



Adviser Forum

*Improving integration practices
between
client management systems
and
platforms – presentation & output*

Meeting held on 12 March 2009

IAMC International Centre, 12 Bloomsbury Square, London WC1A 2LP

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Competition Act reminder

- The role of this Forum is to facilitate business efficiencies in the personal finance sector for the benefit of advisers, providers and most importantly consumers.
- All present are reminded of the requirements of the Competition Act and members' attention is drawn to the guidelines, which are available.
- In essence, all Members shall refrain from any conduct or participation in any activities which could lead to a restriction of competition between the Members or any third party who is a competitor of a Member or Product Provider or which could in any other way lead to an infringement of UK and/or EC rules on competition law.
- Output of the meeting must be complete, we will pause before each new section to agree and summarise the issues covered.
- Role of the chairman is to steer the group clear of conversations that may impinge on the act.
- If the chairman fails to do this, delegates should point this out in the meeting and if the situation does not change should leave the meeting.



Attendees

Platforms and Client Management Systems			
1st Software	Tony Dunmore	Norwich Union Lifetime	Marion Davis
1st Software	Tracy Follett	Pension Decisions	Maya Fernandez
Axa Elevate	Victoria Western	Pension Decisions	Richard Burrill
Capita Enabler	William Watling	Plum Software	Ann Dempster
Capita Financial Software	Simon Cockle	Skandia	Steve Taylor
Focus Solutions	Ian Kirby	SSP Swift	Steve Pearson
Funds Network	Ben Peschier	SSP Swift	Shaminder Gill
JCS	Barry Pitfield		
FTRC			
Ian McKenna, Poppy Morgan & Gordon Steyn			

Apologies			
True Potential	Intelliflo	7IM	Cofunds
Ascentric	Standard Life	BNP Paribas	



Agenda

- This pack contains the slides presented at the Wider Stakeholder meeting held on 12 March 2009.
- Slides with **purple banner** represent the meeting presentation; slides with **gold banner** represent additional views and conclusions from the meeting. Members' comments, additional text and actions are shown in **gold text**.

Agenda	Slide
• Introductions and objectives	3 - 5
• Executive summary	6 - 7
• Actions	8 - 11
• Removing restrictions to allow CMS vendors to pass data to platforms:	12 - 14
<ul style="list-style-type: none"> • F&TRC to present an update. 	
• Documentation for integration partners:	15 - 20
<ul style="list-style-type: none"> • As CMS vendors and platforms continue to expand the amount of data they can hold/pass, discuss how these developments can be documented (in lieu of standards) so integration partners can remain abreast of such developments. • Plus, what other information do integration partners need from each other? Identify and document. 	
• Carry forward item - good practices around testing	21 - 23
• Explore issues around data incompatibility:	24 - 29
<ul style="list-style-type: none"> • Understand the nature of the client services advisers are now building and the need that creates for information. • What does this mean for parties who are delivering integrated data services? • What are the issues that need to be addressed/considered to ensure advisers can deliver client services in a cost efficient manner? 	
• Carry forward item - good practices communicating changes to integration partners.	30 - 31
• CMS vendor approach to handling transaction history data	32 - 33
• AOB	34



Objectives

Objectives	
<ul style="list-style-type: none">• Agree an approach to set up a central repository to facilitate information needed by integration partners thus reducing cost/effort for parties.	✓
<ul style="list-style-type: none">• Agree to examine inconsistent approaches by integration partners that are creating additional costs for parties with a view to agreeing a process to minimize such impacts.	✓



Executive summary

<p><i>Accommodating emerging adviser remuneration models</i></p>	<ul style="list-style-type: none"> • FSA have issued two fact sheets in Q4 2008 setting out requirements as to how remuneration for any distributor funds should be recorded. Details of this will be passed to meeting attendees and Forum members. • The factsheets state that any adviser remuneration taken from a clients investment must be recorded at fund level. • For platforms and platform administration companies this will mean having to show remuneration at fund level also. • Such developments are likely to increase the demand for remuneration data to be delivered to advisers electronically. • Platforms and fund managers wishing to be active in this marketplace will need to invest in the necessary solutions to accommodate this. 	<p><i>Slides</i></p> <p><i>8 - 9</i></p>
<p><i>Improving efficiencies between integrators</i></p>	<ul style="list-style-type: none"> • Firms recognise that poor processes, documentation and communication between parties is delaying the delivery of integration projects as well as adding further costs and wish to address this issue collectively. • F&TRC have agreed to work with firms to develop a central repository where their approaches to integration will be documented. • This is expected to cover areas such as documentation, schemas, message contents, transport layers such as security approaches and communication. • It has been agreed that only firms who make their own information available via this initiative will be able to access information on other integration partners. 	<p><i>Slides</i></p> <p><i>15 - 20</i></p>



Executive summary

<p>Testing</p>	<ul style="list-style-type: none"> • This group had previously stated that poor testing impacts the quality of service delivered to advisers. • F&TRC proposed whether it would be desirable to come up with a Good Practice statement around testing though a comment was made that such a framework already exists. Details of this will be passed to meeting attendees and Forum members. • As the meeting identified suitable international standards that could be followed in this regard it was not felt necessary for the group to carry out any further work. 	<p>Slides 21 - 23</p>
<p>Data inconsistency issues</p>	<ul style="list-style-type: none"> • The issue for distributors seeking to deliver regular client reports is that the information they need comes from a range of different sources, the challenge is then to deliver that information to the client that is consistent and reliable. • However parties identified a number of issues around consistency that can cause issues for advisers relying upon third party data. • A small group of firms have agreed to work together to prioritise these issues and develop a terms of reference to pursue the most pressing priority. 	<p>Slides 24 - 29</p>
<p>Meeting calendar</p>	<ul style="list-style-type: none"> • CMS and Platform meeting dates have been formally set for the year – see last page of the main meeting output to view meeting calendar. • Propose that parties meet every quarter to continue discussing how parties can improve the speed and quality of integrations being delivered to advisers. • The next meeting will concentrate on: <ul style="list-style-type: none"> • Working with parties to develop good practices / documentations on the topic of integration. • Progress with work focusing on data inconsistency issues. 	<p>Slides 34</p>



Actions

Ass. Group	Date of meeting	No.	Task Name	Resource Group	Resource Names	Deadline	Notes
WS	Wed 10/12/08	341	F&TRC have agreed to approach advisers to understand how they record commission and at what level is this done.	FTRC	PMG	Wed 21/01/09	Complete, see full response below.
WS	Wed 10/12/08	342	F&TRC have also agreed to contact the FSA to understand if they have a view as to how commission should be recorded.	FTRC	PMG	Fri 06/02/09	No response from FSA as of yet.

