

Scottish Life marks 5th anniversary of launch of Governed Portfolios

Scottish Life

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Scottish Life, the pensions specialist arm of the Royal London Group, is celebrating the 5th anniversary of its market-leading¹ Governed Portfolios, which launched in January 2009.

The past 5 years have seen a huge rise in the use of centralised investment propositions (CIPs), with 68% of advisers now outsourcing all or part of their investment process².

Lorna Blyth, Investment Marketing Manager at Scottish Life, said:

“In a post RDR environment it’s easy to see why the market has grown in this way. By outsourcing to a CIP, advisers can de-risk their business and save time by delegating the investment process to investment professionals. With Governed Portfolios, our objective was to make it as straightforward as possible for advisers to ensure consistency with their clients’ objectives and expectations.

“The portfolios ‘do what it says on the tin’ and we now have a strong track record in delivering appropriate risk, return and governance. Six of the portfolios have outperformed their benchmark (between 0.5% and 3.7%) with three portfolios marginally under (between 0.2% and 0.9%). All nine portfolios are within their target risk bands.

“Of course we know it’s not just about performance. The regulator has made it clear that they have concerns around consistency with customer objectives and, specifically, not using risk-rated funds as a shortcut to investment suitability. That’s one reason why we’ve created a new suite of material for advisers to use with clients, and to support their due diligence process.”

There are three sections in the new suite:

- Discuss – a range of client facing material ranging from the basics of investment through to the benefits of rebalancing
- Access – due diligence information, suitability reports and a risk profiling tool
- Invest – a selection of the material that advisers need on an ongoing basis -- performance statistics, factsheets and governance meeting minutes – all easily accessed

To get more information, or to get copies of the new material, advisers should speak to their usual Scottish Life contact or visit www.scottishlife.co.uk/gpfive.

1. The Governed Range has been voted as the Ultimate Default Fund in each of the past four years at the annual

Corporate Adviser Awards

2 The Platform: "Platform valuations, CIPs and small beasts", 15 November 2013

-ENDS-

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Editor's Notes:

Past performance is not a guide to the future. Prices can go down as well as up. Investment returns may fluctuate and are not guaranteed. Scottish Life was founded in 1881 in Edinburgh as a proprietary company, becoming a mutual company in 1968. On 1 July 2001, Scottish Life demutualised and transferred its business to The Royal London Mutual Insurance Society Limited. Scottish Life is a division of Royal London and is the specialist pensions business within the Group, providing individual and group pensions to the market via intermediaries.

Scottish Life and Royal London's other intermediary businesses are based mainly in Edinburgh where 1,030 staff are employed, with 840 working in other parts of the UK and overseas.

Awards received by Scottish Life in 2013:

Incisive Media Gold Standard Awards

- Group Pensions
- Individual Pensions

Financial Adviser Service Awards

- 5 star award for excellent service
- Outstanding Achievement Award

Investment, Life & Pensions Moneyfacts Awards

- Best Income Drawdown provider

Money Marketing Financial Services Awards

- "First for Service" for Personal Pensions
- "First for Service" for Income Drawdown

FTAdviser.com Online Service Awards

- 5 star award for online service (Life & Pension category) for seventh year running

Money Marketing Financial Services Awards (for third year running)

- Best Pension Provider

Corporate Adviser Awards

- Ultimate Default Fund for the Governed Range (for fourth year running)

Royal London Group is a specialist financial service provider. Its businesses focus on those sectors of the market which value quality propositions, operating through a number of brands:

- Pensions Business - Scottish Life – UK pensions market
- Protection Business:
- Bright Grey – UK protection market
- Scottish Provident – UK protection market
- Caledonian Life – ROI protection market
- Royal London (CIS) Ltd - UK life, pension and protection market
- Royal London Plus – life and pensions administration
- RLAM and RLAM (CIS) Ltd – fund management
- Ascentric/IFDL – Wrap platform
- MoneyVista – online financial planning service for consumers

Royal London is the largest mutual life and pensions company in the UK with Group funds under management of £73.5 billion. Group businesses serve around 5.5 million customers and employ 3,160 people. (Figures quoted are as at 30 September 2013.)

Over the next two years the Group is moving to operate all of its UK life, pension and investment business under a new version of the Royal London brand. The Group's wrap platform will remain branded Ascentric, and the Caledonian Life brand will be utilised in the Irish Republic.