COME AND HAVE A GO TOO

A(NOTHER) DIRECT APPROACH TO DIRECT PLATFORM INVESTING

the lang cat

CONTENTS

FOREWORD

Hello and welcome to COME AND HAVE A GO TOO: A(NOTHER) DIRECT APPROACH TO DIRECT PLATFORM INVESTING. Reading this guide might be a first for you, in which case welcome aboard the good ship lang cat. We're delighted to have your company for this voyage of discovery as we navigate the choppy seas of direct platform investing.

For some of you this will be a second sampling, one of those 'buy a ticket and get back in for free within the year' kind of arrangements. Or you could think of it as a sequel. Like Shrek 2, but with even more cats.

Anyway, this is our second outing into direct platform investing. We're known for talking about pensions, investments and platforms but usually to financial advisers. Over the last couple of years we've broadened our horizons to include real people. Not that financial advisers are imaginary of course. That would be very strange for their families. We mean non-professional investors who are genuinely interested in all this stuff, know a bit and would like to read about what's going on and how platforms are doing without being re-directed to a range of excellent products they can buy with three clicks and a bank card.

If you've read our previous guide or like to while away your weekends with a percolator of superior coffee and the finance pages then you'll very likely be up to speed with the basics of investing, of platforms and what happens when the two combine. That's all good. You're all set to crack on with this Guide and we hope it meets your high standards.

If you're not so confident, perhaps just starting out with the whole thing and looking for some grounding in the basics then we'd recommend that you put this Guide to one side for the time being and have a read of the first Come and Have a Go, which you can **download for free from our website**. It runs through the background of direct investing, covers some things to keep in mind when choosing a direct platform and translates some of the more impressive industry jargon into something approaching plain English. We'll wait here with the nice percolated coffee.

Done? Excellent. The tide is with us and it's time to set sail (that's the last water metaphor – saturation point). We hope you find the guide interesting and informative. Do let us know what you think, we're always chuffed to hear your thoughts.

Mark Polson
principal, the lang cat

Before we cast off (sorry), a few safety announcements:

Direct is not the right thing for everyone – some like to DIY, some prefer to pay a nice person who knows what they're doing to do it for them, even for a small job. That's fine.

Direct and advised can co-exist – advice for some of your investments and going it alone for others is also fine.

We can't give you advice – too many exams and far too much paperwork. We're neither qualified nor registered, which is a relief to everyone. There are a lot of good advisers out there and websites such as **www.unbiased.co.uk**, **www.findanadviser.org** and **www.vouchedfor.co.uk** can help you find one in your area.

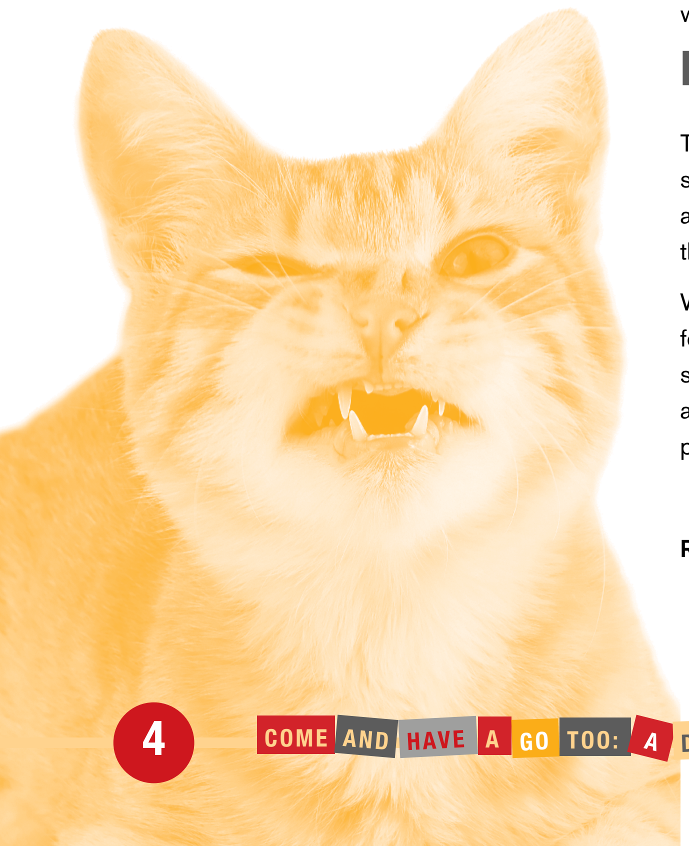
WHAT YOU'RE GETTING

You pays your money and you takes your ride. In this case you didn't actually pay any money but you still get a ride in the form of our Guide. Unfortunate rhyming prose aside, here's a sneak peak (damn) of what we have in store for you.