Response to Action 341:

- Independent advisers are required to disclose any remuneration they receive. They either disclose this at outset or periodically (e.g. annual reviews) or both.
- E.g. adviser wanted to identify which funds paid what rate of commission and then to match this within their CM system so they could extract it in the form of MI.
- This might not be about disclosing to customers but more about recording for internal MI and /or it could be for both reasons



Recording adviser remuneration - feedback

- In response to the update concerning how advisers plan to record remuneration data (action 341) a series of further comments and observations were made that supported the view for advisers wanting to record remuneration in greater levels of detail.
- To facilitate “perfect matching”, as advocated currently by RDR, advisers will be required to record details of any trail remuneration against the asset for which that payment is being received.
- Advisers offering their own distributor funds will need to disclose any remuneration received whether this be an initial payment or trail at fund level as well as remuneration received from any other source. See below for details of the FSA papers where this requirement is detailed.
- Historically fund managers have calculated trail remuneration in many different ways. In future under perfect matching fund managers will need to pay the amount reflected in the adviser terms of business with the client.
- Any platforms holding distributor funds will need to accommodate the requirement to show any remuneration paid out of the fund.
- Fund Managers will need to be able to reflect the remuneration levels agreed between the adviser and the client though some discretionary fund management platforms do cater for this.
- The changes taking place to adviser remuneration structures will make the need for electronic messaging even more vital as advisers will need to record and reconcile smaller and more complicated amounts.
- **Action 372:**
 - Capita agreed to forward details of the FSA papers to F&TRC which would then be distributed to all meeting attendees. See below.
 - FSA factsheet for fund managers and platforms - http://www.fsa.gov.uk/pubs/other/dist_inf_factsheet.pdf
 - FSA factsheet for distributors - http://www.fsa.gov.uk/pubs/other/dist_inf_funds.pdf



Actions cont.

Ass. Group	Date of meeting	No.	Task Name	Resource Group	Resource Names	Deadline	Notes
WS	Wed 10/12/08	343	F&TRC stated they would be seeking clarification from distributors on the outstanding integration priorities areas in January 2009.	FTRC	PMG	Wed 21/01/09	Complete. A full and final document has been issued to all parties. Any queries concerning this document should be directed to F&TRC.
WS	Wed 10/12/08	344	F&TRC to post information supplied by CMS outlining the data fields they support / do not support for integration onto Adviser Forum website.	FTRC	GS	Fri 23/01/09	Complete, parties to be updated today.
WS	Wed 10/12/08	345	F&TRC to create a facility for CMS vendors to notify Adviser Forum of changes to their capabilities to receive data from platforms.	FTRC	GS	Fri 23/01/09	F&TRC to submit a proposal to parties today detailing how this action can be progressed.
WS	Wed 10/12/08	346	F&TRC to contact CMS vendors post this meeting to validate additional information that has been requested concerning which standards platform support. F&TRC to request information from platforms too, collate and present this information back to parties.	FTRC	GS	Fri 30/01/09	F&TRC would like to discuss this action with parties today to clarify nature of additional information request, the most efficient way to collect this information and how it can be kept updated by firms.
WS	Wed 10/12/08	347	F&TRC agreed to raise the issue of how protected rights funds placed within a SIPP wrapper with product providers at the February Adviser and L&P meeting.	FTRC	PMG	Wed 25/02/09	Response from Product Provider community Feb 2009. The meeting was advised that the Contract Enquiry standard is due to be upgraded later this year. However, the adoption of this updated standard will be optional.
WS	Wed 10/12/08	348	F&TRC to contact CMS vendors to request details of their transaction history consolidation process for assets that have been re-registered.	FTRC	PMG	Fri 13/02/09	Respos received from Intelliflo, 1st, Plum. Outstanding Quay, SSP, Focus.



