



Platform research report prepared by Tony Catt Compliance Consultant September 2018

Contents

Introduction 2

MIFID II 3

Platforms – the disease or the cure? 4

 Effective rates of low turnover portfolio; 70% SIPP, 30% ISA..... 4

Investment Platforms Market Study – interim Report- FCA July 2018 6

2018 – Annus Horribilis for Platforms..... 8

Can advisers and platforms break this vicious circle? 10

UK Adviser Platform Operator Details 13

UK Adviser Platforms - Matrix..... 14

Platform usage 15

Assets under management 16

Platform Asset Trends Q2 2018 17

Defaqto 2018 Platform Service Ratings 18

Defaqto Star Ratings 19

Platform summaries..... 20

Platform Pricing information 32

Wrappers and investment company availability 40

Introduction

This is an update from the previous report in November 2017. I have endeavoured to use several sources to gain independent views of the platform market. The information providers being used in this report are Rayner Spencer Mills Research, AKG, Defaqto and the AIC.

As ever, getting up to date information regarding the platforms is difficult. It has been an interesting year for platforms, starting with the implementation of MiFID II, compounded for some of them with re-platforming and most recently with the FCA scrutinising adviser relationships and payments. Over the year, I have written some articles myself and have taken excerpts from published articles in this report.

Advisers understand the need for platform research and due diligence. It is in the best interests of business to carry out robust, repeatable and recordable research and due diligence exercises when selecting tools to help their business. The regulator is keen to see evidence of deeper and more engaged due diligence being carried out by advisers. I believe that this report will satisfy those requirements. In a market experiencing great change and challenges, due diligence will continue to increase in importance.

2018 has offered plenty of regulatory change that builds on previous practices.

- How has the platform responded to the pension freedoms changes and is it providing comprehensive drawdown capability and functionality?
- How has the platform implemented MiFID II and GDPR? Has this affected service levels to advisers and clients?
- What is the platform doing about “future-proofing” its core technology and digital capability?

Advisers have various considerations when selecting which platforms will provide their service to clients most effectively.

- Proposition - right blend of products, tax wrappers and investment options to meet adviser business and customer segment needs
 1. Charging structure that can dovetail with the adviser business’s customer charging framework
 2. Tools and services to support the delivery of advice
- Operational - safe custody of customer assets and customer data security
 1. Functional interaction with back office systems, asset managers and DFMs.
 2. reliable delivery of online and offline adviser and customer tools and services
 3. Strong risk and governance structure and processes in place.

- Strength and sustainability - Ability to invest in continued platform improvements, including infrastructure and technology
 - Strong and resilient key performance indicators
 - Brand and distribution reach/traction
 - Clear business growth and development strategy in place, short and longer term.
 - Well-blended senior management team with grasp of regulatory and legislative direction of travel

The main issue is that the use of platforms will enable advisers to deliver positive client outcomes, both now and in the future. Due to the nature of the platforms being part of advisers Centralised Investment Proposition, it is important that the advisers choose the platform that best suits their business needs. There is plenty of choice and competition in this field. Good news for advisers and clients - hard work for platform providers as the costs head towards the minimum.

MIFID II

Adviser platforms are continuing work to prepare for Mifid II cost disclosure rules that will come into force for them next year.

Mifid II, which has applied since January 2018, introduces ex-ante disclosure. This requires some firms to report expected costs to investors before an investment decision is made. They will also be required to report actual aggregated transaction costs and charges annually for each customer. According to a Tisa guide on Mifid II costs and charges disclosure, under the rules costs related to investment services and investment products have to be disclosed. Costs must be aggregated but should include one-off costs, such as deposit fees and switching costs; ongoing charges (including advice charges and platform fees), transaction costs and also costs for ancillary services – such as research – and performance fees.

From January, fund managers were required to report additional transaction costs charged on top of the ongoing charges figure. The first round of reporting by fund houses caused a big bang in the market, with many investors and industry commentators finally getting a full picture of how much transaction fees were adding to the cost of investing.

Some commentators believe once platforms start reporting these charges, it will shine a light on lesser-known charges imposed by those businesses as well. It is understood some platforms charge for actions such as sending paper invoices or reports, ad-hoc withdrawals, rebalances or if a client opts to deposit funds by cheque. There are concerns that some of these additional charges may not be transparently communicated to investors through the headline cost.

Platforms – the disease or the cure?

August 2018

Over the years, platforms have become a major cornerstone of the advice service offered by advisers to their clients. On the face of it, they make perfect sense. A single place where an adviser can put all the assets of their clients in a single place, without restriction of fund management groups, for all wrappers and often with lower charging structures than by investing direct. What is not to like about that arrangement?

Good for the adviser administration and a cheaper and better service for clients.

The FCA reviewed how platforms were used and expressed concern about provider bias and adviser independence if only one platform was being used by an adviser firm. Therefore, it recommended that advisers should probably work with two or more platforms to ensure independence. This also tied in with the idea of segmenting clients for service levels. This ideal works quite well when the charging structures of the platforms is compared. It can clearly be seen which investor types certain platforms wanted to attract in the table below.

Effective rates of low turnover portfolio; 70% SIPP, 30% ISA

Platform	£50k	£100k	£200k	£500k	£1m
7IM	0.53%	0.41%	0.30%	0.30%	0.28%
Aegon Retirement Choices	0.58%	0.54%	0.50%	0.24%	0.12%
AJ Bell Investcentre	0.65%	0.47%	0.23%	0.21%	0.21%
Alliance Trust Savings (Inclusive)	1.15%	0.58%	0.29%	0.12%	0.06%
Alliance Trust Savings (Standard)	0.90%	0.45%	0.26%	0.10%	0.06%
Ascentric	0.36%	0.30%	0.30%	0.30%	0.30%
Aviva (Choice / Flex SIPP)	0.34%	0.33%	0.33%	0.27%	0.21%
Aviva (Core SIPP)	0.31%	0.30%	0.29%	0.23%	0.17%
AXA Wealth Elevate	0.36%	0.36%	0.36%	0.36%	0.30%
Cofunds	0.29%	0.29%	0.28%	0.25%	0.23%
FundsNetwork	0.34%	0.30%	0.27%	0.26%	0.25%
Hubwise	0.43%	0.31%	0.26%	0.12%	0.06%
James Hay	0.60%	0.43%	0.25%	0.23%	0.20%
Novia	0.50%	0.50%	0.50%	0.45%	0.35%
Nucleus	0.35%	0.35%	0.35%	0.35%	0.26%
Old Mutual Wealth	0.43%	0.39%	0.34%	0.32%	0.28%
Parmenion	0.30%	0.30%	0.30%	0.25%	0.20%

Praemium	0.65%	0.48%	0.39%	0.34%	0.32%
Raymond James (Option 1)	0.60%	0.30%	0.30%	0.30%	0.28%
Raymond James (Option 2)	0.45%	0.35%	0.34%	0.29%	0.28%
Raymond James (Option 3)	0.68%	0.42%	0.36%	0.24%	0.21%
Standard Life	0.51%	0.51%	0.48%	0.44%	0.37%
Transact	0.69%	0.52%	0.35%	0.32%	0.27%
True Potential	0.40%	0.40%	0.40%	0.40%	0.40%
Wealthtime	0.30%	0.30%	0.30%	0.30%	0.25%
Zurich	0.50%	0.43%	0.36%	0.31%	0.29%

Source: Platforum, October 2017

Green is cheapest and Red is most expensive

On the charges issue, the market is very competitive and it has almost become a race to the bottom to win business. Whilst this is great for clients, this does raise issues of profitability and therefore sustainability of platforms in the market.

This is obviously only one part of the research comparing platforms, Indeed, the research that I undertook last November ran to over 60 pages. I am currently renewing that research to ensure that my client firms have up to date research in this respect.

At the turn of the year, the implementation of MiFID 2 has caused some issues for platforms in respect of their position in the advice process. Fund Managers as product manufacturers needed to produce more detail about their charging structures in their illustration and literature. Also, the Fund managers would need to advise clients if their funds fell by 10% in a reporting period. The issue for platforms was whether they should be involved in the chain of advice. The platforms were not manufacturers nor were advisers, this meant that the Fund Managers were expected to be advising the clients direct, but since the holding on platforms tends to be in nominee name, the fund managers would not have knowledge of the end client and would be reliant on the platforms and or advisers giving this information.

So, the platforms that had been the centre of the process would be removed from the chain of information to clients, which could be problematic.

Most recently, the FCA has raised the issue of ongoing adviser charges being paid by platforms to advisers as there was some suspicion about whether advisers were actually undertaking reviews for clients as regularly as they were expected to. It was suggested that if the platform had seen no transactions, the assumption would be that no review had taken place and therefore no adviser charges should be paid. Whilst many of advisers with large client banks would struggle to hold or even offer reviews to all their clients, this would penalise many advisers who undertake reviews, but leave investments to continue to be held in portfolios. A review should certainly not mean a definite change to investments for many good reasons.

