

## Press Release

# Adam Wrench, Head of Product and Business Development at London & Colonial, says Platforms are the way forward as some fund management groups are reported to still be imposing Annual Management Charges at Pre-RDR rates.

“Fund management groups’ Annual Management Charges (AMCs) had been expected to fall in the wake of the Retail Distribution Review (RDR), given the removal of commission payments, but so far this hasn’t proven to be the case.

Continuing to charge AMCs at pre-RDR levels – or increasing them in some cases – will make it difficult for Advisers to justify the higher costs if there is a possible cheaper alternative available in the form of Platforms.

Choose a Platform and the resultant savings on AMCs should in many cases more than make up for any Platform costs incurred.

Platforms also offer increased efficiency and consistency to both advisers and their clients, and those who choose to use one can benefit from greater investment flexibility and control.”

Adam believes increasing numbers of investors will seek to use Platforms as their benefits become more widely recognised and understood, but deems the consideration of a Multi-Platform proposition to be essential.

“We expect to see a rise in the number of advisers using Platforms going forward but we would urge those who do to consider Multi-Platform propositions. The FSA has already warned against using a single Platform, stating that it would be unlikely to meet all the needs of the client.

We choose to offer Multi-Platform products because the need to change Platform providers, as and when a client’s circumstances change, is removed and all transfers are made between Platforms from within the pension wrapper. This not only saves on administration time for the advisers, but cuts out transfer fees for the client – an undeniable bonus in difficult times.”

**-ENDS-**

### Notes to Editors

#### About London & Colonial

London & Colonial specialises in self-invested products for both UK residents and persons resident overseas.

The London & Colonial Group includes

- (1) London & Colonial Holdings Limited – UK parent company
- (2) London & Colonial Services Limited which is regulated by the UK Financial Services Authority and operates SIPPs and SSASs

- (3) London & Colonial Assurance PLC which is regulated by the Gibraltar Financial Services Commission (matching UK standards) and which offers Open Annuities, QROP Annuities and Open Offshore Bonds
- (4) L&C (Administration Services 2) Limited and London & Colonial (Trustee Services) Limited which are both based in Gibraltar and offer the EU SIPP.

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