New actions

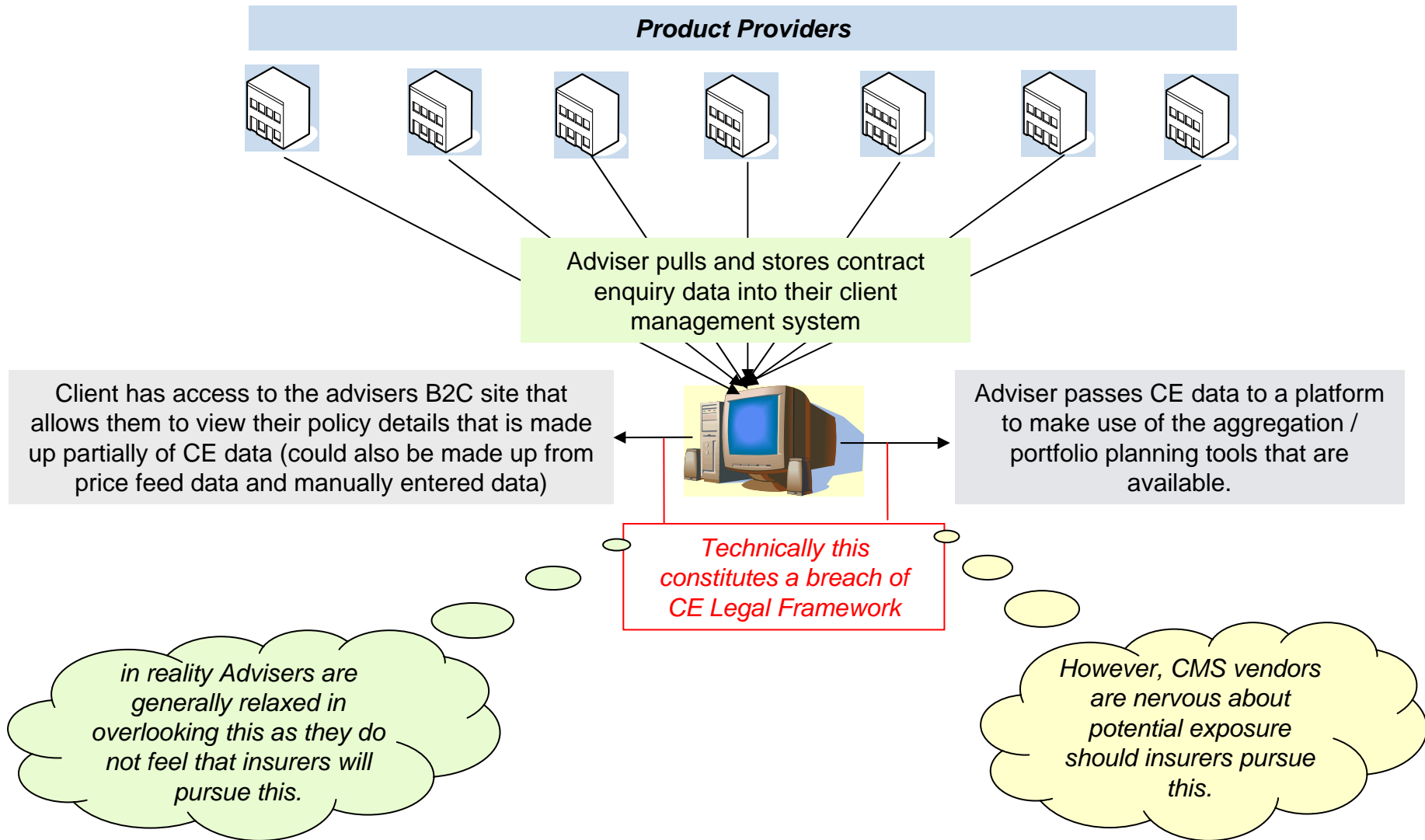
Ass. Group	Date of meeting	No.	Task Name	Resource Group	Resource Names	Deadline	Notes
WS	Thu 12/03/09	372	Capita agreed to forward details of the FSA papers to F&TRC which would then be distributed to all meeting attendees.	Wrap,FTRC	Capita,PMG	Wed 25/03/09	Complete. Links to FSA factsheets can be found in this document.
WS	Thu 12/03/09	373	F&TRC to contact all interested parties to document their approach to integration and what information they require from a potential integration partner and why. F&TRC to translate requirements into a survey and request all parties to respond.	FTRC	PMG	Fri 29/05/09	
WS	Thu 12/03/09	374	Capita to forward details of the CMMI document on testing good practices.	Wrap	Capita	Tue 17/03/09	Received from Capita. Complete.
WS	Thu 12/03/09	375	F&TRC to forward details of the CMMI testing document to all meeting attendees	FTRC	PMG	Wed 25/03/09	Complete. Links to CMMI site can be found in this document.
WS	Thu 12/03/09	376	F&TRC to set up a teleconference call with Vertex. Capita and Skandia. Purpose of the call is to prioritise the issues put forward concerning data inconsistency and agree which should be addressed first.	FTRC	PMG	Thu 30/04/09	



Update on CELF and passing data back to platforms

Background	
<i>What is the issue being addressed?</i>	<ul style="list-style-type: none"> In the current environment advisers are restricted from passing details of any contract information they have received in the form of a Contract Enquiry to a platform unless the adviser has permission from the Product Provider to do so. Contract Enquiry is a service developed by the life and pensions industry for advisers. It allows advisers to request valuation data concerning a contract electronically and can be stored in a client management system.
<i>Who put the issue on the table?</i>	<ul style="list-style-type: none"> F&TRC
<i>Why is it an issue?</i>	<ul style="list-style-type: none"> It is understood that the Contract Enquiry <i>“Legal Framework has not changed, however Origo are looking at some of this but they expect that a third party will still need the Permission of the Provider to pass this data on, i.e. the same as it is just now. “</i> Distributors who use/plan to use platforms are likely to want to pass legacy contract information onto platforms when using aggregation / portfolio planning tools. In the current environment CELF prohibits the movement of any data supplied by a provide to an adviser to a third party e.g. platform.
<i>What outcome are we seeking to achieve?</i>	<ul style="list-style-type: none"> It is recognised that there is a need to get this particular clause removed from the legal framework as it does pose a barrier to the movement of information between distributors, CMS vendors and platforms. This would need to be in the form of a change request from the provider community.
<i>Who benefits?</i>	<ul style="list-style-type: none"> By removing this constraint parties such as advisers and client management systems will be able to pass contract information to platforms without breaching legal framework.

Why would advisers want to re-use CE data elsewhere?





Update on CELF and passing data back to platforms

F&TRC put the issue of CELF to advisers at the January Wrap & Wealth Management meeting and documented the following response.

- Advisers stated that as the agent of the client i.e. their adviser, should be able to re-use information obtained in a CE request if the activity is “conducted in the clients business”.
- Prudential agreed to the issue of amending CELF to accommodate the need for advisers to pass on Contract Enquiry data to third parties such as platforms on the 5th of February at an Origo meeting where CELF will be raised.
- **Communication received from Prudential 23 February 2009, following an Origo meeting in February:**
 - *“I raised this issue at the meeting to discuss the LF (as did Standard Life), and it was agreed that the wording within the clause needs reviewing.*
 - *It was accepted by the group that the Legal Framework should not prevent the use of the data in the adviser day to day process of providing advice (such as using for planning tools or uploading data to a platform) but should be more specific with regards to the scenarios and risks that it is trying to mitigate against (e.g. preventing CE message to adviser/CMS being used to feed a follow on CE message to another system/platform without Product Provider permission).”*

F&TRC put the issue of CELF to providers at the February Adviser & L&P meeting and documented the following response.

