

Fair Value Assessment Statement

Consumer Duty Retail Customer Assessment of Price and Value at 31 July 2024.

In compliance with Financial Conduct Authority (FCA) Rules, the purpose of this document is to explain the Dentons Pension Management Limited (Dentons) approach to fair value and to provide our distributors with product information relating to our Self Invested Personal Pensions (SIPPs).

Manufacturers and distributors

Under Consumer Duty rules, the term 'manufacturer' refers to firms that create, develop, design, issue, manage, carry out, operate or (for insurance and credit purposes only) underwrite a product or service.

Dentons is a service provider of SIPPs and therefore, falls within the definition of a manufacturer.

A 'distributor' relates to firms that offer, sell, recommend, advise on, propose, or provide a product or service.

Dentons is a distributor for its SIPP products, however any advice is provided by independent financial advisers.

Some of Dentons customers are non-advised or execution only. This means they have not sought financial advice and have decided to make their own decisions regarding their investments, so long as this is permitted by the providers of investments and by Dentons as the SIPP provider.

Manufacturer's general obligation

Dentons has made an assessment to ensure that its products provide fair value to retail customers in the target markets for those products and has made a commitment to review the assessment on an annual basis on the first of January each calendar year, prior to publication of fee renewals.

This assessment covers the product and any adaptation of the product in each case before it is marketed or distributed to a retail customer.

The main product is the Dentons SIPP which offers access to a comprehensive range of investment products as detailed in our permitted assets list (see below under Nature of the product) This is supported by the Sippchoice Bespoke SIPP which offers a single investment portfolio, which is a cheaper option for those customers who do not require access to a full range of investments.

These are the main product offerings made by Dentons which are regulated by the FCA. It is not anticipated that any new products will be created in the foreseeable future.

Nature of the product

The products are a type of personal pension designed for self-investment.

The pension plan is designed to provide Dentons clients with considerable investment flexibility.

The range of investment opportunities is extensive and includes stocks and shares and authorised OEICs, commercial property, unquoted UK equities (subject to individual consideration), unit trusts and investment trusts, insurance company managed funds and unit-linked funds, deposit accounts with authorised financial institutions, secured commercial loans to unconnected UK limited companies.

There are limitations to our products designed to ensure that HM Revenue and Customs (HMRC) permits the investments and that they are unlikely to give rise to tax penalties.

The following are some of the investments that we do not allow:

- > Bed & breakfast units
- > Carbon credits
- > Cloud lending
- > Commodities other than gold bullion
- > Cryptocurrency - Direct and indirect
- > Forestry
- > Futures, warrants, options and binary options

- > Hedge funds
- > Individual CFD and FX accounts
- > Individual hotel rooms
- > Land banking
- > Litigation funding
- > Loans to individuals or connected parties.
- > Off-plan hotel developments
- > Overseas commercial property and land
- > Overseas unquoted equities
- > Storage pods
- > Taxable property - defined by HMRC as residential property and tangible movable property (including personal chattels)
- > Unregulated collective investment scheme (UCIS)
- > Unsecured loans.

A full list of the permitted and non-permitted assets can be accessed on our website.

If a client is not taking advantage of the wide range of available investments via the Dentons SIPP, Dentons will contact him/her at the next periodic review and offer the transfer to the Sippchoice Bespoke SIPP with a lower fee tariff.

Expected total price

Dentons fees are listed in the fees schedule and are a combination of the standard fees for establishment, standard administration (full asset range or single investment portfolio), default bank account fees, investment fees (see permitted assets list above) and services including pension transfers (in and out) and drawing benefits.

In addition to the standard administration fees, any additional services are charged on a time-cost basis. This time-cost assessment works across the whole business for additional services and provides a fair method to deal with complex and lengthy administration services.

