



Executive summary

<p>Operational implications of RDIP</p>	<ul style="list-style-type: none"> • In future, adviser businesses will place as much emphasis on servicing existing clients as generating new business through new clients. • This will be driven by client segmentation which in turn will drive future servicing models. • Advisers stated that the cost is not in the delivery of advice rather, in aggregating the information needed to deliver advice. • Consequently, costs associated with delivering advice will need to come down as these will otherwise be passed onto customers who will find this unacceptable. • Given the potential scale of change that is going to be needed to operate in a post 12/12 world it was agreed that parties needed to start looking at issues sooner rather than later. 	<p>Slides 12-13</p>
<p>Adviser remuneration post 12/12</p>	<ul style="list-style-type: none"> • Some advisers are looking to implement new adviser remuneration structures as early as next year, others are further behind. • Product Providers will need to accommodate a range of different charging structures as each adviser firm will potentially operate different models. • However, there are a number of “grey areas” that will need to be resolved over the coming months e.g. how will advisers engage with clients, what will be the impact on quotes, how will Providers accommodate different remuneration models etc. • The advisers agreed to work collectively, after the publication of the consultation on RDIP, to deliver a consensus view of the services that they will need from providers to allow interested parties to agree a delivery roadmap to meet these needs by 12/12. 	<p>Slides 14-18</p>



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<p><i>Client servicing post 12/12</i></p>	<ul style="list-style-type: none"> • Where advisers contract with clients to deliver a service e.g. annual reviews, aggregated statements they <u>will have to</u> deliver these. • Supplying ongoing information to clients at present is a major cost for advisers and this makes servicing an expensive activity. Advisers want to reduce this cost from “pounds to pence”. • Providers who are unable to deliver the information advisers need, in the format they require, will be deselected on the basis they will be too expensive. • Advisers want to understand what improvements/enhancements Providers plan to make to existing services. • Providers stated that in the current economic climate, where budgets are tight, they would need adviser support to develop business cases to make the enhancements advisers need. • Advisers agreed to work together to define the minimum level of information they need from Providers in an electronic format to support their client servicing propositions. 	<p><i>Slides</i></p> <p><i>19-23</i></p>
<p><i>RDR session with FSA</i></p>	<ul style="list-style-type: none"> • F&TRC will be contacting the FSA RDIP team to invite them to join both Advisers and Product Providers at 23rd September Adviser Forum meeting. 	<p>-</p>