- This is to be revisited in three months time once the changes to CELF have taken place.



Data capabilities of integration partners

Background	
<i>What is the issue being addressed?</i>	<ul style="list-style-type: none"> Platforms need to understand what the major CMS vendors can actually hold as that will impact what they can pass back to advisers.
<i>Who put the issue on the table?</i>	<ul style="list-style-type: none"> Platforms
<i>Why is it an issue?</i>	<ul style="list-style-type: none"> In order for integrations to work parties involved need to be able to send, receive and hold the information being passed. Currently there is limited understanding as to what data CMS vendors can hold to support wider integrations such as transactions, new business etc.
<i>What outcome are we seeking to achieve?</i>	<ul style="list-style-type: none"> Create a mechanism through which CMS vendors can update their data capabilities thus creating a central repository which platforms can use as a resource.
<i>Who benefits?</i>	<ul style="list-style-type: none"> CMS vendors update information once and information can be accessed by any platform integration partner. Platforms can keep abreast of changes occurring across their CMS integration partners via a central place.

Communicating capabilities

- Over the past 2 meetings this group has started to collect basic information relating to each parties integration capabilities.
- This has been in response to parties suggesting that it would be helpful to have certain information made publically available to existing and potential integration partners, thus **reducing the time/effort in establishing what each party has available.**

CMS & Platform Integrations: what documentation is available to integration partners?								
	Platforms				Client Management Systems			
	7 M	BNP Paribas	Funds Network	Stanisla	Capite	Instillio	Plum	SSP
Schemes								
Do you have a scheme for New Business Submission	Planned but not yet available	Planned but not yet available	No	No	Yes	Yes	Yes	Yes
Does this scheme support two way integration?	Yes	Yes	No	No	Yes	Yes	Planned but not yet available	Yes
Do you have a scheme for Commissions	No	Yes	Yes	No	Yes	Yes	Yes	Yes
Do you provide guidance notes for advisers to implement EDI	No	No	No	Yes	Yes	Yes	Yes	Yes
Do you have a scheme for Valuations	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Does this scheme support two way integration?	No	Yes	No		Yes	Yes	No	No
Do you have schemes for any other areas of activity	None at present	Transactions	Transactions		Platform dependent	No	Planned	Quotes
Documentation								
What documentation do you supply for integration partners to work with	Integration guide and schema definitions	To be confirmed	Int guide	Integration guides for Stanislav and Stanislav, will talk further this week/next	Use provided documentation	Guidelines and sample messages if appropriate	No	Full User Guides and Email Newsletters Process Guides for each service offered
Within your documentation suite is there a "Standard Variation Guide"	Planned but not yet available	No	No	Yes	Depends on provider	Yes	No	Yes
SECOL CODES								
Does the documentation suite state if "SECOL" is used	Yes	Planned but not yet available	Yes	Yes	Depends on provider	Yes	No	Yes
Does the documentation suite state if and how an alternative to "SECOL" can be used	Yes	Planned but not yet available	No	No	Depends on provider	Yes	No	Yes
Contact People								
Who is the right point of contact at your firm for commercial discussions re integration	Graham Scott	N/A	Adam Griffin	Steve Taylor	Simon Cockle	Kristen McGee or Nick Eason	Ann Dempster	Shaminder Gill
Who is the right point of contact at your firm for technical discussions re integration	Graham Scott	N/A	Adam Griffin	Steve Taylor	Simon Cockle	Kristen McGee	Ann Dempster	Shaminder Gill

Documents the different schemas, documentation and contact details across integration parties i.e. client management systems and platforms.

Does your CMS have a data field(s) to capture the following data/messages?	Yes, have a data field to support this message / No / Plan to develop this data field	Which format can this data/message be received in?	Additional comments
Tracking re-registrations / transfers onto platform - messages/data a platform could send a CMS			
1 Acknowledgement of a completed re-registration form being received	Other (please specify in additional comments)		In discussions with various parties
2 Re-registration form sent to provider/fund manager	Other (please specify in additional comments)		In discussions with various parties
3 Re-registered assets received	Other (please specify in additional comments)		In discussions with various parties
4 Re-registered assets outstanding	Other (please specify in additional comments)		In discussions with various parties
5 Acknowledgement of a completed transfer form being received	Other (please specify in additional comments)		In discussions with various parties
6 Transfer form sent to provider/fund manager	Other (please specify in additional comments)		In discussions with various parties
7 Transferred assets received	Other (please specify in additional comments)		In discussions with various parties
8 Transferred assets outstanding	Other (please specify in additional comments)		In discussions with various parties
New business tracking - messages/data a platform could send a CMS			
9 Full copy of e-application	Yes, have a data field to capture this	PDF document	
10 New Business Tracking message	Other (please specify in additional comments)		In discussions with various parties
11 Adviser ICRN	Yes, have a data field to capture this	e-message	
12 Initial commission expectation amount	Yes, have a data field to capture this	e-message	
13 Trail commission expectation amount	Yes, have a data field to capture this	e-message	
14 Date of purchase/transaction	Yes, have a data field to capture this	e-message	
15 Name of funds/holdings	Yes, have a data field to capture this	e-message	

Documents capabilities of client management systems to support specific data fields within their systems.