The direct investment market has been a hive of activity over the last year as, alongside the rest of the financial services industry, it prepared for and then responded to pension freedoms coming into effect. We'll take a look at what that means and who's been doing what as a result. More recently, Budget 2015 threw a few more cats among the proverbial pigeons, even before the summer Budget that followed the General Election, and we'll cover that too. We'll also run through some of the big stories in the direct market: launches, acquisitions and new investment options, to name a few.

The platform reviews in the first Guide seemed to be popular so we've developed them for this year. We take an in-depth view of the top five direct platforms (by assets under administration (AUA)) and a quick look at the remaining 27 we regularly keep an eye on. These are not user reviews (although we have set up accounts with the top five and this experience forms part of the review). We look at the overall proposition and mainly the websites from the investor perspective: wrappers, investment options, charges and how easy it is to find out what you want to know.

Pricing is a big part of investing. It's by no means the only thing (or, as some would argue, the most important part) but it *is* important and it's very easy to get in a bit of a fankle about the whole thing. We'll spend some time talking through a few particular points we think might be useful. We also spoil you with our platform charging heatmaps which add flesh to the bones of the numbers by illustrating the effect of some of these charges using an eye catching array of colours. And if that wasn't enough, we'll explain it all in a way that might actually make sense. We know, crazy, huh?.



There are a few other little gems along the way, but we'll get to them when we get to them.

FREE, YOU SAY?

The great British public is naturally sceptical when it comes to getting something for nothing. Timeshare has a lot to answer for. We are a business and we do like making money but, just like last year, we think it's important that anyone who wants to get their hands on the Guide can do so for free.

We're independent and unbiased which means that our opinions are not for sale and never will be. We could have asked a platform or two for sponsorship but it's much more fun being able to rattle on unfettered; talking about what matters, free of marketing content and other white noise. We prefer it that way and we suspect you do too.

Ready? Let's get to it.

MARKET OVERVIEW: PREVIOUSLY IN THE UK DIRECT INVESTMENT MARKET…

It's been quite the twelvemonth since we launched our first guide to direct platform investing. The new pension 'freedoms' have occupied centre stage but the direct platform market is still quite young – and that means Stuff going on. Specifically the entrance of new players, both brand new ones designed specifically for you from the ground up, and established adviser-based platforms expanding into new territory.

LADIES AND GENTLEMEN, PLEASE WELCOME:

The Daily Telegraph teamed up with Interactive Investor to launch **Telegraph Investor**. Curiously, despite the Telegraph being quite vocal in its stance against exit charges, the platform levies its own. Awkward or what? This is because the platform is Interactive Investor underneath with Daily Telegraph branding which means it uses a hacked version of II's charging model, including exit fees. We'll come back to exit charges later, and in some depth.

Aviva has finally launched its **Aviva Consumer Platform**, nearly a year after it was first announced. It offers SIPP, ISA and a general investment account as well as a broad range of investment options to both its existing clients and any investor who doesn't have an adviser. Early days, but the bones are there now, and interestingly they've appointed a guy from Charles Schwab in the USA to run it – Schwab is a massive player in direct investing in America.

While it's not really a launch, **Alliance Trust Saving** (ATS)'s acquisition from Brewin Dolphin of execution-only broker Stocktrade is worth highlighting as it will see Stocktrade's customers (up to 48,000 of them with up to £4.6bn AUA) moving across to ATS throughout the rest of this year. If you're one of them, life may look quite different, but probably for the better.

And while we're on the subject, **Hargreaves Lansdown** is set to get that little bit bigger with the acquisition of some £370m in assets and 7,000 clients from JP Morgan Asset Management's individual client business and up to £60m in assets and 5,000 clients from Jupiter's retail investment business.

Santander hasn't launched yet but reportedly plans to do so before the end of 2015. Santander head of UK banking, Steve Pateman admitted when announcing its plans that he was 'intrigued' by platforms such as Nutmeg, possibly giving us an indication of how the eventual offering might shape up. We expect something simple, streamlined and quick, but with limited choice.

