



FINANCE & TECHNOLOGY RESEARCH CENTRE

Adviser Forum

e-Services Forum

Executive Summary

Meeting held on 15th July 2010 at



Royal Institute of British Architects, 66 Portland Place, London, W1B 1AD

The contents of this pack, in whole or in part, are to be treated as confidential and circulation beyond the Forum members or subscribers requires written confirmation from F&TRC in advance. Any unauthorised distribution renders the distributor liable for the subscription cost of the document distributed for each third party they are passed on to.

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.

Introduction & Agenda

- This pack contains the slides presented at the e-Services meeting held on 15th July 2010.
- Slides with  represent the meeting presentation; slides with  represent additional views and conclusions from the meeting. Members' comments, additional text and actions are shown in **purple text**.

<i>Agenda</i>	<i>Page</i>
• Competition Act & Agenda	2 - 3
• Attendees and apologies	4
• Executive Summary	5 - 6
• Objectives and actions update	7-9
• Next meeting	10

Attendees & Apologies

Attendees

1st Software	Graham Forbes	Intelliflo	Kieran McGee
All My Plans	Mitch Philpott	Met Life	John Bradley
Aviva	Dave Hall	Plum Software	Ann Dempster
Axa	Mark Donaldson	Prudential	Rose Little
Canada Life	David Greenall	Scottish Life	Ian Macintyre
Cofunds	Sam Cooper	Scottish Widows	Sarah Edwards
Exchange	Tracey Follett	Selectapension	Lorraine Stapleton
Figureout	Jon Story	SSP	Steve Pearson
Focus Business Solutions	Ian Kirby	SSP	Shaminder Gill
Friends Provident	Steve Young	Zurich	Alan McKinna

FTRC

Poppy Morgan, Ian McKenna, Nicky Jordan & Helen Clark

Apologies

LV=	AEGON Scottish Equitable	Standard Life	Funds Network
Assureweb	Capita Financial Software	JCS	Legal & General
Scottish Widows	7IM		

Executive summary

<p><i>Changes to illustrations – what's going on?</i></p>	<ul style="list-style-type: none">• Meeting outlined the changes taking place to provider illustrations for investment products as a result of FSA requirement to use more realistic growth rates. This identified the kinds of impacts these changes could have on software vendors (see main meeting pack for details). Portals, client management systems and tool vendors are encouraged to read these notes as this may create the need for significant new services to help advisers.• Before vendors can make any changes to their software, product providers will need to declare their position i.e. what are they doing and when. The Exchange and Selectapension have agreed to work with F&TRC to develop a set of questions that can be issued to providers to create a better understanding of provider plans.• It was generally accepted that this activity could create significant additional costs for the industry and it was suggested that providers, as a body, could approach an independent, trusted third party i.e. Institute of Actuaries to see if they would help to define a set of common growth rates for different asset classes.
<p><i>Fund code good practice statement</i></p>	<ul style="list-style-type: none">• F&TRC are due to publish the good practice guide to all Forum member firms shortly.• <u>Who should read this document:</u><ul style="list-style-type: none">• Advisers: If planning to implement a Contract Enquiry service from a provider, establish upfront their approach to delivering detailed underlying fund information.• Client Management Systems: Encourage clients to review this good practice statement and suggest they discuss this with providers they plan to implement Contract Enquiry .• Providers: Firms planning on making changes to how they approach/support fund codes should read this document.

Executive summary cont.

Supporting adviser investment strategies

- F&TRC broadly outlined the work underway at the moment to document the different ways in which advisers are approaching the execution of their own investment strategies.
- Scottish Life suggested a further model to consider , one where an adviser white labels a providers investment proposition as their own and may want to develop an integration into their client management system to support this.
- Meeting raised a number of areas that would require further investigation (see main meeting pack for details).
- F&TRC stated that these issues would be included within the final documentation, delivery date is September Investment Forum.

Objectives

Objectives

- | | |
|--|---|
| • Host a discussion on subject of projected growth rates and establish what impacts these changes will have on software vendors. | ✓ |
| • Review Fund Code Good Practice Statement and confirm sign off and next steps. | ✓ |
| • Outline the work currently underway by Forum to identify how providers, platforms and system vendors can deliver integrations to support adviser investment strategies and identify additional issues/areas that should be considered. | ✓ |

Actions

Date of meeting	No.	Task name	Resource name	Deadline	Comments
28th April	23	F&TRC to raise the issue of how advisers manage lifestyle funds/products at the Investment Forum on 13/05.	F&TRC	13/05/2010	Complete.
28th April	24	F&TRC to consolidate all of the learning and collateral acquired on the subject on fund codes and their role within the financial planning process and to translate that into a good practice statement for the benefit of the market based on the guidelines.	F&TRC	31/05/2010	Complete. Document to be signed off at meeting.
28th April	25	F&TRC to request that Providers to bring an update of the meeting on CE legal framework and its impact on advisers to Investment Forum (13/05).	F&TRC	13/05/2010	Complete.
28th April	26	F&TRC to issue 'Adviser Guide to Secure Communication' document to all firms who attended e-Services Forum to review the document and provide feedback to it. Also, to ask firms to review the information they have supplied about the secure communication solutions they support to ensure it has been represented accurately.	F&TRC	28/05/2010	Complete
28th April	27	F&TRC to contact portals again to obtain their response as to whether they have updated their TPD definitions held in their systems to match the changes made by the ABI.	F&TRC	31/05/2010	F&TRC to contact portals following this meeting.
28th April	28	F&TRC to raise the issue of portal support for multi benefit contracts at Protection Forum (10/06) with advisers and providers to establish what steps could be taken to take this issue forward.	F&TRC	10/06/2010	Complete. Update to be provided as part of AOB.

New actions

Date of meeting	No.	Task name	Resource name	Deadline	Comments
15/07/2010	51	F&TRC, Selectapension and The Exchange to work together to develop a set of questions that will be issued to providers for the purpose of creating a better understanding of provider plans concerning their approach to growth rates within illustrations.	F&TRC, Selectapension and The Exchange	06/08/2010	Teleconference dates confirmed with The Exchange and Selectapension on 06/08. Assureweb, The Exchange and True Potential have also been invited.
15/07/2010	52	Group of providers to approach the ABI to explore the possibility of engaging with an independent, trusted third party to establish what services they could offer to assist providers define a set of common growth rates for different asset classes.	Product Providers	06/08/2010	
15/07/2010	53	F&TRC to issue a revised copy of the good practice document relating to use of fund codes to all e-Services member firms for final sign off.	F&TRC	30/07/2010	Document issued and some feedback has been received.
15/07/2010	54	F&TRC to carry out a further current state assessment Q3 2010 to establish what progress providers are making to adopt the good practices developed by this group on the subject of fund codes.	F&TRC	08/10/2010	

2010 dates

- E-Services Meeting dates
- 20th October

Adviser Forum Meeting Calendar 2010

Key	Meeting Type	Who attends
	Investment Forum	Adviser Firms, Product Providers, Platforms, Fund Management Groups
	Corporate Forum	Adviser Firms, Product Providers, Employee/Flexible Benefits Providers
	Protection Forum	Advisers and Product Providers
	E-services Forum	Technology vendors, Product Providers, Platforms