- Information can be found at: http://www.adviserforum.org/acceleration_groups/menu.asp



Reducing effort, improving communications - feedback

- Parties overall recognised the need to develop processes to assist them and their integration partners work more effectively.
- One platform stated they are developing their own documentation for their integration partners to help them reduce the delays that parties face as a result of poor / lack of information.
- One client management system stated that in their experience the challenge of working with other parties to deliver integrations focused around not knowing what approach each party took to their transport layer, a view others shared.
- A client management system commented that providers do not realise how diverse their approaches can often be and trying to establish information about their approach to integration can take considerable effort and resource.
- A robust debate took place on the pros and cons of the proposal out forward by F&TRC to develop a central repository that can hold details of each parties integration specifications.
- Two parties felt that sharing details of their integration specifications would be against their interests therefore did not support the proposal.
- However, there was significant support from all other parties who agreed to pursue this activity.
- Key comments made by firms who support this initiative were:
 - Can use this process to develop a good practice template for integrators i.e. what information each should make available to a third party thus helping firms to improve their own documentation and processes.
 - Can use it to identify where firms take a common approach and conversely, where approaches differ.



Reducing effort, improving communications – feedback cont

- As a starting point the meeting concluded with an agreement to document each firms approach / requirements for a number of areas in more detail e.g. schema, messages, documentation.
- Also, firms agreed that for the moment it would be useful to concentrate on common services that the vast majority of parties will seek to integrate with rather than bespoke developments.
- On the matter of accessing this information parties agreed:
 - Only those organisations who have made their own information available can access information on others.
 - It would be sensible to only allow client management systems access to information supplied by platforms and vice versa, this would then help to address any issue some parties may have about sharing information concerning their integration plans with competitors.
- It was agreed that parties would be invited to review and update their information on a quarterly basis to reflect changes however, if firms wished to update their information on a real time basis i.e. as things change their end, F&TRC could just as easily accommodate this.
- **Action 373:**
 - F&TRC to contact all interested parties to document:
 - Each firms approach to integration.
 - What information each firm requires from a potential integration partner and why (the latter item was considered to be important).
 - F&TRC to translate requirements into a survey and request all parties to respond.

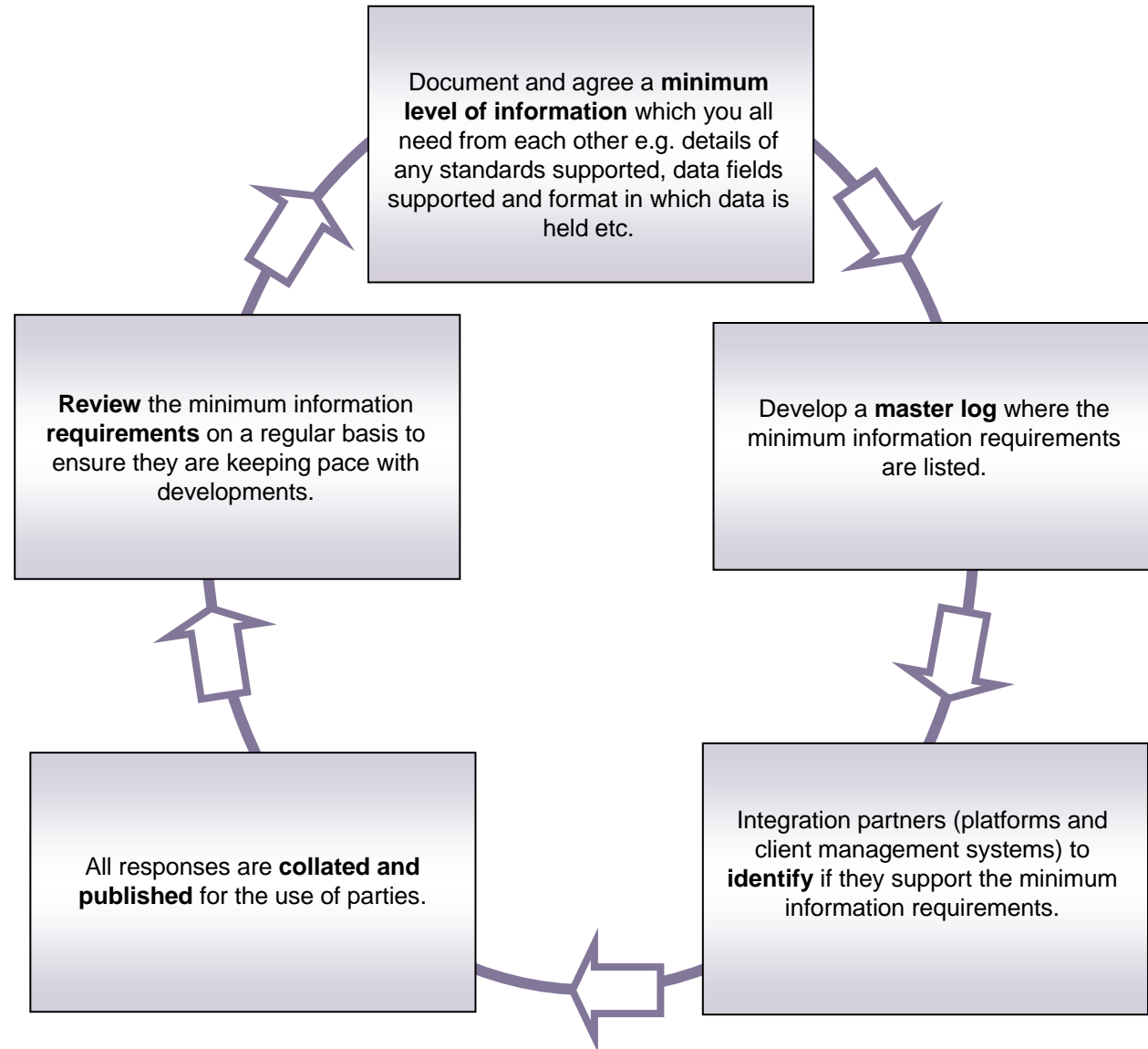


Reducing effort, improving communications

- Feedback from different parties within this Group suggests that reducing the amount of effort to establish basic information from other integrators would be beneficial.
- For example:
 - *“Documentation provided by third parties is not always in line with their development”.*
 - *“Fundamentally, what takes the most time and effort is every CRM having to talk to every Provider to get specific details about their particular implementation.”*
- Overleaf F&TRC have put forward a proposal that could help parties to manage such issues.