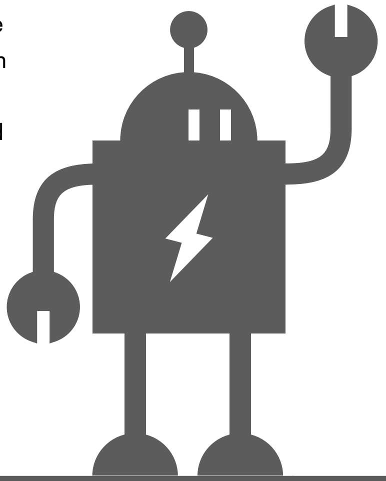
And while we're on the subject of new things…

ROBO-ADVICE IS A THING NOW

Putting images of T-1000s with briefcases to one side, something called robo-advice is taking its first clanking steps into the UK direct investment market. A number of US robo-advice businesses are worth a peek if you have a spare moment – particularly interesting are Betterment.com and Wealthfront.com. The armchair seers among you might like to consider whether this is one potential shape of things to come in this sceptr'd isle.

But what is it, you ask? Fair question, glad you brought it up. Robo-advice uses online technology to generate a personalised investment recommendation. You supply your personal information, then, thanks to some (hopefully) clever algorithms, the system will recommend an investment portfolio for you based on your goals, attitude to risk and such like. Kind of like the financial advice process but without actual financial advisers. Whether you think this is a good or a bad thing may depend on your opinion of advisers.

There has been some activity in the UK, with the first to market being a service called Money on Toast, but this is very much a newborn so we'll come back with an update on the topic once it's had time to find its feet.



EVERYBODY'S FREE … TO ACCESS THEIR RETIREMENT SAVINGS FROM AGE 55 (BUT IT HELPS IF YOU HAVE A CLEAR IDEA OF WHAT YOU WANT THE MONEY FOR AND UNDERSTAND THE TAX IMPLICATIONS)

The new pension freedoms arrived in April after much build up and fanfare. General expectations included the swift and painful death of annuities and a tidal wave of cash sweeping out of pension pots.

To an extent, these expectations were met, but only to an extent. Yes, annuities are being partially replaced by drawdown as the retirement option of choice, but hiding below this trend sits a continuing and undeniable need for a guaranteed, sustainable income source for many (if not most) people in retirement. Annuities remain a natural answer to this (particularly for those with a cautious attitude) and so will continue to play a role in the market.

A lot of pension pots have been taken as cash (the first couple of months saw £1bn taken out), but the vast majority of these are small (under £10,000). The second line of defence rules, which require providers to be very, very sure that you as a customer are clear about the tax and long-term future income implications of your actions, have led many enquirers to put the brakes on. The question **'What do you need the money for?'** is a powerful one, as is **'Do you understand how much tax you'll pay if you take it all out?'**.

The other benefit is that providers have to reinforce the guidance and advice options available: government backed guidance service Pension Wise and paid-for financial advice. One pension provider has reported a 50% increase in the number of customers taking advice at retirement since the new pension freedoms came in.

The so-called pension freedoms have been pretty much everywhere of late, so you may well be perfectly up to speed on the basics. If not, and you'd like to read up on the subject, it just so happens that we have a whole Guide dedicated to all things pension freedomy. <u>When the Levee Breaks: What Next for the UK Retirement Savings Market?</u> is free to download from our website. But here are some basics anyway.

Pension freedoms – rules which came into effect on 6 April 2015 and mean that anyone age 55 and over can take their pension fund as it suits them with no obligation to use it to provide an income. It can be taken in stages or all at once. However you do it, the first 25% is (almost always) tax free and the rest taxed at your marginal rate. If you want to provide an income, you can still buy an annuity, or 'draw down' money straight from your fund.

Second line of defence rules – when you get in touch with your provider to access your pension pot, it has to ask a range of questions to make sure you are clear on a) your options (especially the option to seek financial advice or go to Pension Wise (**<u>www.pensionwise.gov.uk</u>**) for 'guidance') and b) the implications of taking that money (in terms of tax and how much you'll have left). There can also be other consequences of taking the cash, for example if you are in a structured debt recovery agreement, or receive means-tested benefits.