Surely, it can be beyond the wit of man for the advisers to be able to confirm that a review has taken place by ticking a box on the portal or possibly even providing a document which would evidence that a review has taken place.

However, if the platform stopped paying the adviser would it then reduce the charges to the client? As they should not be paying for advice that they have not received. This whole issue raises logistical problems and who should be paying for the extra work involved in policing this.

So, from having started out life as a pretty neat idea, great for advisers and clients, as well as having to cut their margins, platforms are having extra regulatory responsibilities laid at their doors. Also because of the FCA insisting that they should only get a fraction of any adviser's business, they need to be dealing with even more advisers to get in the same amount of business.

I guess that the advisers love platforms and the FCA does not.

Investment Platforms Market Study – interim Report- FCA

July 2018

The FCA found a mixed picture. The market appears to be working well in many respects, for both advised and non-advised consumers, and customer satisfaction is currently high. Consumers who pay more for their platform tend to get greater functionality on average. However, we are concerned that competition between platforms is not working well for 5 groups of consumers.

- Switching between platforms can be difficult. Consumers who would benefit from switching can find it difficult to do so.
- Shopping around can be difficult. Consumers who are price sensitive can find it difficult to shop around and choose a lower-cost platform.
- The risks and expected returns of model portfolios with similar risk labels are unclear. Consumers using these model portfolios may have the wrong idea about the risk-return levels they face.
- Consumers may be missing out by holding too much cash. Consumers with large cash balances on D2C platforms may not know they are missing out on investment returns, the interest they lose or the charges they pay by holding cash in this way.
- So-called “orphan clients” who were previously advised but no longer have any relationship with a financial adviser face higher charges and lower service.

In addition, the positive impact of platforms on competition between asset managers may be reduced because:

- Platforms employ commercial practices which may restrict fund managers' incentives or ability to offer fund discounts to competitor platforms, and this may reduce competition on fund discount.

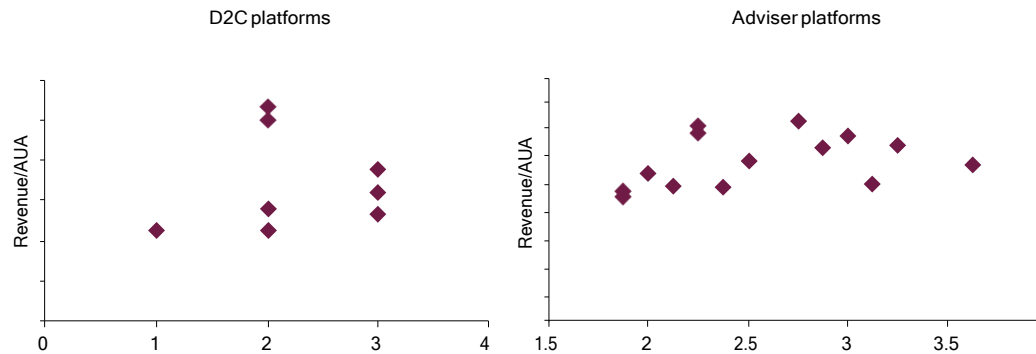
- Platforms could improve how they present fund charges at different stages of the consumer’s decision making.

Platforms are popular with investors, and competition is working well in some areas

Users of D2C platforms care about price and other features of platforms, including the product range and ease of use. On average, consumers who pay more get more functionality in return. The FCA has not observed widespread instances of consumers paying more for no good reason. Platforms also compete to provide services that consumers use and value, including access to a wide range of investments and tools to help them manage their investments.

Relationship between price and non-price features offered by platforms

Figure 1.2: Relationship between price and non-price features offered by platforms



Platform functionalities (1=basic, 2=standard, 3=extensive) Lang cat rating (average)

Advised platforms compete by offering services to advisers but are paid for by consumers. Most of these services benefit consumers, although the FCA has outlined some exceptions.

Platform financial performance does not suggest widespread competition concerns in the market. The FCA does not find sustained excess profitability on aggregate in this market, and many platforms are loss making.

2018 – Annus Horribilis for Platforms

This has been a difficult year for platforms due to the planned developments, such as the joining of Aegon and Cofunds and also the re-platforming undertaken by Ascentric and Aviva.

The timeline of Aviva's re-platforming problems is well-publicised.

- July 2017 - 'Re-Platforming' - Aviva admits to planned 'outages'
- 24 October 2017 - Aviva confirms to Professional Adviser it has delayed launch to mid-December 2017
- 09 November 2017 - Aviva once more pushes back launch date from 11 December 2017 to 22 January 2018
- 23 January 2018 - Aviva launches new FNZ-powered platform as experts warn advisers of "inevitable glitches" to come
- 29 January 2018 - Aviva platform CEO Tim Orton tells Professional Adviser firm is working hard to resolve bedding-in issues
- 21 February 2018 - Advisers tell Professional Adviser they are still experiencing multiple problems with the platform
- 20 April 2018 - Aviva platform crashes, rendering it inaccessible for advisers
- 03 May 2018 - Technology provider to the platform FNZ fires its chief operating officer
- 02 August 2018 - Aviva's Q2 net sales drop almost 50% year-on-year
- 17 August 2018 - Aviva Q2 sales look less weak in market context

Aegon is paying the price for the problems it has been having with its platform.

It emerged that the company spent £3m more than planned on the wave of problems experienced by advisers as it upgraded its technology.

Advisers across the country have experienced problems with a wide range of functions on the platform, from receiving income to viewing client statements.

Aegon said it expected to incur more costs in the next accounting period but it added that when the integration of the Cofunds business is complete, it will make cost savings of £60m a year.

Despite its technology problems, Aegon reported net inflows of £2.6bn in the first half of the year and its platform assets rose to an all-time high of £120bn.

Aegon UK's chief executive, Adrian Grace, said his firm has "very deep pockets" and will ensure no adviser is left out of pocket because of its recent replatforming.

Clients of the Royal London owned Ascentric platform are faced with problems following a recent technology upgrade, the company has confirmed.

Ascentric moved clients to its revamped platform over the weekend of 20 April 2018, and in May the departure of Jon Taylor, the chief executive of Ascentric, was confirmed. At the time of Mr Taylor's departure, Phil Loney, chief executive of Royal London, praised Mr Taylor's work on the technology upgrade.

But in a statement released to FTAdviser, Ascentric said: "With any re-platforming programme there are challenges and we have done everything we can to mitigate those, including taking a phased approach with our customers. To ensure the platform is fit for the needs of our customers we also have actively encouraged continuous feedback, acting on it in collaboration with our advisers."

Jason Hemmings, a partner at Cornerstone Asset Management in Edinburgh, said he expects the upgraded platform to save his company 30 hours' work a week.

The company said there is an issue with a "small number" of client accounts not being able to receive income payments, and said it is working to resolve the issue.

Platforms should brace themselves for a difficult second half of the year as sluggish Isa sales led to a soft second quarter, consultancy Fundscape says.

Fundscape's latest platform market figures show total platform assets – including the advised and direct-to-consumer sectors – grew by £32bn to £604bn in the second quarter of the year. However, Fundscape says platform sales were disappointing with gross sales dropping to £29bn and net sales to £12.4bn, which were the lowest totals since the third quarter of 2017.

In the advised platform market, Quilter, which runs the Old Mutual Wealth platform, saw the highest gross sales with £2.4bn. Standard Life was next with £2.2bn, followed by Transact and AJ Bell with £1.4bn. Aegon, not including Cofunds, saw gross sales of £1.3bn in the quarter. Meanwhile, Standard Life saw the highest net sales in the quarter for advised platforms with £1.1bn, followed by Aegon with £998m, AJ Bell with £960m, Transact with £959m and Aviva with £817m.

Fundscape chief executive Bella Caridade-Ferreira says: "Thanks to the Isa season the second quarter is usually the best of the year, but it's looking like it might be the worst. Stock market volatility and global geopolitical uncertainty has unnerved investors and they're staying away in droves."

Caridade-Ferreira adds: "The first half of the year usually sets the tone for the second half, and with heightened political tensions unlikely to dissipate any time soon, that tone is likely to be risk averse and soft. Platforms and fund groups need to plan and prepare for the difficult months ahead."

Can advisers and platforms break this vicious circle?

Bells and whistles v service

"Platforms spend resources on what they believe advisers want, rather than what may actually be key to retaining them. Platforms appear in little doubt advisers want more and more gadgets and gizmos and yet, as Tom Ellis finds, data suggests pumping out new tools and features may not be the key to retaining customers.

