



Söderberg
& Partners

Wealth
Management

Value Assessment and Report

Author:	Brett Hanlon CR&CO
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Relevant Assessment Date	31 st September 2023

Foreword

This report is the result of the initial value assessment that I have carried out for the launch of the Söderberg and Partners Wealth Management Ltd (SPWM). The assessment will be reviewed annually or whenever a material change to pricing occurs.

I undertook this assessment in my capacity as Chief Risk and Compliance Officer (CRCO) for SPWM, because of this you can take comfort that the assessment was independent of the commercial and operational aspects of SPWM. I have presented this assessment to the Board of Directors and our Independent Non-Executive who have agreed with my opinions.

I am confident that SPWM offers value for money, and I will continue to ensure that remains the case with the full backing of the Board.

The purpose of the assessment was to consider whether the fees paid by consumers are reasonable in the context of the overall value provided to them.

When undertaking the assessment, I considered the following principles:

- I wanted to measure value not just costs,
- I wanted this report to be useful to the consumer,
- I wanted to apply not just the rules of the regulator but also the spirit of those rules.

I have explained my view on these three principles below.

Measuring Value

While I consider costs to be important, fair value is something more than this. When I consider the differences in services offered by other platforms, I find these variations can be meaningful to consumers. Consider the fact that SPWM, unlike some other platforms, do not insist consumers hold a percentage of their holding in cash to pay for fees. This means consumers' money stays invested and working for them in the market. When cash is needed, we typically pay it out the same day as its required.

Usefulness to Consumers

I have aimed to provide an assessment that is useful for all consumers, but I recognise individuals will have personal reasons for selecting their platform of choice. Financial adviser will of course as part of their personalised recommendation provide consumers with advice on which platform that helps them meet their financial objectives, so I have focused on the following key factors to help with this process.

- The quality of the services we will offer,
- The alternatives that are available for consumers, and
- The needs of our target market.

The Spirit of the Rules

Our regulator the Financial Conduct Authority (FCA), has not yet specified rules on how a value assessment should be undertaken but it has provided guidance to different sectors of financial services, in particular Fund Managers. I have reviewed this guidance along with the FCA's advice on areas of improvement and have adopted the following as what in spirit the Value Assessment should achieve:

The range and quality of the services provided should offer value meaning:

- transactions should be prompt and accurate,
- transactions should minimise risk for consumers, and
- complex consumer circumstances should be supported.

Services should be reasonable when compared to other platforms meaning:

- service levels should be as good or better than our competitors,
- service journeys should not be overly complex or difficult to complete, and
- services should not be offered if they do not add value to the consumer.

Fees charged should be comparable to competitors meaning:

- like for like services should not be more expensive than the market average, and
- similar services if higher priced should be justified on benefits to consumers.

These factors are not the sum extent of the assessment and will be influenced by other data such as:

- complaint root causes,
- actual service levels delivered,
- external factors such as market developments, and
- the identification of any potential harms arising from the service.

I hope that as Financial Advisers or consumers that you find this report helpful, and if you have any questions or feedback, please let me know, you can email me at brett.hanlon@soderbergpartners.com.

Range and Quality

SPWM has only just begun its journey in providing services, as such I have little in the way of hard performance data for the services offered so I have taken an expected view on those services and a holistic consideration of their oversight.

Operational Functions

The services we offer through our platform are arranged through Seccl Technology Services Ltd (Seccl), who hold regulatory responsibility for custody, dealing and settlement, and tax wrapper management. We have a detailed arrangement with Seccl that defined service standards, service levels and responsibilities. I am provided with adequate management information that will allow me to provide effective oversight of these services, assuring me of their accuracy, timeliness of completion, and overall delivery of value. I meet with Seccl on a quarterly basis to review this information and have confidence in their (Seccl's) continuing ability to meet these obligations.

Governance and oversight

We have dedicated senior management that perform governance functions. As the CRCO for SPWM I need to ensure this governance is effective. We have regular committees that report into the board, and I have ensured our Senior Managers have clear responsibilities, that they understand and effectively deliver. The main governing committee that oversees matters relevant to range and quality of service is the Audit & Risk Committee that sits once a quarter, this committee is charged with ensuring compliance with the Consumer Duty Principle which includes an assessment of fair value, identification of potential harms and suitability of services for our target market. I am satisfied that the information and resources dedicated to governance is sufficient to ensure the range and quality of services provided by SPWM and through Seccl are fair value.

