

LV= Platform Services

Assessment of Fair Value

For UK financial advisers only

Assessment of fair value

LV= Platform Services

LV= Platform Services offers customers access to a range of tax wrappers including Individual Savings Account (ISA), a General Investment Account, Self-Invested Personal Pension (SIPP) and Junior Products. It provides easy to use, online access to over a hundred fund managers and thousands of mutual funds, UK listed stocks and exchange traded assets, and access to LV's unique Smoothed Managed Funds.

Review findings

The LV= Platform was most recently assessed for fair value in April 2023 by the Platform Provider, Embark Investment Services Limited (EISL) and LV=. We have concluded that not only is the pricing competitive but that the services continue to deliver fair value for all customers, including those who are vulnerable and orphaned.

General information

Product name: LV= Platform

Manufacturer: Embark Investment Services Limited
(Firm Reference Number: 737356)

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Date of next assessment: April 2024

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Lines are open 9am – 5pm Monday to Friday.
Calls will be monitored and/or recorded for training and audit purposes.

The LV= Platform offers customers access to a range of tax wrappers. It provides easy to use, online access to over a hundred fund managers and thousands of mutual funds, UK listed stocks, exchange traded assets, and for the ISA and Pension Portfolio products, access to LV's Smoothed Managed Funds.

To ensure your client receives a product that is right for them we believe the Platform should be distributed on an advised basis via FCA authorised intermediaries, whether this be face to face or over the phone. It's important to regularly review your client's circumstances and needs to make sure their investment is appropriate.

We don't accept applications from direct customers.

Our pricing is consistent across all channels of distribution. Firms that operate the Platform on behalf of their clients must have current terms of business agreement in place with both LV= and Embark. These can range from restricted (tied, multi-tied and whole of market) and independent advisers.

The LV= Platform has been designed to assist customers with their financial planning and investment choices where they are introduced through a professional financial adviser. The Platform is designed to meet the needs of a variety of clients, but is specifically aimed at individuals who:

- Are UK residents aged between 18 to 85 with a lump sum to invest or are prepared to commit to a regular continuing contribution.
- Have a need to build retirement benefits and/or savings and investments that are suitable for their individual circumstances in a tax-efficient manner.
- Have sufficient accessible money, in the short term, to cater for emergencies and unforeseen expenditure.
- Have a risk profile consistent with investing in: LV's Smoothed Managed Funds (for ISA and Pension wrappers); Unit Trusts; Open-Ended Investment Company (OEIC); and Exchange Traded Assets, and are willing to take and accept some investment risk.
- Want access to a range of flexible investment solutions that support them throughout their lifetime, for example if their attitude to risk changes, if they have a need to switch income on or off, or if they wish to take a one-off withdrawal from their investment.
- Can invest their money over the longer term.
- Wish to start taking an income from their capital whilst retaining an exposure to LV's Smoothed Managed Funds (for ISA and Pension wrappers), Unit Trusts, OEICs or Exchange Traded Assets.

The proposition, as described above, can be tailored to suit a cohort of customers within the broader target market.

The LV= Platform proposition is aimed at customers that:-

- Want to receive a personal recommendation from a professional adviser, or
- Want to receive guidance on the products and services, including suitable investment options, or
- Are happy to access a service that is focused on a particular life stage, such as the accumulation of pension funds preretirement, or a service that is specifically designed to suit the needs of customers at and post retirement.
- Are happy to receive ongoing communications and support from LV=, including access through our customer website and portal.

There are risks associated with the LV= Platform product range and these are disclosed in the Key Features and Terms and Conditions documents that are made available through the literature library on our Adviser Portal.

The LV= Platform has a clear and competitive charging structure and will agree charging structures.

Details of the costs and charges customers pay, are available via the literature library on our Adviser Portal.

Product Governance

LV= and Embark have a product governance policy, procedures and processes in place which set out requirements for the design, approval, and review of each of its products. Specifically, these ensure:

- Senior Management is responsible for the approval of any new product developments and changes to existing products.
- Target markets and negative target markets are identified, validated, communicated, and reviewed for all products.
- New products and product changes are subject to approval and appropriate stress and scenario testing.
- MI/Data is monitored on an ongoing basis to ensure that products can meet the needs of customers in the target market and deliver fair value and good outcomes across the life of the product.
- Relevant risks, foreseeable harms and potential conflicts are identified, monitored and any appropriate mitigations are put in place.
- The distribution method and medium is appropriate, and the product can be distributed compliantly.
- The product can be managed/maintained in line with customer expectations and terms and conditions.
- The product complies with relevant regulation and legislation.
- Products are regularly reviewed to ensure they remain capable of meeting customers' needs and delivering fair value, and that the distribution method and medium remains appropriate.