According to Investment Trends data, one-third (32%) of advisers stopped using a platform for new flows over the last 12 months. And, of that third, almost three-quarters (72%) stopped putting new money on a platform because of poor service and support, or administrative and processing errors. What makes these statistics particularly interesting is that Investment Trends' data also suggests low fees, a strong pensions proposition and increased model portfolio or DFM efficiency stand at the top of the shopping list for advisers when searching for a new platform.

So, according to the annual survey of almost 1,000 advisers, platforms are being abandoned for one category of reasons and now being chosen for an entirely different set of criteria. What is more, these seemingly mismatched priorities could be creating a self-fulfilling merry-go-round that fails to benefit neither platforms nor advisers.

Why platforms should fear a future of easier switching

NextWealth managing director Heather Hopkins thinks one reason advisers are searching for different criteria in a new platform may be because it is easier to compare tools and technology in due diligence, rather than attempt to pre-judge the provider's quality of administration and service. Since service levels and issue resolution capabilities are not metrics advisers can easily measure before actually working with a platform, Hopkins suggests asking someone who used to use the platform why they no longer do so.

Adviser demand

Platforms say they often hear from advisers exactly what they want to see built and developed to make their propositions more attractive. And, according to the countless press releases of tool launches *Professional Adviser* receives, platforms listen and react by launching numerous bells and whistles precisely "in response to adviser demand".

Not only do platforms seem to think this will help them keep existing users happy but, as demonstrated by the Investment Trends data, there is evidence to suggest they should believe advanced functionality will help attract new business.

And there certainly is a lot of potential for attracting new business -according to further data from Investment Trends, one-quarter (24%) of advisers are set to look for a new platform over the next 12 months.

One example of the kind of arms race culture for new tools and gizmos the platform market suffers from is the client-reporting tool Ascentric launched last year. Edging towards the end of its much-delayed re-platforming project - already a large, £70m investment in proposition improvement - the Royal London-owned platform said it "couldn't stand still anymore" and so developed and launched the feature.

'PROD': Why the FCA's sharpened teeth cannot be ignored in platform selection

This proposition race is part of the platform market's problem. Advisers ask for new tools and platforms produce the goods - but advisers also get fed up with the poor customer service they receive while platforms spend resources on what they believe advisers want, rather than what may actually be key to retaining them.

Altus senior consultant Ben Hammond says that, if platforms concentrated more resources on making their services better and more efficient, then advisers would have fewer reasons to chase service teams for help and assistance.



Figure 17: Typical platform cost proportions against the Altus Capability Framework

Source: Altus Consulting

Referencing Altus's table (shown above) of the average platform's spending distributions, he says too much was being spent on sales and marketing - the large yellow and orange chunks in the middle - and argues platforms should spend more on the proposition and efficiencies elements.

"Platforms should be spending more on operations rather than sales teams," he explains. "A platform should really sell itself, but they try and shave off [the bottom four segments], which is quite a small bit anyway."

Customer service cost conundrum

Although an exceptional example, adviser demand for better customer support from Aegon led to serious investment in its servicing after its re-platforming of Cofunds threw up plenty of issues and extended waiting times for help in its contact centre. The platform giant reacted to the many gripes by hiring 200 extra operational staff to deal with the extra incoming queries from advisers and clients. The firm spent a lot of resource, time and money re-platforming in a bid to improve its proposition but ultimately realised, while its customers suffered from many bedding-in issues, that advisers do demand high-quality servicing along with all the bells and whistles. Aegon realised how important responding to admin and processing errors is and reacted resolutely - even if, many advisers might argue, rather too slowly.

While Aegon's investment in operational staff offers an example to a platform trying to give advisers the service they demand, Hopkins has another theory as to why advisers can often not receive the administration and customer support they want. She calls it the "customer service cost conundrum".

"Advisers and investors want to pay as little as possible for the platform," she explains, "but good service costs money. It is not realistic to expect a platform to be both cheap and to offer a premium service.

"Advisers will need to prioritise what is most important to their business and to their own customers. For some, top-quality service will trump cost - it costs the adviser firm money to sort out errors, after all. For others, it will make sense to go for a cheap and cheerful option."

What advisers want

What advisers actually want is a platform that provides them with the information that they need to help in their advice process. Then for the provider to give service when needed, with prompt dealing on instructions and good quality, clear paperwork and an intuitive website for the advisers and clients to navigate.

It would seem that the platforms are spending a lot of resources providing functions that the advisers may already have from their CRM or from other specialist providers, such as cash flow modelling and attitude to risk questionnaires. These often duplicate the existing services and unless they are seen to be an improvement and or a cost-saving, the new bells & whistles will simply not be used.

UK Adviser Platform Operator Details



Platform	Owner	AKG Rating	Date Started	AUM £ (Note1)	No of Firms registered	IT System
A J Bell Investcentre	AJBell Management Ltd	B+	2011	£39.8bn	3,000	The AJBell business is supported by a blend of in-house and proprietary software.
AEGON Retirement Choices (ARC) (1)	AEGON UK	B+	2011	£22.2bn	n/d	GBST – GBST Wealth Management. GBST Composer is the software developed to administer the main UK tax wrappers.
Alliance Trust Savings	Alliance Trust	B	-	£15.8bn	n/d	Sunguard
Aviva	Aviva UK Life	B+	2010	£19.5bn	5,913	Talisman software from Bravura Solutions Ltd, with Citi (based in Glasgow) providing systems and administration outsourcing.
Elevate (2)	Standard Life	B+	2008	£54bn	3,000	FNZ leading IT software company.
Cofunds (1)	L & G	B+	2001	£94.56bn	n/d	Contour bespoke software, developed, supported and hosted internally, together with FAST software supported by IFDS
FundsNetwork	Fidelity International	B	2000	£79.68bn	18,250	In house platform called GFAS.
Hubwise	Hubwise Securities Ltd	n/a	2011	£600m	22	Own in-house technology.
James Hay	IFG Group PLC	B	2003	£25.5bn	5000	Proprietary system.
Novia	White River / Future Capital Partners, David Royds & David Mackinnon of Matrix Securities	B	2008	£4.7bn	1,700	GBST – GBST Wealth Management. GBST Composer is the software developed to administer the main UK tax wrappers.
Nucleus	IFA users (51%), Sanlam 42.5%,	B	2006	£11.4bn	315	Talisman software from Bravura Solutions Ltd in Wilmslow, with Citi (based in Glasgow) providing systems and administration outsourcing.
Old Mutual Wealth	Old Mutual Wealth	B+	2000	£51.47bn	9036	Skandia's platform based on Tibco and Oracle products supported in-house.
Raymond James	Raymond James Financial Inc (USA)	B	2006	£8.73bn	104	Own in-house technology.
RSMR Platform	Hubwise Securities Ltd					See details above for Hubwise.
7IM	Allied Zurich (49%), AEGON (15%), 7IM staff (36%)	B	2001	£12.3bn	n/a	Propriety system developed in-house.
Standard Life Wrap (2)	Standard Life	B+	2006	£54bn	n/a	FNZ joint development.
Transact	Integrated Financial Arrangements plc	n/a	2000	£25.75bn	3,267	Own in-house technology based on company's experience in Australia.
Zurich	Zurich Insurance Group Ltd	B+	2012	£29.72bn	n/a	FNZ joint venture with web support from Vermeg, a Luxembourg-based IT company.

Notes:

(1) - Cofunds now owned by AEGON.

(2) - Standard Life Wrap acquired AXA Elevate platform

Both continue to operate separate propositions whilst they complete their transition and any replatforming.

Version 13 - June 2018

UK Adviser Platforms - Matrix



Platform	Pre-Sales Tools						Product & Tax Wrappers								
	Factfind	Risk Profiling	Asset Allocation	Fund Selection	Model Portfolios	DFM Access	ISA	Mutual Funds	Onshore Bond	Offshore Bond	Personal Pension	SIPP	Inv Trust	ETFs	Stocks & Shares
A J Bell Investcentre	?	?	?	?	?	?	?	?	?	?	?	?	?	?	?
Aegon Retirement Choices (1)	?	?	?	?	?	?	?	?	?	?	SIPP only	?	?	?	?
Alliance Trust Savings	?	?	?	?	?	?	?	?	?	?	?	?	?	?	?
Aviva	?	?	?	?	?	?	?	?	?	?	?	?	?	?	?
Elevate (2)	?	?	?	?	?	?	?	?	?	?	?	?	?	?	?
Cofunds (1)	?	?	?	?	?	?	?	?	?	?	?	?	?	?	?
FundsNetwork	?	?	?	?	?	?	?	?	?	?	?	?	?	?	Q3 2018
Hubwise	?	?	?	?	?	?	?	?	?	?	?	?	?	?	?
James Hay	?	?	?	?	?	?	?	?	?	?	?	?	?	?	?
Novia	?	?	?	?	?	?	?	?	?	?	SIPP only	?	?	?	?
Nucleus	?	?	?	?	?	?	?	?	?	?	?	?	?	?	?
Old Mutual Wealth	?	?	?	?	?	?	?	?	?	?	?	?	?	?	?
RJIS	?	?	?	?	?	?	?	?	?	?	?	?	?	?	?
RSMR Platform	?	?	?	?	?	?	?	?	?	?	?	?	?	?	?
7IM	?	?	?	?	?	?	?	?	?	?	?	?	?	?	?
Standard Life (2)	?	?	?	?	?	?	?	?	?	?	?	?	?	?	?
Transact	?	?	?	?	?	?	?	?	?	?	?	?	?	?	?
Zurich	?	?	?	?	?	?	?	?	?	?	?	?	?	?	?

