death benefit planning aspects of the DC regime. This will include a look at the circumstances when a scheme administrator can make a nomination, how we structure our expression of wish form, the consequences of getting the nomination wrong, situations where an expression of wishes may not be followed, the importance of reviewing nominations, Inheritance Tax issues on transfers and much more.



The graphic features the AJ Bell Investcentre logo and the text 'Spotlight seminars' in a large, white font on a dark red circular background. To the right, a list of dates and locations is provided in white text on a dark blue background.

3 May	Bournemouth
24 May	Reading
25 May	Derby
6 June	Preston
7 June	Leeds
20 June	Belfast
22 June	Aberdeen
27 June	Gatwick
27 June	Guildford
28 June	Maidstone
5 July	London

EVENT DATES

All being well there should also be time during the session to look at platform due diligence issues, to hear about the latest enhancements to our platform, and to learn a bit about the multi-asset AJ Bell Passive funds that I mentioned above. You can find more information about each seminar at www.investcentre.co.uk/spotlightseminars.

Illustration tool

We updated our illustration tool recently to make sure it complies with the changes required by the FCA's Policy Statement PS16/12. As a result you will notice an improved look and feel to the tool's interface, with more intuitive navigation and a streamlined process for inputting information.

There were initially some stability issues when these enhancements were implemented, but we managed to resolve them quickly.

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

Digital Strategy update

I am glad to say that the release of our new BETA website and CGT tool went well, with initial feedback received being very positive. If you haven't looked at any of this yet please click on the link on the landing page after you login to the website. I am particularly interested in any feedback that you may have on our CGT tool. Have a look and, as always, feel free to provide any views via the email address at the bottom of this section.

Look out for news of the next release into our BETA website, which 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.

“ I am particularly interested in any feedback that you may have on our CGT tool. ”

We will update you once the above is released. Please continue to provide your feedback via digitalstrategy@ajbell.co.uk.

Lifetime ISA

It is probably fair to say that the introduction of the Lifetime ISA (LISA) on 6 April has been a fairly lacklustre affair. I have said many times that AJ Bell will always listen to demand and feedback from advisers, and our research suggests that some advisers will utilise LISA where the circumstances are right – although some also pointed out that the lack of an adviser charge option may present problems.

Just to be clear, it is very much our plan to introduce a LISA as part of our Digital Strategy project, with a likely launch date of late 2017. However, it is a question of priorities, and we have taken the view that a number of the other enhancements currently in development (such as those mentioned above) will create real efficiency improvements for advisers and should be delivered first. If you disagree or have strong views on this subject, please do share them by providing feedback at digitalstrategy@ajbell.co.uk.

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.

“ Our Adviser Support Team answered more than 17,000 calls in March, most within just five rings. ”

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 has involved an incredible effort from the team, bearing in mind the huge levels of business being submitted in the period up to and beyond the tax-year end. Our Adviser Support Team answered more than 17,000 calls in March, most within just five rings. Our new business team processed 45% more applications compared with March 2016. Our benefits team paid out 27% more PCLS payments and 51% more UFPLS requests than in March 2016 - the height of the Pension Freedoms.



Key contacts

Adviser Support Team

0345 83 99 060

enquiry@investcentre.co.uk

Business Development Team

0345 40 89 100

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