Reducing effort, improving communications – a proposal

- **Proposal:** see diagram
- **Rationale:** reduce the effort expended by parties to obtain basic but key information.
- **Objective 1:** create a central repository where parties can access information quickly and efficiently.
- **Objective 2:** create an environment where parties can continuously update their information to reflect changes in capabilities.
- **Desired outcome:** reduce effort / resource.
- **Undesired outcome:** no change / improvement to current process.





Testing

Background	
<i>What is the issue being addressed?</i>	<ul style="list-style-type: none"> A number of parties have raised this as an area where it would be beneficial to identify improvements.
<i>Who put the issue on the table?</i>	<ul style="list-style-type: none"> Platforms originally. F&TRC suggesting this issue is re-visited.
<i>Why is it an issue?</i>	<ul style="list-style-type: none"> Poor testing impacts the quality of service delivered to advisers.
<i>What outcome are we seeking to achieve?</i>	<ul style="list-style-type: none"> Would it be desirable to come up with a Good Practice statement to identify what it is reasonable to expect of the various parties when testing?
<i>Who benefits?</i>	<ul style="list-style-type: none"> Better testing environments should lead to improved services to advisers.



Testing - scope for good practices?

- At the last meeting (December 2008) parties recognised that there were issues with around testing and test environments though the session concluded that such issues were the responsibility of individual firms to resolve.
- Following the meeting, F&TRC documented the following note within the meeting output :
 - *“Would it be desirable to come up with a Good Practice statement to identify what it is reasonable to expect of the various parties when testing?”*
 - *F&TRC would like to propose this as an agenda item for the next meeting (12 March 2009).”*
- Comment was made that the CMMI have already developed a good practice guide approach on the subject of testing therefore no activity was necessary via this group for the moment..
- It was agreed that F&TRC would find this document and pass it onto to parties.
- **Actions 374:**
 - Capita to forward details of the CMMI document on testing good practices.
- **Action 375:**
 - F&TRC to forward details of the CMMI testing document to all meeting attendees. See below:
 - <http://www.sei.cmu.edu/publications/documents/01.reports/01tr022.html>

Testing – an example of good practice

Example issue - test environment is not identical to the live. Differences can include:	Suggested good practices	Impact of poor practices
<ul style="list-style-type: none"> • Level of client data within the system • Machine specification (server etc) • Hosting environment <ul style="list-style-type: none"> • Live is externally hosted • Test is internally hosted • Live integrations with external systems • Number of concurrent users on test system • Functionality on test systems not being 100% match to live system <ul style="list-style-type: none"> • It is a subset or • Test environment has other “work in testing” that is also not live within live environment • The internal test system is being tested with another test system rather than a live system <ul style="list-style-type: none"> • The third parties test and live systems differ 	<ul style="list-style-type: none"> • Both companies to have full working copies of the other companies software • For the system whose data fields are being populated and then for their data to re-populate the initial system, this company should supply a suite of test scripts which allow the integration to be fully tested. These test scripts identify what data should be passed and how it should be displayed • For testing to be able to be done: <ul style="list-style-type: none"> • Test system A to test system B to test system A • Live system A to test system B to live system A • Live system A to live system B to live system A • For test environments and live environments (for testing) to be available during normal working hours • For system A and system B to have good lines of communication in order that technical / products / data issues with testing can be addressed in a timely manner • For system A and B to have a formal testing sign off procedure 	<ul style="list-style-type: none"> • Delivered Integration may not work • This results in more development time • Testing is not structured and may not be thorough



Data incompatibility issues

Background	
<i>What is the issue being addressed?</i>	<ul style="list-style-type: none"> Whilst CMS vendors and platforms can accommodate different working practices this has left advisers facing a significant issues as they have to try to pull together client reports using data that has been presented in different formats.
<i>Who put the issue on the table?</i>	<ul style="list-style-type: none"> Advisers and Client Management Systems
<i>Why is it an issue?</i>	<ul style="list-style-type: none"> The issue for distributors seeking to deliver regular client reports is that the information they need comes from a range of different sources, the challenge is then to deliver that information to the client in a consistent format.
<i>What outcome are we seeking to achieve?</i>	<ul style="list-style-type: none"> Deliver integrated solutions to advisers that reduce/remove the burden of manual processing of information, not add to it. Ensure that integrations being delivered are not devalued due to inconsistency issues.
<i>Who benefits?</i>	<ul style="list-style-type: none"> Advisers who can deliver services in an efficient manner are likely to reflect this in the cost of services to consumers.



Unintended consequences

- This Group has previously expressed a desire to establish a more effective way of working with their integration partners without necessarily having to go down as a formal standards path.
- Whilst this approach offers parties flexibility it also presents some challenges.
- As advisers make the switch to offering “service” as opposed to “products” the requirement for information will intensify.
- Information will need to be pulled electronically to populate client reports.
- **The key to delivering an efficient client service is reliant upon the advisers ability to re-use information without manipulation** i.e. have to manually remove / reduce inconsistencies to information received from platforms.



Data inconsistency issues

- F&TRC stated that as advisers move to a servicing model this will drive a need to communicate with clients on a frequent basis, typically in the form of valuation statements.
- The process to deliver such information will need to be industrialised and the data will need to be accurate and dependable.
- A comment was made that advisers are expressing concern that the information being pushed out to them via is not always consistent which can undermine the value advisers place on electronic data.
- For example:
 - Asset allocation data within price feeds is often at least 60 days out of date, in some cases 270 days out date. Advisers unlikely to know how timely information is between the different price feed suppliers.
 - Sector classifications can vary depending upon the price feed supplier being used i.e. some use 6 classifications and others can use 10. This has the potential to create inconsistencies within Asset Allocation and similar analysis that might be carried out by advisers.
 - Providers being unable to supply standard fund codes for all of their funds and instead using their own bespoke codes. In the case of the latter, different approaches taken by providers using their own fund codes is causing significant issues for advisers and does present risks as users are trying to interpret what each providers does.
- As there were several issues identified by parties, F&TRC suggested it would be sensible to arrange a brief call with some firms following this meeting to agree some prioritisation around these.



