

Press information

Nucleus – behavioural barriers still blocking swift and efficient re-registration

In a white paper published today, Nucleus, the adviser influenced wrap, has called for re-registration barriers to be scrapped and to allow a fair and free market in the transfer of assets.

Regulators first started saying that re-registration should be compulsory in 2010 but, despite this, barriers to swift, efficient and transparent re-registration are still in place.

The white paper highlights three such barriers:

- Proliferation of different share classes: It's currently impossible to re-register different share classes
- The process is too slow: Currently re-registration can take between two to eight weeks of paper pushing, form filling and waiting for the post. If platforms embrace the digital options available to them, there is no reason why the process can't be done in as little as six days
- Charges: Put simply, these are unfair and unnecessary, particularly for smaller portfolios. The regulator has said the re-registration has to be compulsory but it has not made a ruling on charges. Re-registration must be about the free movement of assets and if platforms continue to charge, this liberation is hampered.

David Ferguson, CEO of Nucleus, said:

"If British Gas or O2 acted like this when customers wanted to change supplier, dragging their heels and slapping on charge after charge, there would be outrage from consumers and ministers demanding answers. Perhaps because financial services is complex, providers are able to get away with this kind of behaviour.

"It's simply absurd. There are no technological or regulatory barriers to swift re-registration. Quite the opposite, in fact. The only barriers that exist are behavioural barriers, where platforms are unwilling to embrace change and offer a fair and transparent system to customers. There's no valid reason why it should take up to eight weeks to move assets and there's no valid reason why platforms should charge for the privilege either.

"Nucleus recently selected Origo to power our automated re-registration and asset transfer proposition and we are now focussed on breaking down behavioural barriers. If other platforms cannot conform, clearly there is a role for the regulator to play."

-Ends-

The white paper can be found here <http://www.nucleusfinancial.com/financial-advisers/nucleus-white-papers>

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Notes to editors:

About Nucleus

Nucleus Financial Group is an online wrap based business platform.

Nucleus was founded in 2006 by a number of high quality advisers who shared a commitment to create a market where advisers have the infrastructure and desire to place the client centre stage.

Since foundation Nucleus has established itself as a major force for change in the market. It is now a community of adviser businesses who through ownership and control of the business process seek to create a better customer experience.

The management team is led by David Ferguson chief executive, and offers extensive experience across all areas of the UK retail financial services market.

As at 1 April 2013, assets under administration on the platform were £5.2bn and the number of member firms was 170.

<http://www.nucleusfinancial.com/>