Notes:

* Closed to new business

** Legacy only

(1) - Cofunds now owned by AEGON.

(2) - Standard Life Wrap acquired AXA Elevate platform

Both continue to operate separate propositions whilst they complete their transition and any replatforming.

Version 13 - June 2018

Platform usage

Defaqto asked the advisers to advise, approximately, what percentage (in value terms) of new business they place 'on platform'. They received 295 respondents.

The table below indicates that 91% of respondents place 50% or more of their new business on a platform – a decrease from last year when 93% did.

This demonstrates the importance of platforms to intermediated business as well as direct.

Following the retail distribution review (RDR), drives towards outsourcing have prompted advisers to seek open architecture facilities such as those provided by platforms. Service will be an essential factor where advisers are entrusting their clients' portfolios to a third party and, whilst the service to the adviser should not be the primary driver in due diligence, where poor service potentially impacts the end client, advisers will take a dim view.

New business	Respondents	
	2017	2016
100% platform	16%	11%
75-99% platform	56%	62%
50-74% platform	19%	20%
25-49% platform	4%	5%
Less than 25% platform	5%	2%
Total	100%	100%

Percentage of 'on platform' new business

Assets under management

Platform	Year*	2015	2016	2017	AKG** Platform Financial Strength Rating
Hubwise	Total AUA			£600m	
	No of transacting firms			22	
James Hay Partnership	Total AUA	£19.4bn	£22.1bn	£25.5bn	B
	No of registered firms	Circa 5,000	Circa 5,000	Circa 5,000	
	No of transacting firms	Circa 5,000	Circa 5,000	Circa 5,000	
Seven IM	Total AUA	£10.1bn	£11bn	£12.3bn	B
Elevate/Standard Life	Total AUA			£54bn	B+/A
	No of transacting firms			Around 3,000	
Aegon	Total AUA	£6.4bn	£13.4bn	£22.2bn	B+
FundsNetwork	Total AUA	£61.7bn	£71.45bn	£79.68bn	B
	No of registered firms	18,750+	~18,500	~18,250	
	No of transacting firms	10,250+	~10,000	~9,750	
Novia	Total AUA	c.£3.0bn	c.£4.7bn	Not quoted	B
	No of registered firms	c.1700	c.1700	Not quoted	
Raymond James	Total AUA	£5.39bn	£7.32bn	£8.77bn	B
	No of registered firms	90	93	104	
	No of transacting wealth managers	225	236	269	
Old Mutual Wealth	Total AUA	£34.5bn	£41.4bn	£51.47bn	B+
	No of registered firms	9,123	9,041	9,036	
	No of transacting firms	9,123	9,041	9,036	
AJ Bell Investcentre	Total AUA	£26.1bn	£31.8bn	£39.8bn	B+
	No of registered firms	3,000	3,000	3,000	
	No of transacting firms	3,000	3,000	3,000	
Alliance Trust Savings	Total AUA	£8.5bn	£13.6bn	£15.8bn	B
Cofunds	Total AUA	£76.9bn	£84.3bn	£94.56bn	B+
Zurich	Total AUA	£16.4bn	£22.4bn	£28.8bn	B+
Transact	Total AUA	£20.34bn	£25.75bn	£29.72bn	
	No of registered firms	3,053	3,188	3,267	
Aviva	Total AUA	£8.2bn	£12.6bn	£19.5bn	B+
	No of registered firms	6,389	6,307	5,913	
	No of transacting firms	2,846	2,899	3,055	

Raymond James figures to year end 31/03 therefore 2017 figures relate to y/e 31/03/18.

Figures taken from RSMR fact sheets

Platform Asset Trends Q2 2018

	Q4 2017	Q1 2018	Q2 2018	Q2 2018 Growth £m	Q2 2018 Growth %	Year to Date Growth	Year to Date Growth %
Cofunds	£94,555.2	£90,759.3	£95,638.0	£4,878.7	5.4%	£1,082.8	1.1%
Hargreaves L	£86,037.0	£84,166.0	£91,600.0	£7,434.0	8.8%	£5,563.0	6.5%
Fidelity	£79,679.0	£76,804.2	£81,603.2	£4,799.0	6.2%	£1,924.2	2.4%
Standard Life	£54,022.0	£53,505.9	£56,335.1	£2,829.2	5.3%	£2,313.1	4.3%
Quilter	£51,469.5	£50,883.3	£53,679.3	£2,796.0	5.5%	£2,209.8	4.3%
AJ Bell	£33,566.4	£33,816.7	£36,700.0	£2,883.3	8.5%	£3,133.6	9.3%
Transact	£29,700.0	£29,753.0	£31,884.0	£2,131.0	7.2%	£2,184.0	7.4%
James Hay	£25,531.6	£25,399.9	£26,244.0	£844.1	3.3%	£712.4	2.8%
Aegon	£22,191.0	£22,637.0	£25,472.0	£2,835.0	12.5%	£3,281.0	14.8%
Aviva	£20,129.6	£20,795.5	£22,670.9	£1,875.4	9.0%	£2,541.3	12.6%
Alliance TS	£15,785.0	£15,032.0	£15,772.0	£740.0	4.9%	-£13.0	-0.1%
Ascentric	£14,422.3	£14,247.6	£15,062.2	£814.6	5.7%	£639.9	4.4%
Nucleus	£13,891.4	£13,872.1	£14,338.8	£466.7	3.4%	£447.4	3.2%
Zurich	£8,680.0	£8,710.0	£9,490.0	£780.0	9.0%	£810.0	9.3%
7im	£7,767.2	£7,752.1	£8,222.3	£470.2	6.1%	£455.1	5.9%
Next 4**	£13,946.0	£18,338.0	£18,877.0	£539.0	2.9%	£4,931.0	35.4%
Total	£571,373.2	£566,472.6	£603,588.7	£37,116.1	6.6	£32,215.5	5.6

£billions

Source: Fundscape. **The next four are Novia, Raymond James, Hubwise and Embark. Fundscape says Hargreaves' figures are reported a quarter in arrears and AJ Bell's figures are estimated due to its planned stock market listing

Defaqto 2018 Platform Service Ratings



Provider	2018		2017	
	Satisfaction Score	Service Rating	Satisfaction Score	Service Rating
Parmenion	83.7%	Gold	89%	Gold
Wealthtime	82.0%	Gold	85%	Gold
Transact	81.1%	Gold	86%	Gold
Zurich	79.6%	Gold	80%	Silver
Elevate	78.4%	Gold		
Old Mutual Wealth (WealthSelect or SelfSelect)	77.7%	Gold	83%	Gold
Aegon	76.6%	Gold	86%	Gold
Aviva	75.6%	Gold	77%	Bronze
Standard Life Wrap	73.8%	Silver	82%	Gold
Nucleus Financial Group	72.6%	Silver	84%	Gold
FundsNetwork	70.4%	Silver	72%	Bronze
Cofunds	67.4%	Bronze	70%	Bronze
Ascentric	66.2%	Bronze	80%	Silver
AJ Bell	64.2%	Bronze	75%	Bronze

Please note: Providers not listed above were either not rated because the feedback on their service did not meet the minimum required or Defaqto received an insufficient number of responses for the provider.

Defaqto Star Ratings

Defaqto experts select and analyse between 30 and 100 features or benefits for every product on the market. Each product is then scored against those features and is assigned a rating based on a scale of 1 to 5 – so you can see at glance how the products in the market compare.



