



**Welcome to the 7th AMPS
Annual General Meeting
17th October 2011**



**Minutes of the Meetings held
on 4th October 2011 and 15
December 2011**

Andrew Roberts



Chairman's Report

Andrew Roberts

AMPS ASSOCIATION OF
MEMBER-DIRECTED
PENSION SCHEMES

CHAIRMAN'S REPORT

AGM

Chairman's Report

- ▶ FSA matters
- ▶ HMRC matters
- ▶ Economic stimulus
- ▶ Drawdown meeting
- ▶ Other matters

FSA Matters

- ▶ CP 12/5 Pension Disclosure Round Table
Only 22% found KFIs useful
- ▶ CP 12/19 Sale of UCIS etc
82% of providers generally in support
- ▶ SIPP Regulation
95% think FSA has not met its own objectives

HMRC matters

- ▶ Compensation paper issued during Summer
- ▶ AMPS catch up newsletter in February 2012
- ▶ Working with SFO, HMRC etc on pension fraud

Economic Stimulus

- ▶ 93% clients struggling for bank finance
- ▶ 70% ssas loanback rules as too onerous
- ▶ 80% support a change to the first charge
- ▶ 64% support ten year maximum term

Other matters

- ▶ Conference, workshops and AGM
- ▶ Website
- ▶ Funding

Drawdown

SHOULD GILT FLOOR BE INCREASED?

- ▶ 85% support increased gilt floor

HOW SHOULD RULES ABE AMENDED?

- ▶ 29% support return to 120% rate
- ▶ 27% support use of different investment index
- ▶ 29% support radical review
- ▶ 15% think it should be left alone

THANKS!

Treasurer's Report

Elaine Turtle

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Election of Auditor

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Any Other Business

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SIPP market update

Renata Chester
Finance Director

SUFFOLKLIFE

SIPP market update

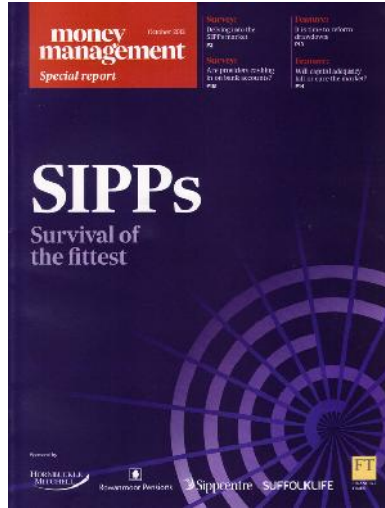
- Continued market growth
- Continued regulatory change
- Outlook



SUFFOLKLIFE

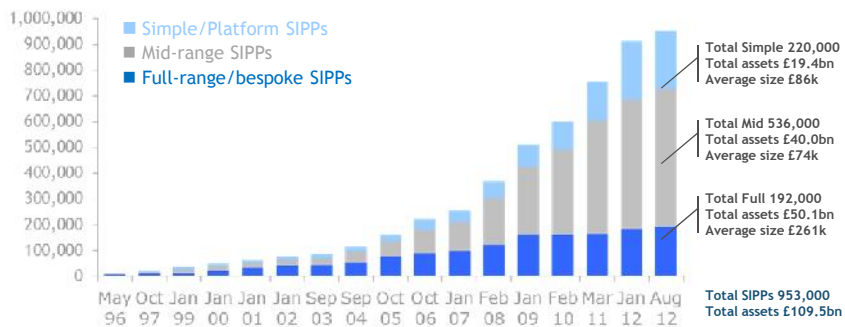
The SIPP marketplace

SUFFOLKLIFE



SIPP market growth

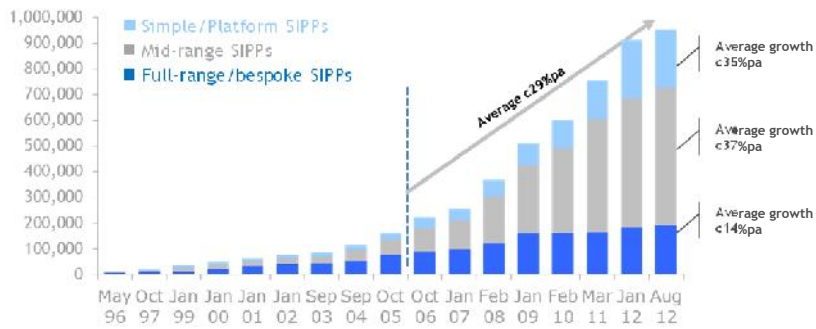
SUFFOLKLIFE



Source: Suffolk Life - estimates derived from trade magazine surveys and industry data

SIPP market growth

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Source: Suffolk Life - estimates derived from trade magazine surveys and industry data

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Pensions

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September 28 2012 6:31 pm

Consolidation ahead as Sipp boom slows

By Laura Suter

The self-invested personal pensions (Sipp) industry faces consolidation, with many experts shrinking margins and slower growth will force smaller operators out of the market.

Sipp have been a growth story for much of the past ten years, with rapidly rising assets in the market. But there are signs of this growth slowing, with the latest data from the Money Mail showing a 10 per cent increase between March and October this year, to £68.6bn of scheme assets under management, a 10 per cent increase in the previous six months.

Revenues at some Sipp providers are also under pressure. If there is downward pressure on administration and transaction charges, providers will need to be gaining huge volumes of new business to make profit.

More

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Continued regulatory change...

