

Advertisement Feature Præmium

Industry feedback for Præmium's online platform shows it to be one of the most versatile propositions out there, allowing for excellent value for both advisers and clients

Efficiency and freedom to advisers

In-sourcing investment management

Præmium allows advisers to use discretionary fund managers without losing control of the client relationship. Advisers can select models from one or more Discretionary Portfolio Managers (DPMs) that are aligned with the firm's investment proposition. Præmium provides an online platform branded to the adviser firm on which they can deliver a discretionary investment management solution for their clients. There's no need for DPMs to access client details and, if the adviser chooses, they can be replaced with another DPM.

How it works in practice for advisers



Steve Moseley, Operations Manager at Sterling McCall Wealth Management comments: "When we started

the process of in-sourcing, the mandate was to develop a relationship with a manager who wanted to collaborate with our firm on our investment strategy without dealing directly with clients. Most of the discretionary managers approached wanted to hold client information but we were looking to retain the relationship with clients and continue looking after them. Newscape Capital Group effectively run portfolios for Sterling McCall on an efficient back office provided by Præmium and therefore the administrative burden of looking after individual clients is negated.

"We wanted to run 'cash plus' rather than asset weighted models as we believe the manager should be given the scope to diversify between different assets rather than holding those that may be out of favour simply because the model says they must. We also needed to build an appropriate attitude to risk questionnaire so that our investment proposition is consistently applied to all

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clients across the firm. It's easy to evidence that we are following a consistent process for all clients which also helps us with our TCF and RDR obligations.

"We have created a business model and client proposition that adds real value – advisers are efficient as they are free to concentrate on clients and we are working with professionals that manage money on a daily basis. We have also been able to negotiate our own white label tax wrappers which sit on the Præmium platform, ensuring that we offer our clients some of the most competitive tax wrappers on the markets coupled with active management at an affordable cost.

"Ultimately we are building a business model that delivers a great service for clients and has inherent value based on the assets we have on an independent platform."

Better control over investment management



Derek Fulton, Chief Investment Officer of Newscape Capital Group, a specialist investment firm considers Præmium a

highly efficient platform: "We work with advisors to build model portfolios that meet their requirements for their clients. These models can be risk rated, theme based or tailored to create a more specific asset mix and investment profile. Præmium gives us the ability to do this very efficiently.

"First, we have access to a broad range of investment tools whether it be an ETF, investment trust, direct equity or fund so we can construct optimal portfolios based on the universe of available investments and our extensive experience and understanding of global markets rather than tight platform limitations.

"Second, the ability to run model portfolios means that changes applied to the models are automatically applied to all the advisors underlying client portfolios simultaneously. That's very helpful in delivering a cost efficient solution for advisers and their clients.

"Finally, the rebalancing tools on Præmium aggregate costs across all clients which provides economies of scale and excellent value for clients. This means it's cost effective to rebalance as often as required by circumstances rather than being dictated by costs. In other words the efficiency removes any trading cost restrictions from our investment strategies, and since the rebalancing is done on a discretionary basis there is no need for advisers to seek permission from clients to enable us to perform the rebalance."

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