Ascentric
 Elevate Portfolio Services Ltd
 FundsNetwork
 Hubwise Securities Limited
 James Hay Partnership
 Novia Financial plc
 Nucleus Financial Group
 Parmenion Capital Partners LLP
 Platform One
 Seven Investment Management
 Sinfonia Asset Management
 Standard Life
 Tenet Platform
 Wealthtime Limited
 Zurich

Ascentric Wrap Platform
 Elevate
 FundsNetwork
 Hubwise
 James Hay Wrap
 Novia Wealth Management Service
 Nucleus
 Parmenion
 Platform One – UK Plus
 7IM Platform
 Sinfonia Platform
 Standard Life Adviser Wrap
 Tenet Platform
 Wealthtime Private Client Service
 Zurich Intermediary Platform



Aegon
 Alliance Trust Savings Ltd
 Aviva
 James Hay Partnership
 Old Mutual Wealth
 Pershing
 Platform One
 Raymond James Investment Services

Aegon Retirement Choices
 Alliance Trust Savings I.Nvest
 Aviva Platform
 James Hay Modular iPlan
 Old Mutual Wealth - SelfSelect
 Nexus
 Platform One – UK Service
 Raymond James



Aegon Advised (ex-Cofunds)
 AJ Bell Investcentre
 Alliance Trust Savings Ltd
 Amber Financial Investments Ltd
 Praemium

Aegon
 Funds & Shares Service
 Alliance Trust Savings I.Nvest
 Amber Wrap
 Dynamic Portfolio Service (DPS)



Embark Group
 Old Mutual Wealth
 Sanlam Investment and Pensions

Embark Platform
 Old Mutual Wealth – WealthSelect
 Sanlam Platform

Tony Catt
 Compliance Consultant

Platform summaries



7IM is recognised as one of the industry's innovators in the provision of investment services. It was one of the first Wrap Platforms in the UK and is one of the most highly regarded wrap technologies in the market. It allows professional intermediaries to trade whole of market collectives & any listed global security with access to its own plus anybody's tax wrappers.

The 7IM Platform is integrated with about 20 different software providers including the likes of IRESS, Intelliflo, Avelo (1st Software), Voyant, Plum, Distribution Technology, Morningstar, JCS, Best Practice and Quay Software.

In 2018 7IM opened its first office outside of the UK in the Crown Dependency of Jersey. 7IM is also authorised and regulated by the Jersey Financial Services Commission. 7IM is looking to provide its investment solutions to trust companies, private HNW individuals, investment consultants and the IFA market.

Since 2015 7IM have been recognised in a number of categories by leading industry awards ceremonies, winning over 15 separate distinctions. Some of the highlights include being awarded a 5-star rating for features from Defaqto in 2018, 2017 and 2016. In July 2018 7IM won the Best Goal Based Investment System in the City Financial Technology Awards as well as winning the Fintech advancement of the year at the City of London Wealth Management Awards in March 2018. In September 2017 7IM won the Leading platform for advisers with discretionary permissions and the Best Wealth Management Platform Awards 2017. July 2017 7IM won the Innovation Award in Investments and was awarded a 5 Star Investment provider & packager rating at the FTAdviser.com Online Innovation and Service Awards in both 2016 & 2017. In September 2016 7IM won the Leading Integrated Planning Tool Provider at the UK Platform Awards 2016 and Leading integrated planning tool provider, at the Schroders UK Platform



The AJ Bell Investcentre platform (previously 'Sippcentre') was launched in July 2011. This saw AJ Bell shift from being a specialist SIPP operator to a platform operator with its own dealing, settlement and custody capabilities.

The AJ Bell Group also has a strong Actuarial and pension administration background to complement the operational skills of the platform.



The Aegon Retirement Choices (ARC) platform was launched in November 2011 followed by Workplace Savings ARC in July 2012 and then the One Retirement, a pension only platform solution, in December 2012.

ARC offers both workplace and at-retirement solutions through one single platform, letting investors move seamlessly from savings to taking a retirement income.

The ARC platform has consistently been the fastest growing in the market with assets at the end of Q4, 2017 of £22.2 billion. Growth is a combination of new business and upgrade of existing customers. Total platform assets have passed the £115bn milestone, with Cofunds assets of £93 billion added.



Alliance Trust Savings Limited is run as a standalone business with its own independent board, including non-executive directors and a non-executive chairman. It is a 100% owned subsidiary of Alliance Trust PLC, which was formed in 1888 and is one of the largest generalist investment trusts, by market value, in the UK.

In contrast to other intermediary platforms Alliance Trust Savings does not charge clients a percentage-based fee, instead it charges a set flat fee for services – regardless of the portfolio size. This ensures that the platform charges levied against largest portfolios are not used to subsidise clients' smaller portfolios and is delivering a profitable and genuinely sustainable platform model. It is often therefore considered a value option for larger portfolios in comparison with percentage-based peers.

Alliance Trust Savings (ATS) was launched principally to provide Alliance Trust PLC shareholders with a tax efficient method of holding their shares to coincide with the launch of Personal Equity Plans (PEPs) in 1987. Since then it has seen a rapid evolution of the platform including the introduction of investment trusts, UK equities, gilts, investment funds, and ETFs. During this time the platform moved online and launched a SIPP and ISA proposition.



The Ascentric wrap is dedicated to empowering advisers to manage wealth. It enables advisers to view, hold and trade their clients' investments online. Advisers and their clients can access a wide range of wrappers and a large investment range on the platform. IFDL is the platform white-label offering. Its highly flexible solutions allow the dedicated team to build a bespoke platform around the individual needs of your business, with that all important transparent platform cost for you and your clients. This is more than changing the brand of the Ascentric platform; this is creating a bespoke platform experience.

Since 2008, IFDL has successfully established 20 white-label partnerships, with IFDL assets currently making up 40% of Ascentric's total £14.4 billion assets under administration (as at 31 May 2018).



The Aviva Platform focuses on targeting mid-market clients. It's designed for clients with straightforward financial planning needs, providing advisers with the functionality to manage investments, without the client paying for extras they don't need. Aviva continuously looks to enhance their proposition by focusing on improving efficiency for advisers and providing cost-effective pricing and support for their clients. The Aviva Platform is a key element of the Aviva portfolio of products and is a central part of Aviva's long-term strategy in the life and pensions market.



Cofunds is the leading platform in the UK. It was founded in February 2001 and is now firmly established as a platform for financial planning dedicated to supporting the financial adviser community with £94.6 billion of assets under administration (as at end of June 2017). Cofunds services are there to complement the advisers' offering and proposition. Cofunds is now owned by Aegon and is being gradually assimilated into that business.



Credo Wealth is an international independent wealth management business that has been in existence since 1998. Credo Wealth is majority owned by senior management, many of whom have been with the group for more than ten years. The wider Credo group has offices in the United Kingdom, South Africa and Switzerland.

Credo provides services to financial intermediaries (wealth managers, advice firms and family offices) and their clients. The Wealth Platform provides access to whole of market, multi-asset class investments and incorporates research, portfolio modelling, trade execution, global custody (onshore & offshore), white-labelled investor reporting, an online investor portal and support for 14 currencies. A Managed Portfolio Services is also available.



Elevate is provided by Elevate Portfolio Services Limited, a wholly owned subsidiary of Standard Life Aberdeen plc.

In 2017, the Standard Life Aberdeen group was formed by the merger of Standard Life plc and Aberdeen Asset Management plc. You can download a diagram of an extract of the group structure as at 14 February 2018.

Standard Life Aberdeen plc is a leading global investment company. We have operations in 50 locations worldwide and employ around 9,000 people. We manage, administer and advise on £654.9 billion* of assets worldwide. Standard Life Aberdeen plc is headquartered in Scotland.

Standard Life Aberdeen plc continues to invest a significant amount in the platform business to support regulatory, legislative and propositional developments. Standard Life will continue to support a vibrant adviser market in the UK with ongoing investment in platform development including delivering a range of enhancements to support your centralised investment and retirement propositions.

*Based on a pro forma basis, combining the full 12-month results of Standard Life plc and Aberdeen Asset Management. (As at 31 December 2017).



The Embark platform is provided by Embark Investment Services Limited, part of the Embark Group. The Embark Group is a group of companies owned by Embark Group Limited, founded in 2013, although some of the businesses have been trading since 1970. The group currently has:

- £11.6bn assets under administration
- over 120,000 clients across a range of products and services
- over 440 employees in six locations nationwide
- AKG financial strength rating of B-
- achieved a minimum capital adequacy ratio of 125%.

The Embark platform is an open architecture, retirement-focussed platform for financial advisers and is designed to help unlock new, profitable client segments via easy to use and reliable technology. It offers a wide choice of investments and tax wrappers, managed on proven technology with transparent and competitive pricing.

FundsNetwork™

FundsNetwork™ is a UK investment services platform operated by Fidelity International. Set up in 2000 and pioneering platform services for Advisers, administrators and their clients, the platform today offers advisers and investors alike, access to all the major investment wrappers and to over 3,250 clean share class retail funds from over 140 retail and DC fund providers supported by an online account management service designed to allow you to diversify your investments quickly and easily whenever you want. In addition to the range of products and funds,

FundsNetwork provides many other services. These include marketing support and tools to help with investment planning and portfolio construction across entire portfolios. There are also several core business benefits, as FundsNetwork can save time, streamline processes and cut operational costs.