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FSA P509/19	Review of the prudential rules for personal investment firms (PIFs)	FSA CP12/16	FSCS funding model review
FSA P511/09	Platforms – delivering the RDR and other issues for platforms and nominee-related services	FSA CP12/18	Data collection on remuneration practices
FSA P511/10 UCITS IV	UCITS IV directive instrument	FSA CP12/19	Restriction on the retail distributions of UCISs and close substitutes
FSA P511/13	Data Collection: Retail Mediation Activities Return and complaints data - feedback to CP11/18	FSA CP12/20	Review of the client money rules for insurance intermediaries
FSA P511/14	Product disclosure: Retail investments - changes to reflect RDR Adviser Charging - feedback to CP11/3	FSA CP12/21	Short selling regulation – handbook changes
FSA P512/03	Distribution of retail investments: RDR adviser charging – treatment of legacy assets	FSA CP12/22	Client assets regime: EMIR, multiple pools and the wider review
FSA P512/05	Distribution of retail investments RDR adviser charging and Solvency II disclosures	FSA CP12/23	Addressing the implications of non-EEA national depositor preference regimes
FSA P512/06	The CASS resolution pack	FSA CP12/24	Regulatory reform: PRA and FCA regimes relating to aspects of authorisation and supervision
FSA P512/10	Deposit protection: raising consumer awareness	FSA GC12/05	Anti-bribery and corruption systems and controls: Proposed guidance
FSA P512/14	Mortality assumptions for pension KIFs	FSA GC12/07	Examples of good and poor practice in banks' defences against investment fraud
FSA Solvency II	Solvency II Implementation	FSA GC12/11	Risks to customers from financial incentives
FSA paper	2012 Retail conduct risk outlooks	FSA PS	Personal pension disclosure CP12/05
FSA FG12/02	Unfair contract terms: improving standards in consumer contracts	HMT	NEST/Auto enrolment
FSA FG12/05	Top questions asked at the RDR roadshows	HMRC	SI 2012/1881 Pension schemes – taxation of partial refunds for members with short service
FSA FG12/15	Independent and restricted advice	HMRC	SI 2012/1795 Application of UK provisions to relevant non-UK schemes amendment
FSA F512/02	Solvency II and linked long-term insurance business	US Gov't	Foreign Accounts Tax Compliance Act
FSA CP12/12	Payments to platforms and cash rebates from providers to consumers	French Gov't	Impot de Solidarite sur la Fortune (ISF) French wealth tax
FSA CP12/13	Transposition of Solvency II – Part 2	Board for Actuarial Standards	New technical Memorandum: TM1 SMPs
FSA CP12/15	CASS firm classification, oversight, reporting and the mandate rules	ABI guide	Code of Conduct on Retirement Choices

The future

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- SIPP numbers
 - Continued growth - c15%pa
 - Continued squeeze on “bespoke” plans
 - Good growth in streamlined plans
 - **1 million SIPPs by end 2012**
- Regulation
 - Capital adequacy increase
 - Continued assessment of risk and implementation of robust systems
- Advisers
 - Review of existing books
 - Tougher due diligence reviews
 - Development of long-term SIPP relationships
- SIPP operators:
 - Consolidation
 - Specialists will continue - but fewer and stronger

The year gone and the year ahead

Matthew Ward

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A helicopter view of the SIPP market

AMPS AGM – 17th October 2012

Matt Ward, Defaqto

Agenda

- Defaqto and SIPPs
- Legislative and regulatory change
- Provider developments
- Product developments
- Adviser business habits
- Challenges and opportunities for 2013

Defaqto and SIPPs

- Providing independent research and commentary on SIPPs since 2004
- Matrix – Market intelligence tool for SIPP operators
- Engage – Product research and recommendation tool for financial advisers
- Defaqto SIPP Star Ratings
- Publication of educational SIPP guides for financial advisers – Next version due in Q4 2012
- Range of consultancy services for SIPP operators and financial advisers

Legislative and regulatory change

- RDR – adviser charging, independent vs. restricted
- FSA paper – platform fund rebate policy
- FSA paper – attitude to investment risk and loss
- Solvency II and capital adequacy requirements
- Continued pension transfer and SIPP suitability reviews
- Illustration/quotation requirements
- High profile UCIS claims, permitted investment list review?
- Auto-enrolment begins...

Provider developments

- Heavy focus on internal developments and controls
- Turnover low in terms of market entrances and exits
- Nominal M&A activity
- Continued high level of competition for business
- Increase in SIPP sales and marketing activities
- Air of caution descending on SIPP investment choice
- Developing relationships with Platforms and DFMs
- Appraising execution-only opportunities
- Resurfacing interest in SSAS

Product trends

- Low level of product development activity
- Changes to maximum age terms
- Introduction of flexible drawdown
- Some fee amendments
- 'Simple' or 'Low cost' SIPP availability
- D2C SIPP availability
- DFM links increasing – MPS and BPS propositions
- Adviser platform linking increasing
- Facilitating adviser charging

Adviser trends

- Clear focus on core RDR business developments
- Platform adoption still high on the agenda
- Balance of on and off platform business
- Growing interest in outsourced investment
- Embryonic SIPP due diligence processes
- Demand for 'best advice panels' and bespoke research
- Product selection driven by 'core' SIPP features
- Growing interest in SIPP operator background



Challenges and opportunities for 2013

- Servicing new channels and client segments post-RDR
- Successfully interacting with platforms and DFMs
- Adopting internal process rigour, e.g. investments
- Riding the regulatory wave
- Striving for differentiation in a competitive market
 - Trusted brand
 - Service delivery
 - Investment proposition
 - Cost vs. value
 - Online functionality and third party interaction
 - Retirement income proposition
- Survival of the fittest...



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Thoughts on Regulation

Robert Van De Weyer

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Open Floor Session

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Lunch served in Horton B Suite

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