While all this has been going on, direct platforms have been busy in the background…

- Drawdown products pretty much always had set-up charges, but this has changed and the focus in the direct market has shifted to charges for clearing out a drawdown product within a year of setting it up. **Hargreaves Lansdown** led the way here and others have followed suit. While we're no fan of exit fees, money moving through like this means admin costs and the platform has no time to reap the benefits of the invested fund. Maintaining drawdown for less than a year is not what the product is intended for – so it's a mix of covering costs and gentle discouragement.
- The newly formed **Tilney Bestinvest** launched an annuity comparison tool in partnership with Just Retirement as part of a new at-retirement offering. The service is free and compares quotes from a range of ten annuity providers.
- While **LV=** doesn't feature in this guide (what with not being a direct platform), the launch of its online advice portal for small pots is worth a mention as the service is open to both advisers and direct consumers. As we've just seen, some people are turning to face-to-face advice but the option of expert help without having to deal with an actual person may appeal to many.

DRAWDOWN, DEEPER AND DOWN

Despite becoming increasingly mainstream – or at least a more familiar term – drawdown *is* a complicated product and is not without risk. A couple of things mean it has the potential to become more so:

- Some fear that consumers accessing drawdown without the support of an adviser could make poor choices which have implications for lifetime income. Some providers echo these concerns and will either impose a limit on investment choices, set a minimum fund amount or only agree to requests from 'insistent' direct consumers. Industry regulator the Financial Conduct Authority (FCA) plans to carry out a review of the market which will either ease concerns or take action to address the issue.
- New rules coming in from the EU over the next 18 months or so could mean, very broadly, that non-advised drawdown is classed as a 'complex' product. That would require investors answering some questions to satisfy the provider in question that they understand the nature and risks of the investment before being allowed to proceed. It might also reduce investor protection, as once you've declared yourself as a smart-Aleck, you have to take more responsibility for your own decisions.

ONE LAST THING TO KEEP IN MIND

One group that can be relied upon to find an opportunity in any situation is scammers. You know, those nice people who exist simply to separate you from your money and who will then charge you a fee for the privilege of being fleeced. Despite creditable efforts by the industry, pension freedoms have triggered a disturbing amount of scammer activity. **Real, reputable providers and advisers will not phone, text or email you out of the blue offering their services. And never forget that if it sounds too good to be true – that's because it is.**

Public service announcement over with, let's move on.

IT ISN'T ALL ABOUT FREEDOMS: PENSIONS START TO LOOK INTERESTING. EVERYONE SHOCKED.

Pension freedoms shone a light broadly equivalent to that produced by a good sized flamethrower on pensions themselves which, weirdly, is in danger of giving them a new lease of life.

Platforms are probably best placed to take advantage of this opportunity as they are less likely to be burdened with the issues that come with ye olde style pensions. These are the type you invested in from about 1988 through to 2006 or so and which require a lot of paper, a stout HB pencil and a sturdy abacus to do much of anything and tend not to be able to accommodate the new options available.

Pensions are no longer the vortex into which your hard-earned vanishes for decades without so much as a postcard. Platforms give you online access and some even have mobile access – it's all there to see, check up on and tweak to suit where you are or where you want to get to. On top of that, when the time finally comes to begin reaping the rewards of all the saving, the new flexibility makes the whole shooting match much more attractive and, dare we say it, *interesting.*

So let's have a look at some of the new pension products and investment options out there and currently touting for business:

- **Strawberry** has been busy, launching both a simplified managed portfolio service (MPS) and then an auto-enrolment product aimed at SMEs (for you entrepreneurs). The MPS is called Make it Easy and works by using target date funds (provided by Birthstar) to invest for specific, dated retirement goals across ISA, SIPP and GIA (direct investment with no tax advantages for those new to all this). So if you plan to retire in 2040 for instance, you might use the 2040 fund.
- **Nutmeg** launched the Nutmeg Personal Pension, which is accessed via its platform but operated by SIPP specialist Hornbuckle. There are no set-up or exit fees, but Nutmeg is not

the cheapest way to invest, as our tables will show later in the Guide. On a positive note, basic rate tax-relief is added straight away, which is a nice touch and not offered by everyone.

- **Hargreaves Lansdown** has added Portfolio+ to its Vantage service, offering access to a range of six portfolios, managed by HL and rebalanced every six months for investments of £1,000 and above. The process includes selecting a goal, levels of risk and a wrapper (SIPP, ISA or Junior ISA) and there are no account set-up charges, initial charges for the funds or on-going charges for the service itself. Ongoing charges for the funds (1.34% to 1.46%) and the usual Vantage annual charge of 0.45% will both apply – these funds had better be good.