GrowthInvest is a unique, independent platform which provides access to tax efficient investments to a growing network of UK financial advisers, wealth managers and investors. The Platform aims to bring the advantages of early stage investing to a wider audience of investors and advisers, who are in a position to benefit from the higher returns these companies potentially offer and tax efficiency via government sponsored schemes. The purpose-built technology allows clients to consolidate, control and enhance their investment portfolio within a single, secure online portal. Originally founded by financial advisers in 2012 as the Seed EIS Platform, the company rebranded as GrowthInvest in October 2016 in order to better reflect the wider range of products and services available.

GrowthInvest has introduced greater flexibility within the comparison and reporting capabilities for advisers and investors, with a greater number of filters and fields to choose from, allowing for customised selection and reporting. The popular Tax Calculator now sits alongside a specific HMRC Tax year report, which exports information in the right format and summary for tax returns, and GrowthInvest has introduced a number of new charts and tables to ensure the most detailed portfolio views are available on demand.



Hubwise was incorporated in November 2011 and is FCA regulated, a member firm of the London Stock Exchange, ISA plan manager, a member of CREST and a member of the Wealth Management Association. The Hubwise Platform is intelligent by design and because Hubwise owns its software it is able to deliver a high level of flexibility and functionality whilst maintaining unprecedented levels of automation; this keeps the platform service costs extremely competitive at the same time as enabling Hubwise to deliver new standards of service to both users and their clients. A comprehensive array of tax wrappers and Adviser tools complements the offering. Hubwise only operate on a B2B basis so the users retain client sovereignty, with no tripartite agreements, and have the ability to white label the platform.



James Hay Partnership, a platform with a focus on retirement wealth planning, has been working with financial advisers and investors for over 35 years to administer pensions, savings and investments.

The Modular iPlan offers SIPP, ISA and GIA solutions. The iPlan uses the modular approach that began when the stand-alone Modular iSIPP was launched in early 2013. It allows investors to switch investment options on and off to suit their specific investment needs and ensures they only pay for what they use, and only while they use it.

James Hay does not apply a dealing charge for investing in ETFs, but there are associated stockbroker charges. Users can choose their own or from the James Hay panel (Selftrade and Stocktrade). For the purposes of the calculator, Selftrade charges have been used to give users an idea of potential costs.

Following the purchase of James Hay in March 2010, IFG Group consolidated this acquisition with its existing IPS Partnership business. The combined business, called James Hay Partnership, is now one of the largest independent SIPP providers, also offering SSAS and Wrap propositions, with over 58,000 investors and more than £25 billion in assets under administration as at December 2017. The administration of these assets allows James Hay to be profitable and enables it to invest in its products, technology and services so that it continues to meet both financial adviser and investor needs.

IFG Group has committed further investment in people, IT and operational capability.



Novia is backed by private equity individuals and has an experienced executive management team headed by Bill Vasilieff who was co-founder of the Selestia platform. Other directors include Paul Boston (Sales), Shaun Allwright (Commercial Director), Paul Parry (Chief Financial Officer) and Nick Raine (Director of Operations). Being a cash generative business less than three years from full launch makes Novia one of the most successful platform launches ever. Novia is in an extremely strong financial position with significant operational profitability and is well placed for the future – a future which is committed to the platform market for the long term.

The platform proposition is the company's primary focus, along with the growth and development of Copia Capital, its discretionary management arm. Novia offers transparent, unbundled pricing; access to the broadest range of assets to allow wide investment choice; and full flexibility for client agreed adviser charging.



Nucleus is an award-winning, adviser owned wrap platform that was set up in 2006. Nucleus was founded by a group of seven adviser firms who shared a commitment to creating a platform where advisers have the infrastructure to place the client centre stage and therefore the model appeals to those advisers who are seeking to reduce reliance on traditional product providers, and for whom independence is not just about the advice they provide, but also their business model. The business is structured to ensure a strong level of adviser influence while also offering a flexible solution that helps the adviser to facilitate their own client proposition, and de-risk a major part of their business infrastructure.



Old Mutual Wealth (soon to be Quilter plc) is a leading wealth management business in the UK and internationally, helping to create prosperity for the generations of today and tomorrow.

Old Mutual Wealth oversees £114.4 billion in customer investments (as at 31 December 2017). This figure excludes the Single Strategy asset management business. Old Mutual Wealth announced the sale of this business on 19 December 2017, which is anticipated to complete in the second half of 2018. It has an adviser and customer offering spanning: Financial advice; investment platforms; multi-asset and single strategy investment solutions; and discretionary fund management.

The business is comprised of two segments: Wealth Platforms and Advice and Wealth Management.

Wealth Platforms includes the Old Mutual Wealth UK Platform; Old Mutual International, including AAM Advisory in Singapore; and the Old Mutual Wealth Heritage life assurance business. Advice and Wealth Management encompasses the financial planning network, Intrinsic; Old Mutual Wealth Private Client Advisers; discretionary fund management business, Quilter Cheviot; and Old Mutual Wealth's multi-asset business.

Old Mutual Wealth is currently part of Old Mutual plc, a FTSE 100 group that provides life assurance, asset management, banking and general insurance.

In March 2016, Old Mutual plc announced a 'Managed Separation' strategy, which aims to separate its underlying businesses. Following managed separation from Old Mutual plc, Old Mutual Wealth will rebrand to Quilter plc. Each of the businesses within the Quilter Plc group will be rebranded over a two-year period, with the exception of Quilter Cheviot, which will retain its existing name. The intention is to complete the listing on 25 June 2018, subject to regulatory and other approvals.



Parmenion is an investment and technology solutions business, that supports Adviser firms in the creation and operation of Centralised Investment Propositions.

The Parmenion proposition is predicated on the seamless integration of three key disciplines; discretionary investment management, platform administration and intuitive technology. This enables Parmenion reduce operational risk for Adviser firms and improve their profitability through greater efficiencies. In turn, they are then able to deliver a streamlined client experience which is enhanced by Parmenion's our easy to use technology.

Adviser firms who choose to partner with Parmenion, get access to a broad suite of investment solutions which are all aligned to our proven risk management framework. So, whatever an investors' needs and preferences, Parmenion has a suitable portfolio option. All the heavy lifting of managing a centralised investment proposition is handled by Parmenion and its award-winning service model, is testament to the quality of its support.

As the world changes and customer needs evolve, Adviser firms need to adapt. With a historic track record for innovation, Parmenion has been a pioneer in the development of online advice services. Parmenion is able to support Adviser firms in the creation of multi-channel businesses, that offer investors a choice as to how they choose to secure investment advice.

Ownership by Aberdeen Asset Management provides both a strong financial foundation to support business growth and access to additional resources to strengthen Parmenion's investment management process. Parmenion manages over £4bn on behalf of over 47,000 underlying clients (as at November 2017).



SMA Platform Technology

Praemium's investment platform is based on Separately Managed Accounts (SMA) technology, the next generation technology for efficient and scalable investment management. An SMA allows wealth managers to implement investment strategy changes across a number of client accounts simultaneously, reducing the administrative burden and ensuring all clients are treated equitably.

RAYMOND JAMES

Raymond James Investment Services Limited (Raymond James) was founded to service and support entrepreneurial investment managers and investment focused financial planners in the UK who run growth orientated practices with a strong management and compliance culture. These wealth managers service high net worth clients with complex financial needs and in some cases, also service mandates for institutional clients such as charities and pension funds. As part of the core Private Client Group of Raymond James Financial, Inc., we are part of a well-established, profitable and diversified financial services firm.

Raymond James services are delivered in an open architecture environment - wealth managers select the products and solutions that meet their clients' specific needs in the most cost-effective manner. Raymond James does not centrally manufacture and promote any proprietary investment products in the UK, instead offering wealth managers unprecedented access to a broad range of assets and tax wrappers, ensuring there is no conflict to a wealth manager's unbiased investment selection.

Raymond James is an LSE member firm with direct market access to 20+ global exchanges, providing rapid and cost-effective trade execution for listed securities and ensuring no broker fees for UK listed investments, with more than 15 Retail Service Providers polled to ensure best price.

In the UK, Raymond James supports 105 independent practices through our three business models: Independent Contracting, Professional Partner and the Investment Management Platform. The first two models provide a regulatory umbrella, helping individuals set up a boutique wealth management practice in 30–90 days, with the individuals authorised with the FCA through Raymond James. The Investment Management Platform is for firms that are directly authorised with the FCA. Wealth managers can move between business models as their needs evolve and, in all cases, the wealth managers run independent practices.

The Raymond James Investment Management platform is the leading platform for firms wishing to 'insource' investment management, as well as offer 'outsourced' tripartite or agency solutions to other IFAs.

