

## Case Study

### Platform Efficiency

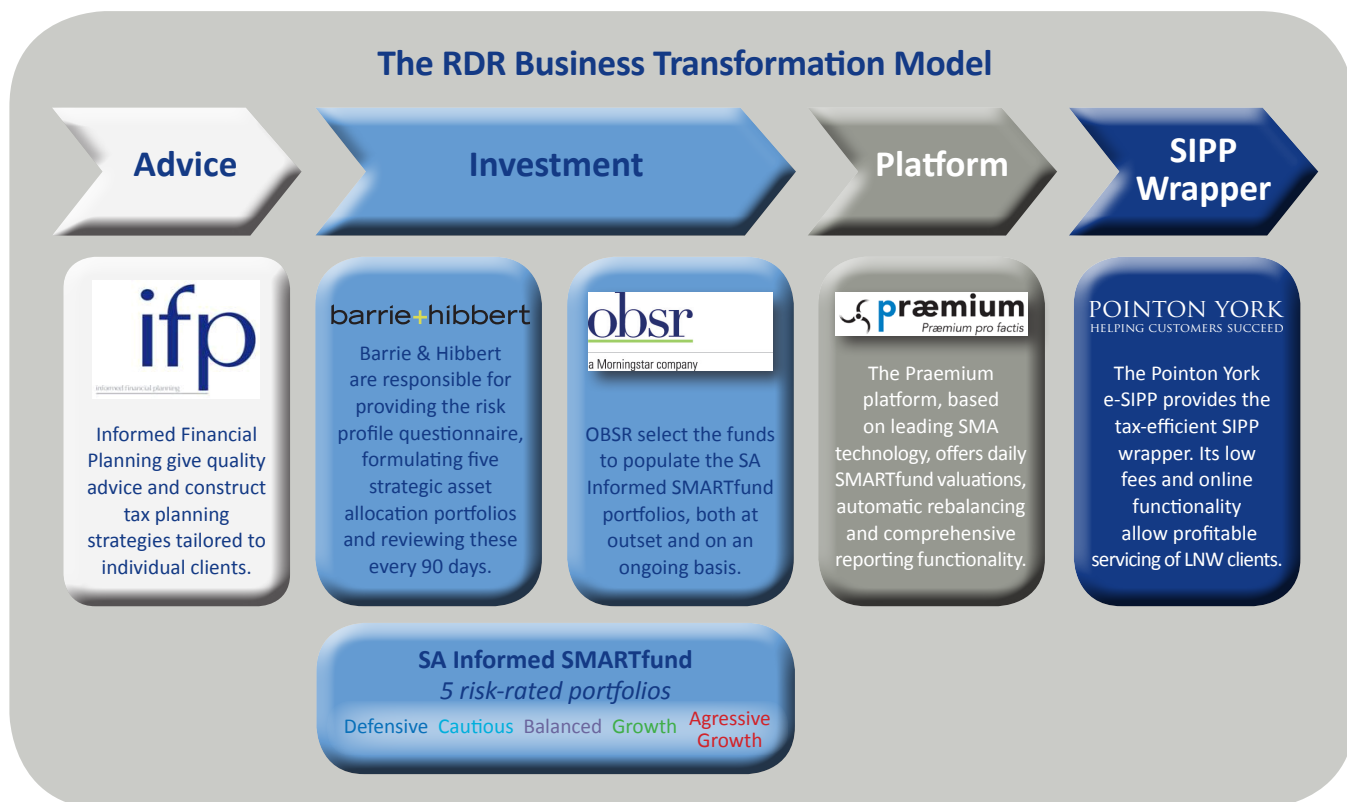
Informed Financial Planning chose The Pointon York e-SIPP as the ideal pension wrapper for the robust, RDR-ready investment proposition that dramatically increased their business efficiency.

Informed Financial Planning (IFP), a leading Chartered Financial Planning firm of Independent Financial Advisers recognised that it needed to streamline its business for the Retail Distribution Review (RDR) and reduce the intolerable administrative burden on its back office. IFP acknowledged that its strengths lay in constructing tax planning strategies and selecting the right wrappers for its clients rather than selecting and managing individual funds, and so set about sourcing a third party nominee to ensure its clients received the best possible service.