Administration

We maintain our own systems separate to Seccl that allow us to monitor client onboarding, transactions and help prevent financial crime. We also maintain systems to allow integration of the platform with other technologies such as email notifications, back-office systems and 3rd party reporting tools. We do this to add value to the adviser and consumer experience, to ensure effective oversight of Seccl and provide our specialist expertise in supporting consumers with financial advisers.

Third Party Support

To further ensure our range and quality of service meets expectation we have specialised partners that we work with including independent auditors, platform due diligence providers, technical/legal experts, and our colleagues in Söderberg and Partners Sweden. This allows us to draw upon significant expertise and experience helping us to develop and deliver the best services we can.

Service Comparisons

I have considered the services that SPWM provide, and as I mentioned in Range and Quality, I do not yet have sufficient historical performance data to make a full comparison with our competitors, but I am satisfied that I am collecting the appropriate data to do so.

I can be confident in following:

All service levels set out in our arrangement as of the best in the market, we can do this as we have partnered with Seccl and leverage their straight through automated processing. Examples of which are same day faster payments, electronic Customer Due Diligence, the use of frequent intraday reconciliation and the ability to fund fees and charges as and when they are required rather than force holdings in cash.

We have tested all service journeys, and none are complex or difficult to complete and should a complication arise SPWM have trained resources on hand to help resolve and issues.

The management team take pride in the integrated nature of the services we are providing, and I have reviewed all these services to ensure they are necessary and add value to the consumer or advisers' ability to support the consumer.

Comparable Fees

I believe our service offers as strong functionality and as we develop the business will become a best in sector offering. While different providers have some different priorities, we will continue to ensure that while not the cheapest provider our consumer get good value for our offering. You can see from the market analysis below we offer a very competitive platform fee compared to our peers, any other ancillary charges are proportionate, and fair based on the transaction they are covering.

Wrap Platform	Investor Assets under Administration									
	£20K	£50K	£100K	£200K	£250K	£500K	£750K	£1M	£3M	£5M
abrdn Wrap	0.38%	0.38%	0.38%	0.38%	0.37%	0.32%	0.31%	0.27%	0.17%	0.15%
Aegon Platform	0.29%	0.29%	0.29%	0.27%	0.27%	0.25%	0.22%	0.20%	0.07%	0.04%
Multrees	0.15%	0.15%	0.15%	0.15%	0.15%	0.15%	0.15%	0.15%	0.15%	0.15%
Novia*	0.50%	0.30%	0.30%	0.30%	0.30%	0.30%	0.27%	0.25%	0.15%	0.13%
Nucleus	0.33%	0.33%	0.33%	0.33%	0.33%	0.33%	0.28%	0.25%	0.12%	0.09%
P1 Platform	0.60%	0.27%	0.21%	0.18%	0.17%	0.16%	0.16%	0.16%	0.05%	0.03%
Parmenion	0.73%	0.47%	0.39%	0.34%	0.33%	0.27%	0.21%	0.21%	0.15%	0.15%
Platform One	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.14%	0.11%
Quilter	0.50%	0.40%	0.35%	0.32%	0.32%	0.28%	0.27%	0.24%	0.18%	0.17%
Seven IM	0.90%	0.54%	0.42%	0.30%	0.30%	0.30%	0.28%	0.27%	0.17%	0.13%
Söderberg & Partners	0.25%	0.25%	0.25%	0.23%	0.22%	0.19%	0.16%	0.14%	0.08%	0.07%
Transact	0.96%	0.68%	0.35%	0.31%	0.30%	0.28%	0.25%	0.23%	0.13%	0.11%
Wealthtime	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%	0.27%	0.25%	0.12%	0.09%

*Novia >£10m IFA firm

Produced September 2023

Conclusion

I am satisfied that the fees taken for the services provided by SPWM and in the context of overall value appropriate and fair.

Signed:

Brett Hanlon

Brett Hanlon GradIRM
Chief Risk & Compliance Officer SPWM