

SEVEN

Success Story

7IM Customer Profile

Seven Investment Management (7IM), founded in 2002 by Justin Urquhart Stewart and Tom Sheridan, is headquartered in London and has additional offices in both Edinburgh and Jersey. Total assets under management currently stand at £14.3bn and it employs more than 260 staff.

7IM provides investment services to professional wealth managers, planners, advisers and private investors for both accumulation and decumulation phases. 7IM services include discretionary investment management, multi-asset portfolios, an investment and open architecture trading platform and a fantastic app, 7IMagine, which brings client portfolios to life on their device of choice.

Project Challenge

Pension Freedoms opened up a huge opportunity for financial advisers as the decumulation market moved rapidly from a position where more than 90 per cent of pension assets were being moved into an annuity at retirement (thereby being lost to further chargeable financial advice); to a situation in which advisers could participate in optimising clients' wealth right through retirement - potentially increasing the length of client engagements by more than 20 years.

Not surprisingly, many wealth managers realigned their businesses to focus on helping those approaching and in retirement to optimise their retirement incomes. For its part, 7IM chose to create the 7IM Self Invested Personal Pension (SIPP) to sit alongside its long-established General Investment Account (GIA) and Individual Savings Account (ISA) offerings – thereby rounding out its Retirement Income Service and ensuring that all in-retirement clients' needs were being met.

Dunstan Thomas chosen by 7IM for:

1. Best of breed SIPP administration functionality
2. Feature-rich software 'out of the box' with scope for customisations to fit 7IM requirements
3. More than 30 years' experience in supporting leading SIPP and platform providers
4. Ability to quickly build strong, collaborative working relationships
5. Eliminated need for 7IM to find 'difficult to recruit' specialist pensions administrators
6. Enabled 7IM to get to market rapidly with its new SIPP, while meeting stringent regulatory requirements.



Solution:

7IM partners with Dunstan Thomas to build & administer new 7IM SIPP

Following a selection process in which Dunstan Thomas proved both its SIPP administrative capability and 'can do' attitude, 7IM elected to partner with Dunstan Thomas to build its SIPP product and the pensions administration system to underpin it.

Phillip Bungey, Chief Operating Officer, 7IM:

"We decided we did not want to build a pensions system ourselves - so we needed to find one that was 'ready to go'. We also had to consider how much of the associated pensions administration we wanted to run ourselves. It's not a great idea to employ 10 people to help you administer a new product when you are unsure of the level of business that will flow from the new product.

"We wanted an external firm to both provide the pension system and administer it for us as an outsourced admin service. We looked around the market and, having conducted a comparative evaluation, came to the view that Dunstan Thomas had the best SIPP administration system and outsourced service offering, all underpinned by the market-leading Imago Administration system."



Dunstan Thomas worked alongside a dedicated technical team within 7IM to collaboratively design all administrative processes around the new SIPP, ensuring tight integration with 7IM's existing systems.

Dunstan Thomas also provided automatic cash matching to 7IM as part of its comprehensive suite of pensions admin services so that pension contributions received collectively into 7IM's accounts via its GoCardless Direct Debit system, could be apportioned accurately to the correct individual pension accounts automatically, all via Imago Administration.

Dunstan Thomas helped 7IM to complete all SIPP design and administrative processes to the satisfaction of all parties ahead of 7IM securing regulatory permissions ahead of 7IM' SIPP Rapid collaborative work by Dunstan Thomas' team enabled 7IM to go live successfully with its new SIPP in May 2018.

Results:

Straight Through Processing

Imago Administration now provides all administrative functionality to 7IM's SIPP including: client search, onboarding, policy set up, transfers-in, contribution changes and associated reporting to the bank, FCA and HMRC. Imago Administration also provides workflow and work management capability in the background which helps deliver all this at a lower per unit cost than would otherwise be possible. Portfolio adjustments remain within existing 7IM investment management systems, underpinned by Pershings.

Once integration work has been concluded with already available Dunstan Thomas interfaces, client onboarding will become part of the automated suite of Straight Through Processes (STP) orchestrated by Imago Administration.

Benefits

The value of 7IM having its own SIPP looks clear when you analyse that more than 50 per cent of all 7IM-managed assets are already held within a pension wrapper. Clearly, it makes sense for a good portion of those assets to be held within a 7IM-owned pension wrapper rather than a number of other providers' products. Dunstan Thomas offers 7IM's preferred route to a fully automated STP service using its best-of-breed Imago SIPP administration tools and the option of full or partial outsourcing of pensions administration servicing.



Phillip Bungey, again:

"Dunstan Thomas is helping us to deliver a smoother, more efficient, and consistently high quality service to our customers which should also make it easier to command their loyalty – keeping their assets on our platform for longer - right through their retirement journeys now."

7IM has already found now that it has its own SIPP, several wealth management groups are showing a more active interest in moving clients over to 7IM's platform. The word is spreading that 7IM is not only great at managing investments on its platform but also they can put it in a relevant tax wrapper, thus catering for a much larger percentage of customers' investment requirements, while seamlessly providing all operational and administrative requirements.