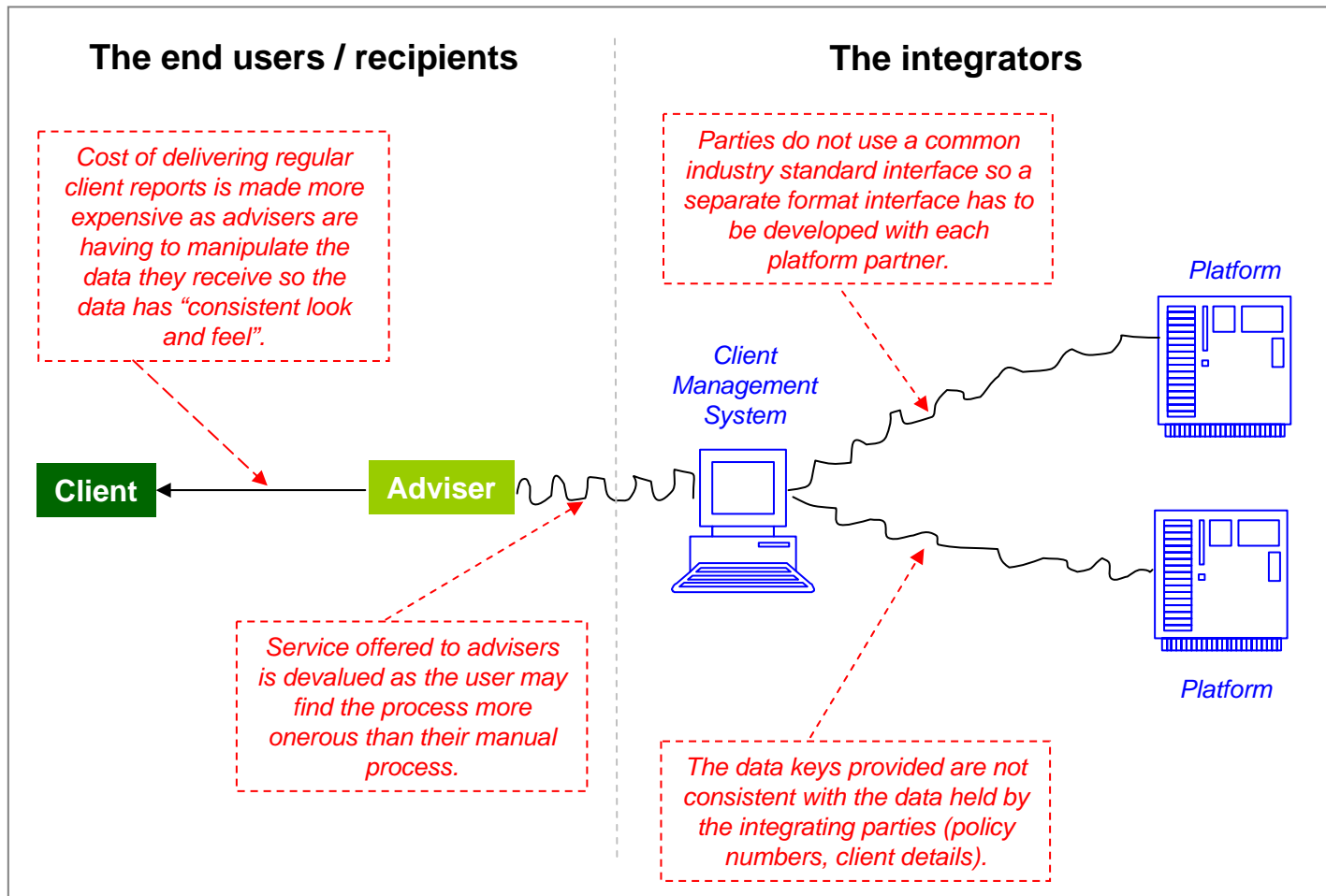
Data inconsistency issues cont.

Action 376:

- F&TRC to set up a teleconference call with Vertex. Capita and Skandia.
- Purpose of the call is to prioritise the issues put forward by parties around data inconsistency.
- Develop a terms of reference (TOR) documenting the issues for most pressing priority and discuss what approach could be used to move this forward.

The thing about flexibility is...

...it can speed up delivery of integrations as parties can work to their own capabilities however unless managed it could impose further costs on end users.





Data incompatibility – exploring the issues

- At the last meeting (December 2008) parties recognised that there were issues with data compatibility / consistency though the session concluded with no real agreement to progress this matter.
- Following the meeting, F&TRC documented the following note within the meeting output:
 - *“Given the complexity of this issue, F&TRC would like to propose this agenda item be further explored at the next meeting (12 March 2009).”*
- Below are some of the comments put forward by advisers who are pulling data from different platforms into their CMS.
 - *“Adds time/cost when trying to use data as it is not easy to manipulate client information as data appears in different formats.”*
 - *“Reduces the benefit of automation.”*
 - *“ideally, we want the data to come out in the most consistent way possible”.*