Managing Director, Kevin Ferriby, **undertook two years of research in pursuit of an investment proposition that was robust, scaleable and repeatable.** IFP wanted an online solution which used the latest technology to allow ongoing monitoring without

the need for manual intervention. It was fundamental for IFP to retain independence and control of client assets, and to comply with initiatives such as Treating Customers Fairly and RDR. Finally the firm wanted the ability to deliver a first class client experience as well as offer a cost-effective, tax-efficient investment proposition.

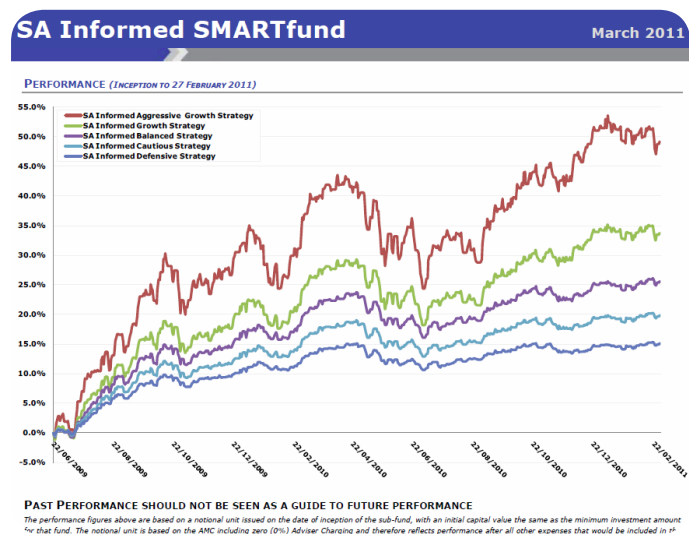
Given previous negative experiences, Kevin was keen to avoid partnering with an insurance company and jeopardising IFP's independence. His thorough analysis of the market revealed that most options seemed to involve compromise on at least one of IFP's fundamental requirements, so he was pleased to find that **portfolio administration specialist Praemium and its SMARTfund proposition ticked all the boxes.**



Praemium worked with IFP to construct a bespoke SMARTfund, which consists of five risk-rated model portfolios formulated by Barrie & Hibbert and populated with funds selected by OBSR. ***This solution harnesses the expertise of investment research professionals and global leaders in strategic asset allocation models,*** ensuring peace of mind for both IFP and its clients.

Praemium then introduced Kevin to The Pointon York e-SIPP, a low-cost pension wrapper in which to hold the investment proposition. Kevin favoured the e-SIPP because of its online functionality, its value for money, the strong technological links between Pointon York and Praemium, and Pointon York's solid reputation for service. The advisers at IFP were impressed by the convenient 24/7 access to fund valuations via the online portal and the ease with which ***they would be able to upgrade their clients' SIPPs should their needs change.***

Using the Pointon York e-SIPP as a tax-efficient wrapper for its SMARTfund proposition on the Praemium platform allows IFP to ***agree remuneration transparently on an individual client basis.*** Both the SIPP fees and ongoing dealing costs are highly competitive, enabling IFP to service lower net worth clients profitably as well as rebalancing their portfolios regularly, without creating additional internal work or obtaining written client authority each time.



Example of SA Informed SMARTfund performance to February 2011

## Summary

### The Problem:

Advisers at IFP were selecting funds for clients, however with no consistent process for client experience, they realised this was unsustainable with RDR on the horizon. Reviews were intensely time consuming and administrative workload was becoming intolerable.

### The Solution:

IFP worked with Praemium to develop a bespoke SMARTfund which uses five risk-rated model portfolios. The leading SMA technology of the platform allows constant monitoring and automatic rebalancing without creating additional work for IFP, and the Pointon York e-SIPP provides a low-cost tax-efficient wrapper for this model with RDR and CAR compliant processes.

### The Results:

IFP has an RDR-ready business model which allows it to focus much more time on delivering quality tax planning strategies to meet the needs and aspirations of its clients. The solution has completely transformed IFP's back office workload at review, and its ***recurring income has increased by over 20%.*** Client portfolios are behaving as expected and are aligned with individual tolerance and capacity for risk. Clients benefit from ongoing monitoring - not just at review time, and IFP's segmentation exercise has enabled them to provide each client with a high standard of advice cost-effectively.

For more information about  
The Pointon York e-SIPP  
and other products in our range,  
please contact our distribution team on  
t: 01858 419300,  
e: [enquiries@pointonyork.co.uk](mailto:enquiries@pointonyork.co.uk)  
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