



Our framework for assessing value

Introduction to our framework

Our three broad assessment categories are **Price, Service** and **Product and proposition**. This gives us a comprehensive view of the costs incurred by customers in relation to the benefits they're receiving from our products. We assess the status of each category using internal and external comparative metrics. External metrics being compared to the relevant market competitors where possible and internal being measured against our own targets.

Why we use this framework

- **Price:** Understanding the charges incurred by a customer is vital in assessing whether the product is representing fair value.
- **Service:** Service provision is a vital and tangible component of the perceived value of any product.
- **Product and proposition:** This comprises the key features of the product including the overall proposition within which the product is provided.

We've evaluated multiple aspects from each of the above categories. The fair value result for each product is an aggregate of all constituent parts.

Using the methodology explained below, we undertook a fair value assessment in April 2023 and believe the following products to offer fair value.

Nucleus Wrap		James Hay	
Flexible Stocks and Shares ISA	This product provides fair value	iSIPP	This product provides fair value
Stocks and Shares JISA	This product provides fair value	Modular iSIPP	This product provides fair value
General Investment Account (GIA)	This product provides fair value	Modular ISA	This product provides fair value
Pension Account	This product provides fair value	Modular GIA	This product provides fair value
Offshore Bond	This product provides fair value	Wrap SIPP	This product provides fair value
Onshore Bond	This product provides fair value	Wrap ISA	This product provides fair value
		Wrap Offshore Bond	This product provides fair value
		Wrap Investment Portfolio	This product provides fair value

More detail on our methodology

Price

Our assessment considers the charges paid by customers holding the product, market positioning in the target range, our income from the value chain and assurance monitoring of customer pricing.

We consider the headline rate to ensure all customers are receiving value. Using market data, we analyse our price competitiveness across all value points with a particular focus on our target market.

For existing customers, we've reviewed everyone in and outside of a product target market. We've ensured that appropriate monitoring is in place for those customers holding the product who aren't currently in the target market.

Our charge analysis also looks at the rest of the value chain including investment management charges, initial and ongoing adviser charges. We ensure that we don't take an excessive proportion of the overall charges from the customer. Our customer charge monitoring also extends to the charges being taken by others in the value chain.

We also consider any external or market perspective ratings on our pricing that we have ready access to. Whilst market perspective isn't always an accurate representation of what's fair or true, it's an important indicator in our overarching desire to be the best loved platform.

Similarly, we also consider our own cost to provide the product and levels of profitability – whilst there's not necessarily a link between cost and value, we want to ensure there are no excessive profit levels on any product.

Service

Our service assessment methodology incorporates the main areas of service which have a significant impact on the experience of our end customers. We have utilised internal SLA performance, internal customer feedback, external feedback and market data to gain a comprehensive view of the service levels experienced by our customers.

Overall client experience is evaluated using our internal voice of the customer monitoring which measures customer sentiment provided by internal feedback. We also consider multiple external measures of customer sentiment and experience.

From an operational perspective we've evaluated our responsiveness, operational processing ability and complaints. We've used internal performance against SLAs and targets, external metrics for parts of our service and market reports to assess:

- Complaint resolution time, complaints key themes, complaint responsibility
- Performance of key customer service outcomes against SLAs, average response time and call drop out rates
- Processing and administration performance and comparison of comparable market SLAs.

The assessment of overall service includes the outcomes for vulnerable customers and we've evaluated our monitoring of and provision for our customers with vulnerabilities. We've used both internal and external ratings to ensure a comprehensive evaluation of our approach.

Product and proposition

We've assessed product and proposition by comparing the key features, investment offering and additional tools our products provide with those of our stated competitors. We also consider external reporting and assessment of our investment proposition, client experience and platform reliability.

All elements of product evaluation consider market sentiment towards the product and proposition. The assessment of propositional features and tools considers the availability of the tool or feature as well as its perceived usability or quality.

Post-assessment actions

Should any product be assessed as failing to provide fair value to customers then we'll take formal and appropriate action to bring the products up to the required standard. We'll also remediate any customers impacted adversely as a result of the product not providing fair value.

However, as we're committed to continuous improvement as part of our ultimate aim to be the best loved platform, we've already identified next steps for each component in our value assessments for every product. This ensures we don't settle for merely providing fair value but aim for a market leading experience for our customers in all areas.

Shared products

For products we provide in conjunction with other firms, we've conducted the fair value assessment on our element of the product, and included their fair value assessment of their element of the product. Within each value assessment we've included an agreement with the partner firm on roles and responsibilities relevant to provision of the product.

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