SUCCESSION

ADVISORY SERVICES

Succession is an advisor platform which allows access to a huge range of investment types covering all asset classes. It enables advisers to create and manage solutions to best manage the wealth of their clients. It provides a cost-effective and technologically advanced service. Succession is only available to members of the Tenet Network.

The logo for Standard Life, featuring the text "Standard Life" in white on a dark blue rectangular background. A small orange and yellow graphic element is positioned above the letter 'i' in "Life".

Standard Life Wrap is provided by Standard Life Savings Ltd, a wholly owned subsidiary of Standard Life Aberdeen plc.

In 2017, the Standard Life Aberdeen group was formed by the merger of Standard Life plc and Aberdeen Asset Management plc. You can download a diagram of an extract of the group structure as at 14 February 2018.

Standard Life Aberdeen plc is a leading global investment company with operations in 50 locations worldwide and employ around 9,000 people. They manage, administer and advise on £654.9 billion* of assets worldwide. Standard Life Aberdeen plc is headquartered in Scotland.

Standard Life Aberdeen plc continues to invest a significant amount in the platform business to support regulatory, legislative and propositional developments. Standard Life will continue to support a vibrant adviser market in the UK with ongoing investment in platform development including delivering a range of enhancements to support your centralised investment and retirement propositions.

*Based on a pro forma basis, combining the full 12-month results of Standard Life plc and Aberdeen Asset Management. (As at 31 December 2017)



Transact is owned and operated by Integrated Financial Arrangements Ltd. Launched in March 2000, it was the first wrap service in the UK market. Transact is an effective and efficient way to aggregate and manage clients' investment portfolios. It is designed to enable financial advisers and planners to concentrate on giving advice, selecting funds and developing their financial strategy. Transact supports advisers by ensuring impeccable implementation processes and administrative efficiency.



The True Potential Investments platform was launched in 2011 and is part of True potential's vertically integrated proposition, which means that it offers everything from advice to product. including an adviser proposition, both adviser and DIY platforms, a range of sub-advised funds and discretionary portfolios as well as adviser support services.

True Potential has recently announced that it is looking to take its platform in-house and away from SEI. It will be interesting to see how smooth this transition will be in light of the other re-platforming issues that have occurred.

WEALTHTIME® W_t

After scouring the internet, financial press and looking at their documents, it has proved difficult to get any history on the platform or information that I wanted for my report. A little frustrating as the platform seems to feature in various award nominations and one of my adviser firm clients uses it. I even sent them a message asking for information that received no response. The best that I could get was as follows from their website.

Wealthtime Private Client Service consolidates client investment portfolios and financial assets into one, easy to use online portal. Offering clarity for even the most complex financial situations. Time saving, visibility, transparency, simplicity.



Zurich Insurance Group Ltd (Zurich) is an insurance-based financial services provider with a global network of offices. Zurich is committed to supporting a thriving intermediary community that is able to deliver advice profitably in today's intermediated landscape and the Zurich Intermediary Platform has been built on four key principles to deliver a better business experience:

- ☑ Adding real value
- ☑ Ensuring ease of use
- ☑ Building confidence through strength
- ☑ A partner you can trust

Platform Pricing information

The following table shows the detailed charges for holding investment companies and open-ended funds on the major adviser platforms. It also details the costs for fund switching and ad-hoc investment company trading, any discounts for regular investing or automatic dividend reinvestment, and the cost of rebalancing funds and investment companies within model portfolios.

Only platform costs are included, not the costs of the investment companies or funds themselves.

Advised platform	Core charges		Pensions		Ad-hoc fund switching	Ad-hoc investment company trades	Regular investing	Rebalancing within model portfolios	Automatic dividend investment
Aegon Retirement Choices	Value £0 – £29,999 £30,000 – £49,999 £50,000 – £99,999 £100,000 – £249,999 Balance over £250,000	Charge (pa) 0.60% 0.55% 0.50% 0.45% 0.00%	no charge		no charge	Non-fund trading is £15 (with exception of ETFs at £10)	No charge for funds Regarding ETIs, only ETFs can be accessed through regular investment	No charge for funds Regarding ETIs, only ETFs can be held within models	Dividends are paid back to cash account
AJ Bell Investcentre	Value £0 – £1m £1m – £1.5m £1.5m – £2m £2m+	Charge (pa) 0.20% 015% 0.10% 0.00%	Value of pension Up to £25k £25k to £50k Above £50k Waived if entire portfolio of assets exceeds £200k	Charge (pa) £144 £192 £240	£3.95	£3.95	£0	£1	Dividends are paid back to cash account
Alliance Trust Savings	ISA and GIA : £225		£350 a year		Product charge includes first 35 fund/equity	Product charge includes first 35 fund/ETI transactions a year £6.25 after that	No charge	£120 service charge to enable model portfolios. Rebalancing	Dividends can be automatically reinvested -

Advised platform	Core charges		Pensions		Ad-hoc fund switching	Ad-hoc investment company trades	Regular investing	Rebalancing within model portfolios	Automatic dividend investment
(inclusive charge option)					transactions a year £6.25 after that			included within this	£5 charge applies
Alliance Trust Savings (standard charge)	ISA and GIA: £30 a quarter		£210 plus VAT a year		£9.95	£9.95	£1.50	Not available within Standard Account option	Dividends can be automatically reinvested - £5 charge applies
Ascentric	Value £0 – £1m £1m – £3m £3m – £5m	Charge (pa) 0.30% 010% 0.06% Minimum charge £15 per month	no charge		no charge	no charge	no charge	no charge	Dividends are paid back to cash account
Aviva Platform	Value £0 – £400k £400k+	Charge (pa) 0.25% 015%	Value £0 – £30k £30k – £250k £250k – £400k £400k+	Charge (pa) 0.40% 0.35% 0.25% 0.15%	no charge	Up to £15,000 costs £25 £15,001 – £30,000 costs £35 Above £30,001 costs £50	No charge for funds No reduction for Investment Companies	No charge for funds No reduction for Investment Companies	Dividends are paid back to cash account

Advised platform	Core charges		Pensions	Ad-hoc fund switching	Ad-hoc investment company trades	Regular investing	Rebalancing within model portfolios	Automatic dividend investment
Cofunds	Value £0 – £100k £100,001 – £250k £250,001 – £500k £500,001 – £1m £1m+	Charge (pa) 0.29% 0.26% 0.23% 0.20% 0.15%	no charge	no charge	N/A	No charge for funds Investment Companies not available	No charge for funds Investment Companies not available	N/A
Elevate	Value £0 – £749,999 £750k – £999,999 £1m – £1,499,999 £1.5m+ Once a higher band is achieved the whole portfolio is charged at that rate.	Charge (pa) 0.36% 0.33% 0.30% 0.25%	no charge	no charge	£10.50 for ITs and ETPs, £12.50 for other securities. Can be reduced by aggregation to £5.50 and £7.50 respectively.	No charge for funds No reduction for Investment Companies	No charge for funds No reduction for Investment Companies	Dividends are paid back to cash account
FundsNetwork	0.25%		£45 fee per annum	no charge	0.1% on the value of the transaction	No charge for funds No reduction for Investment Companies	No charge for funds No reduction for Investment Companies	0.1% on the value of the transaction

Advised platform	Core charges		Pensions	Ad-hoc fund switching	Ad-hoc investment company trades	Regular investing	Rebalancing within model portfolios	Automatic dividend investment
Hubwise	0.2% capped at £480 per year per wrapper Regardless of the number of wrappers held, this custody fee is capped further at £960		0.1% additional wrapper charge plus VAT with minimum of £15+VAT and maximum of £50+VAT	no charge	£2	No charge for funds £1 for regular investment	No charge for funds £1 for Investment Companies	Dividends can be automatically reinvested at no charge
Novia	<p>Value</p> <p>£0 – £250k £250k – £500k £500k – £750k £750k – £1m £1m+</p> <p>Minimum £75pa</p>	<p>Charge (pa)</p> <p>0.50% 0.40% 0.30% 0.20% 0.10%</p>	no charge	no charge	<p>Two options available.</p> <p>Firstly, can open Novia Stockbroking account and link to wrapper. Ad hoc share dealing, 0.3% per trade subject to £15 minimum, £75 maximum. Additional wrapper charge of £17.50 + VAT per quarter (£84)</p> <p>Secondly, can purchase Investment Trusts directly through Novia Wrap account. Trading charge of 0.05% for all orders. A proportionate share of between a minimum of £5 and a maximum of £150 per trade applies. Additional 0.02% custody also applies.</p>	No charge for funds No reduction for Investment Companies	No charge for funds Investment Companies not available within adviser-generated models	Can facilitate automatic reinvestment of dividends at no charge but transactions may incur stockbroking charges
Nucleus	<p>Value</p> <p>£0 – £500k £500k – £1m £1m+</p>	<p>Charge (pa)</p> <p>0.35% 0.175% 0.05%</p>	no charge	no charge	0.15% subject to a minimum of £13	No charge for funds No reduction for Investment Companies	No charge for funds No reduction for Investment Companies	Dividends are paid back to cash account unless client chooses to have them