Pricing

- LV= Platform pricing is reviewed quarterly via Embark's Executive Customer Committee (ECC), in consultation with LV=.
- There is a monthly ECC meeting where pricing and behavioural outliers are monitored to agree what further action could be taken to ensure customers receive optimal value from the product.
- The ECC regularly reviews the product and servicing, taking into consideration factors such as cost to serve, competitor comparisons and the regulatory landscape.
- The ECC will also approve pricing assumptions on an annual basis; review and approve any pricing strategy initiatives as and when required, considering business performance and trading; and review potential impact to pricing as a direct result of market changes.
- The ECC monitors customer behaviours through detailed analysis of Platform MI. It will also monitor customer outcomes from complaints MI to drive continuous improvement activity and ensure that the product is managed and maintained in line with customer expectations and our policy provisions in terms and conditions.
- Customer research includes outcome testing and complaints analysis. Findings from monitoring, testing and research feed into continuous product management activity where any risks are identified, and appropriate action plans are agreed and implemented.

Distribution strategy

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Target Market

Who is it suitable for?		Who is it not suitable for	
Customers who		Customers who	
✓	are willing to retain professional financial advice to assist them with their financial planning	✗	do not wish to use the services of an adviser
✓	are UK residents, employed (or self-employed) and qualify for tax relief on pension payments	✗	are non-UK residents at the time of taking out a plan
✓	are prepared to invest for the medium to long-term	✗	want to invest in volatile, high-risk investments to make a quick return
✓	can invest a minimum of £50 as a one-off payment or commit to a regular of at least £50 per month	✗	can't accept any capital loss as there are no specific capital guarantees
✓	want to consolidate savings from other pension or ISA schemes	✗	want to make short-term, high-risk investments
✓	can accept the risk of capital loss	✗	wish to invest in cash only
✓	want a tax-efficient way to build up their retirement savings by investing for potential growth	✗	want a guaranteed income in retirement
✓	want the ability to invest their savings in a wide range of asset types, not be restricted to a small choice typically available through a personal pension, bank or building society		
✓	want choice over how they take their retirement benefits, and want to remain invested when they do		
✓	want to provide benefits for their beneficiaries on death		
✓	want the flexibility to stop, start or change their contributions and/or income without additional charges		

Fair value

Our product governance framework and processes aim to assess whether there is a reasonable relationship between the price paid for a product or service and the overall benefit a customer receives from it. The delivery of fair value is supported by the development of a clear target market, appropriate distribution strategy, and servicing designed to support good outcomes.

The Customer Fair Value (CFV) assessment is carried out by Embark as the Platform provider on an annual basis. The CFV framework has been designed to help us understand the value and outcomes our customers receive. This involves identifying any concerns about value and fairness through the pricing and operation of our products.

If necessary, mitigating actions are carried out to address any concerns identified.

The framework also looks to:

- Ensure products are well designed and meet the needs of customers in the target market
- Compare the costs and benefits (monetary and non-monetary) for customers of the products
- Ensure customers receive communications and support at key points that help them to understand and use their products in the way intended throughout the time they have them

Evidence is assessed across 5 key principles; Product Design, Point of Sale, Customer Lifecycle, Intermediaries and Pricing Practices.

Product design

The products and services are designed to meet the needs of a broad target market. This enables us to service the needs of a particular cohort of customers while ensuring that the customer is receiving fair value without paying for products and services that are not required. Feedback from distributors is consistently sought to help evolve our products and deliver fair value.

The pricing structure has been designed to ensure fair value, with customers only being charged for the services and features they use. We monitor activity in the book that may result in the customer not receiving fair value. We also have processes in place to support vulnerable customers, with vulnerable customer training rolled out to all staff.

Point of sale

Customers derive fair value at point of sale through the products and services that we provide.

Our communications and documentation issued to customers at the point of sale are in our view, clear and easy to understand and this is borne out by our analysis of complaints data. However, we are undertaking extensive customer testing to identify any areas where they can be improved.

Customer lifecycle

Throughout the customer lifecycle, customers holding the product continue to receive fair value. Monitoring includes customer behaviour, lifecycle communications and continuous improvement. There are no barriers to exit within the product. Our servicing performance is regularly received by LV= and Embark's ECC. Key communications are issued to our customers and advisers at the relevant time.

Intermediaries

Intermediaries introduce customers to our products and services and provide ongoing help and support to them through the life of the contract. Where advice is given, this can include ongoing advice. In the event of the customer choosing not to continue to receive ongoing advice, we will continue to provide limited services to customers in line with the Platform Terms and Conditions so customers continue to receive fair value. All charge details are fully disclosed and explained to customers in our pre and post-sale charges information for the duration of the product.

Pricing practices

Our pricing practices result in fair outcomes for our customers. We regularly review our pricing strategy and monitor pricing outcomes and other product specific considerations (e.g., fees and charges). Our charges are transparent and easy for the customer to understand.

For more information about LV= Platform Services

Please get in touch with your normal LV= BDM or BAM.

For day to day queries about investments and transactions, our in-house Customer Service Team is on hand. Our team is available during the working week, from 9am to 5pm, Monday to Friday.



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You can get this and other documents from us in Braille or large print by contacting us.

Liverpool Victoria Financial Services Limited: County Gates Bournemouth BH1 2NF.

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