Fair Value Assessment Table continued

Target market	<p>Our SIPP products are aimed at retail clients only, where the SIPP will be funded in excess of £50,000 (through pension contributions and/or transfers in from other UK Registered Pension Schemes).</p> <p>We will accept business only from UK regulated and authorised financial adviser firms and from direct clients, after a thorough vetting process. This involves confirming the appropriateness of the proposed investment strategy and the initial fund size.</p>
Types of customers for whom the product will be unsuitable	Dentons treat all clients as 'Retail Clients'. Non-UK clients who are not eligible to register for a UK personal pension through their employment abroad are unsuitable for these products. As are clients who cannot demonstrate a need for the investment flexibility available within a SIPP as opposed to other types of personal pension and clients who cannot meet minimum funding requirements.
Vulnerability	<p>Ever since the introduction of 'Treating Customers Fairly', Dentons has provided regular training to all staff on vulnerability and the importance of identifying special needs for clients who present with one or more vulnerabilities. This is now enhanced under Consumer Duty and Dentons has appointed the Training and Compliance Manager to be the Vulnerability Champion and contact point for all questions on vulnerability.</p> <p>Vulnerability is embedded within our processes and procedures. IFAs and introducers are regularly encouraged to share vulnerability information where possible. Our sales team are vigilant and will pass on any vulnerability information to our administration teams, as appropriate.</p>
Any notable exclusions or circumstances where the product is not appropriate	None, other than above.
Is the product sold as part of a bundle/package?	No
Impact of distribution remuneration upon fair value	IFAs are the main distributor and Dentons monitor their fees to ensure that they are proportionate to the industry and represent fair value for the investments recommended. Dentons does not pay advisers introduction fees or commission.

The Value Assessment: General

Included within our assessment of fair value are the following factors:

- Our low SIPP attrition rate which is running at 5.4%.
- There are no exit penalties or barriers to prevent clients transferring to another pension provider, which we will facilitate in cash or in-specie transfer of investments, depending on client preference.
- In 2023, we handled 18 complaints, of which only one was fee-related, from a bank of approximately 8,300 clients.
- Our fees are clear, transparent, are only charged in arrears every six months (other than the establishment fee). Clients have the opportunity to question the fees before they are charged.
- Every client receives a Terms of Business and Fee Schedule once a year, setting out the fees relevant to their SIPP.
- A charges sheet is issued to all clients, not just those in drawdown, showing them the physical costs and charges incurred by their SIPP for administration, advice, investment costs etc.
- Random client sampling asks the client, among other things, if they believe their SIPP represents fair value.
- MI reports are run monthly to review IFA remuneration levels and investment charges.
- Marketing obtains the total expense ratio on all new cases submitted for our review.
- Small pots letters - if a SIPP value drops below £50,000, we write to our clients to raise the probability that our product may no longer be appropriate.
- Dentons does not receive a share of interest on clients' bank deposits.

Non-advised cases

Approximately 60% of SIPP members are advised by IFAs. For direct clients, they approach us for services which are either conducted on a non-advised or execution only basis.

Following our Consumer Duty Review we have amended our procedures so that the checklist has a new action point to send the client a letter to confirm that they have satisfied themselves of the costs and charges associated with the proposed investment. We will not allow the investment to proceed until we have received this confirmation.

Due diligence on Distributors, Introducers and Product Providers

With due diligence procedures and questionnaires, Dentons will continue to assess the comparable costs and services of all investment houses, platforms, fund managers, IFAs, other SIPP providers, regulated introducers, and distributors.

Our clients will also be approached for feedback on how we can improve our services.

All data will be analysed at regular MI meetings and investment committee meetings to provide an objective assessment of fair value and any adjustments to our service offering will be made based on the outcomes.

Dentons receives no rebates or commission received from external parties.

Dentons does not pay any commission to introducers.

Dentons does not operate panels or restrictions - we offer a whole-of-market approach when it comes to investment selection, subject to the caveat that Dentons approve them.

Industry service awards

Dentons has been recognised for its service by receiving the coveted 5-star award from Financial Adviser Service Awards, as voted for by IFAs eleven times. For the 2013 and 2015 awards, Dentons was also awarded top performer in the Life & Pensions category of these awards.

Our service

- > Dedicated, named Consultant and Administrator - for timely and appropriate responses to enquiries.
- > Expert and technically competent staff - enable us to manage complex and simple enquiries efficiently.
- > Technical CPD training and regular technical webinars for introducers Using the latest technology - to enhance efficiency and access client information through streamlined processes.
- > Experienced regional sales team - assisting you with new client opportunities.

Conclusion

The Fair Value Assessment will remain ongoing.

In the meantime, Dentons is confident that the SIPPs offered by Dentons (full asset and single portfolio versions) provide fair value for money, and the fees are clear and justified. The use of time-costed fees for additional services is a fair way of charging for non-standard circumstances or situations.



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Dentons Pension Management Limited is authorised and regulated by the Financial Conduct Authority, register number 461094.

VAT number for Dentons Pension Management Limited is 863 1639 14.

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