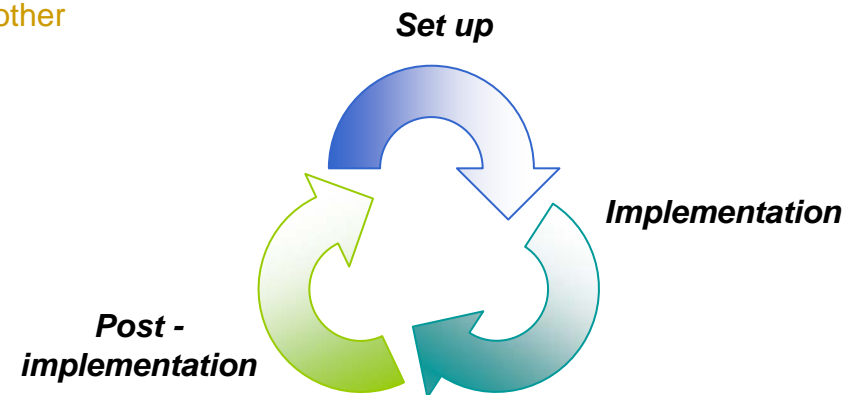
Resource & Communication

Background	
<i>What is the issue being addressed?</i>	<ul style="list-style-type: none"> Both CMS vendors and Platforms have stated that they experience issues with resource and communication.
<i>Who put the issue on the table?</i>	<ul style="list-style-type: none"> CMS vendors and Platforms
<i>Why is it an issue?</i>	<ul style="list-style-type: none"> Resource availability from Providers at convenient times. Communication is fragmented, and protracted. Once issues arise it can be difficult to determine ownership Difficult to get SLAs for delivery of change.
<i>What outcome are we seeking to achieve?</i>	<ul style="list-style-type: none"> Would it be desirable to come up with a Good Practice statement that considers how parties could improve the communication process? What is it <i>reasonable</i> to expect from each other?
<i>Who benefits?</i>	<ul style="list-style-type: none"> Improved lines of communication can help to resolve issues more quickly.

Communication – what is reasonable?

- At the last meeting (December 2008) parties recognised that there were issues around resource and communication.
- The previous session concluded that such issues were the responsibility of individual firms to resolve.
- F&TRC recognise that issues involving resource can only be managed by the individual firm, however we would also suggest that there is scope for parties to work together to improve the communication process.
- Following the meeting, F&TRC documented the following note within the meeting output :
 - *“Would it be desirable to come up with a Good Practice statement that considers how parties could improve the communication process? What is it reasonable to expect from each other?”*
 - *F&TRC would like to propose this as an agenda item for the next meeting (12 March 2009).”*
- F&TRC suggested that the subject of good practices around communication would be picked up within the activity proposed earlier in the meeting to develop a central repository of information parties could share with other integrators.
- See action 373.

Identifying the key stages where communication is important





Transaction history for re-registered holdings

Background	
<i>What is the issue being addressed?</i>	<ul style="list-style-type: none"> Platforms stated they are receiving numerous calls from advisers asking for assistance on how to consolidate transaction data they associated to a client and where the asset has now been re-registered.
<i>Who put the issue on the table?</i>	<ul style="list-style-type: none"> Platforms
<i>Why is it an issue?</i>	<ul style="list-style-type: none"> Platforms unable to assist / resolve adviser queries which can cause frustrations for both parties.
<i>What outcome are we seeking to achieve?</i>	<ul style="list-style-type: none"> CMS vendors to confirm what their work around processes are to consolidate transaction histories and make this information available to platforms.
<i>Who benefits?</i>	<ul style="list-style-type: none"> Platforms will be better placed to assist advisers if they can understand how their CMS vendors manage such processes.

Consolidating transaction histories – CMS approaches

Client Management System	Does your system allow advisers to record transaction details against client records?	If yes, how do you suggest advisers treat any transaction data held in your system where the asset has been re-registered i.e. moved from one platform to another?
1st	Yes – there are 2 options	<ol style="list-style-type: none"> The user enters a re-registration transfer out from the old plan and a re-registration transfer in to the new plan. This leaves the previous transaction history against the old null holding and creates a new holding in the new plan. The user inputs a funds holding transfer from the old plan to the new plan. This carries the transaction history from the old plan to the new plan.
Capita Financial Solutions (Quay)		<ul style="list-style-type: none"> outstanding
Focus Solutions		<ul style="list-style-type: none"> outstanding
Intelliflo	Yes	<ul style="list-style-type: none"> For each transaction we can record the type of transaction such as Switch Purchase or Switch Sale. We can also record at plan level whether there have been any plans cancelled, transferred or replaced in relation to the plan in question.
JCS	Yes – there are 3 choices	<ul style="list-style-type: none"> Start afresh with a new record and a new transaction history Change the provider and contract details on the current record in order to keep all history (including notes, contributions, documentation, etc.). If they want to transfer transaction history from one record to another this can be arranged by our support staff, but no-one has ever asked for this. If they did we would add functionality for it.
Plum	Yes	<ul style="list-style-type: none"> They have to create a new product with new reference id and build up new history. They close down the previous product plus history by zeroing out the funds either electronically or manually. They should never delete any history
SSP Swift	Yes, the system has a full range of transactions which allow the user to record switches in and out at policy level	<ul style="list-style-type: none"> If the Asset has been registered out then we provide a Re-Registered transaction and the balance can then be set to 0.00. If there is an Asset Registered on then there is a Fund Switch In transaction to identify it. We would then suggest that the users add a 'Valuation Transaction' on to provide the start position in terms of units and prices. After this 'Fund Switch In', 'Fund Switch Out', 'Fund Purchase' and 'Fund Sale' can be used to record the transaction history
True Potential		<ul style="list-style-type: none"> outstanding



AOB

- F&TRC would like to propose some changes to the AF meeting calendar to reflect the developments that have been taking place Q3 2008.
 - CMS and Platform meeting dates have been formally set for the year.*
 - Propose that parties meet every quarter to continue discussing how parties can improve the speed and quality of integrations being delivered to advisers.*
 - This structure will require a commitment from parties to:*
 - Attend meeting (if main representative cannot attend then try to send alternate who can actively contribute)*
 - Make an active contribution in meetings and any activity conducted outside of meetings.*

Adviser Forum meeting calendar 2009

- Bank holidays & dates to be avoided
- Adviser Forum core meeting dates
- CMS & Provider Forum meeting dates
- CMS and Platform Forum meeting dates

2009