Advised platform	Core charges		Pensions	Ad-hoc fund switching	Ad-hoc investment company trades	Regular investing	Rebalancing within model portfolios	Automatic dividend investment
								paid to bank account
OMW	Value £0 – £25k £25k – £100k £100k – £500k £500k – £1m £1m+	Charge (pa) 0.50% 0.35% 0.30% 0.25% 0.15%	no charge	no charge	N/A	no charge	No charge for funds Equities not available	N/A
Praemium	0.30%		no charge	£2 aggregated where possible	£2 aggregated where possible	£2 aggregated where possible	£2 aggregated where possible	Yes - trading fees are incurred but will be split across all clients buying the specific assets.
Raymond James - Option 1	Value £0 - £500k £500k - £1m £1m+	Charge (pa) 0.30% 0.25% 0.10%	Third party panel approach so depends on pension wrapper chosen.	no charge	no charge - fair usage policy applies	no charge - fair usage policy applies	no charge - fair usage policy applies	Dividends are paid back to cash account

Advised platform	Core charges		Pensions	Ad-hoc fund switching	Ad-hoc investment company trades	Regular investing	Rebalancing within model portfolios	Automatic dividend investment
Raymond James - Option 2	0.25%		Third party panel approach so depends on pension wrapper chosen.	£12.50	£12.50	No reduction	No reduction	Dividends are paid back to cash account
Raymond James - Option 3	0.15% + £50 + VAT account fee for ISA/GIA		Third party panel approach so depends on pension wrapper chosen.	£27	£27	No reduction	No reduction	Dividends are paid back to cash account
Seven Investment Management	Value £0 - £500k £500k - £1m £1m+	Charge (pa) 0.30% 0.25% 0.15%	£95 + VAT par annum for preferred SIPP provider. 7IM will cover this fee if > £75k is held at 7IM.	no charge	no charge	no charge	no charge	Dividends can go into an earnings account and either swept out to the client's nominated bank account or the adviser can use this money to reinvest at no additional cost.

Advised platform	Core charges		Pensions		Ad-hoc fund switching	Ad-hoc investment company trades	Regular investing	Rebalancing within model portfolios	Automatic dividend investment
Standard Life Wrap	Value £0 – £99,99.99 £100k – £249,999.99 £250k – £499,999.99 £500k – £749,999.99 £750k – £999,999.99 £1m+	Charge (pa) 0.40% 0.35% 0.30% 0.25% 0.15% 0.10%	Value £0 – £99,99.99 £100k – £249,999.99 £250k – £499,999.99 £500k – £749,999.99 £750k – £999,999.99 £1m+ (advisers placing large assets, typically £20m+) get 'core' terms, a reduction of 10bps on all pension tiers)	Charge (pa) 0.55% 0.50% 0.45% 0.40% 0.30% 0.25%	no charge	£10 if transaction is less than £25,000 £25 if transaction is between £25,000 and £99,999 0.025% per transaction if transaction is greater than £100,000	No charge for funds No reduction for Investment Companies	No charge for funds. Listed securities that are traded on the Standard Life investment hub cost £1 per rebalance	Dividends are paid back to cash account
Transact	Value £0k – £600k £600k – £1.2m £1.2m – £5m £5m+ If less than £100k is held the first £60k is charged at 0.50%	Charge (pa) 0.29% 0.19% 0.07% 0.05% £12 annual ISA charge	£80 annual charge		Buys are charged at 0.05%	£3.75 - aggregated where possible and only applies once if trading across multiple wrappers. Where an express trade is requested, the cost is £10.	£1 for phased transactions, 50p for regulars.	Buys are charged at 0.05%	Dividends are paid back to cash account
True Potential	0.40%		No charge for use of TP Strategy funds		no charge	0.08% (minimum £14) for Investment Company transactions	No charge for funds	No charge for funds	Dividends are paid back to cash account

Advised platform	Core charges		Pensions	Ad-hoc fund switching	Ad-hoc investment company trades	Regular investing	Rebalancing within model portfolios	Automatic dividend investment
			£90 + VAT for all eligible securities			No reduction for Investment Companies	No reduction for Investment Companies	
Zurich Intermediary Platform	Value £0 – £99,999.99 £100k – £250k £250k – £500k £500k+	Charge (pa) 0.35% 0.30% 0.25% 0.10%	£75 a year	no charge	£10.50 for transaction below £25,000 0.05% for transactions of £25,000 and above	No charge for funds No reduction for Investment Companies	No charge for funds No reduction for Investment Companies	Dividends are paid back to cash account

Source AIC/the lang cat 20/04/18

Wrappers and investment company availability

The AIC has commissioned the lang cat, a platform consultancy, to provide up-to-date information on the availability of investment companies on platforms, and the costs of holding and trading investment company shares on platforms.

The following table shows the different tax wrappers available on each platform, whether investment companies are available, and whether they can be held in model portfolios.

Advised platforms	Basic SIPP	Full SIPP	ISA	Junior ISA	Flexible ISA	Lifetime ISA	Onshore bond	Offshore bond	Investment companies	Stockbroker	Investment companies within models
Aegon Retirement Choices	On Platform	N	Y	N	N	In development	N	On Platform	Y	Winterflood	N
AJ Bell Investcentre	On Platform	On Platform	Y	Y	N	In development	N	Linked to Platform	Y	In-house	Y
Alliance Trust Savings	On Platform	N	Y	Y	N	In development	N	N	Y	In-house	Y

Advised platforms	Basic SIPP	Full SIPP	ISA	Junior ISA	Flexible ISA	Lifetime ISA	Onshore bond	Offshore bond	Investment companies	Stockbroker	Investment companies within models
Ascentric	On Platform	N	Y	Y	N	In development	Linked to Platform	Linked to Platform	Y	In-house	Y
Aviva Platform	On Platform	On Platform	Y	N	Y	N	Linked to Platform	N	Y	Charles Stanley	Y
Cofunds	On Platform	Linked to Platform	Y	N	N	In development	On Platform	Linked to Platform	N	N/A	N
Elevate	On Platform	N	Y	N	N	N	N	Linked to Platform	Y	Winterflood Securities Ltd	Y
FundsNetwork	On Platform	N	Y	N	N	In development	N	On Platform	Y	Platform Securities LLP and JP Morgan	Y

Advised platforms	Basic SIPP	Full SIPP	ISA	Junior ISA	Flexible ISA	Lifetime ISA	Onshore bond	Offshore bond	Investment companies	Stockbroker	Investment companies within models
										Securities Ltd	
Hubwise	Linked to Platform	Linked to Platform	Y	Y	Y	In development	N	On Platform	Y	In-house	Y
Novia	N	On Platform	Y	N	Y	In development	N	On Platform	Y	Winterflood/ Stocktrade	N
Nucleus	On Platform	Linked to Platform	Y	N	N	In development	On Platform	On Platform	Y	Stocktrade	Y
OMW	N	Linked to Platform	Y	N	N	N	On Platform	Linked to Platform	N	N/A	N
Praemium	Linked to Platform	Linked to Platform	Y	N	Y	In development	N	Linked to Platform	Y	FNZ	Y

Advised platforms	Basic SIPP	Full SIPP	ISA	Junior ISA	Flexible ISA	Lifetime ISA	Onshore bond	Offshore bond	Investment companies	Stockbroker	Investment companies within models
Raymond James	On Platform	N	Y	Y	Y	In development	On Platform	On Platform	Y	In-house	Y
Seven Investment Management	On Platform	Linked to Platform	Y	Y	Y	In development	Linked to Platform	On Platform	Y	In-house	Y
Standard Life Wrap	On Platform	On Platform	Y	N	N	In development	On Platform	On Platform	Y	HSBC Securities Services	Y
Transact	On Platform	N	Y	Y	Y	Y	On Platform	On Platform	Y	Winterflood, Canaccord and Charles Stanley	Y
True Potential	On Platform	Linked to Platform	Y	Y	Y	In development	Linked to Platform	Linked to Platform	Y	HSBC Securities Services	Y

Advised platforms	Basic SIPP	Full SIPP	ISA	Junior ISA	Flexible ISA	Lifetime ISA	Onshore bond	Offshore bond	Investment companies	Stockbroker	Investment companies within models
Zurich Intermediary Platform	On Platform	N	Y	N	Y	In development	Linked to Platform	Linked to Platform	Y	Winterflood	Y

Source AIC/the lang cat 20/04/16