SIPPS: TO INTEGRATE OR NOT INTEGRATE?

Where a SIPP features on a platform it can either be integrated (provided and operated by the platform itself) or third party (we're sure you can join the dots here). There are pros and cons for each, depending on what you need.

That's the key to this, and indeed to direct investing in general: understand your needs, identify the offering that you think can best meet them and be clear that you are only paying for functionality, investment choices or Stuff that helps get you there.

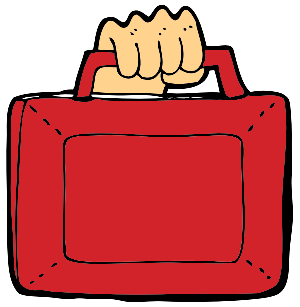
If you need something specific and specialist (such as being able to invest in commercial property) you may want to look to a third party option as very few integrated SIPPs offer this to direct investors. The fact that there is an extra mouth to feed and an extra layer of cost probably won't bother you too much.

But if you're tucking away £20,000 in a low risk tracker and plan to leave it there for the duration then it becomes very difficult to justify that extra layer. Any direct platform with an integrated SIPP can help you with this.

The extra layer is not just cost; there is more opportunity for things to go wrong as data moves between companies: where mistakes happen it can be tricky to pin down the exact point of failure and who should be fixing it.

So in the case of to Nutmeg, it trades on the smooth running and easy access of its offering. For this to continue, the links to Hornbuckle need to be truly seamless – and that's something we've yet to see in a third party relationship.

BUDGET 2015



For the second year running the Budget got interesting – with an extra one thrown in for free by the newly-elected Conservative Government. But we'll get to that. First things first. Let's have a look at what the March 2015 Budget brought us.

DON'T FEAR THE REAPER: TAXATION OF PENSIONS ON DEATH

This is actually quite important, if a bit morbid, and very complex. Here's how death benefits from pensions work as of 6 April 2015.

If pension funds are untouched (sometimes called 'uncrystallised' by people who ought to know better):

Death before age 75	Pension fund passed on tax-free to chosen beneficiary.
Death age 75 or over	Pension fund is taxed at the beneficiary's marginal rate, rather than 55%.

Where an annuity is taken out:

Death before age 75	• Pension payments passed on tax-free to chosen beneficiary. • Includes joint life and value protected annuities.
Death age 75 or over	• Pension taxed at beneficiary's marginal rate (or 45%[1] if taken as a lump sum) instead of 55%. • Includes joint life and value protected annuities[1].

1. The Government is proposing to replace the 45% tax on lump sums with tax at the beneficiary's marginal rate from the 2016/17 tax year.

Where drawdown is taken out:

Death before age 75	**Benefits taken from pension fund:** • Either lump sum or drawdown income paid tax-free to chosen beneficiary.	**No benefits taken from pension fund:** • Either lump sum or drawdown income paid tax-free to chosen beneficiary (up to lifetime allowance).
Death age 75 or over	**Benefits taken from pension fund:** • Fund can be taken as drawdown income at the beneficiary's marginal rate or as a lump sum less 45% tax.	**No benefits taken from pension fund:** • Fund can be taken as drawdown income at the beneficiary's marginal rate or as a lump sum less 45% tax.

ISAs

ISAs have been spending some time in the gym lately, swigging protein shakes and bulking up. The result is a more heavyweight contender in the investment market. Budget 2014 saw an increase in the amount of savings allowed from just over £11k pa to £15k pa while the rules over how this could be split between cash and shares were relaxed making the whole thing more flexible. And the Government kept on giving in Budget 2015:

- From Autumn 2015 ISA monies can be withdrawn and replaced without eating into your annual ISA allowance.
- A broader range of investments will be allowed in ISAs, including some crowdfunding and peer-to-peer schemes.
- ISAs can now retain their tax-free status on death where they are passed to a spouse/civil partner. The remaining spouse will receive an additional ISA allowance to match the amount held in ISA savings. Previously, they would start paying tax on the fund and if re-investing would use up their own ISA allowance.
- Help-to-Buy ISAs will be launched through banks and building societies in Autumn 2015 for those saving towards their first property with the Government topping up savings with another 25% (to a maximum of £3,000 on £12,000 of savings).

One issue with ISAs is that they have typically been viewed as 'rainy day' pots rather than as proper investments, not least because of the previously modest annual allowances. These changes bring ISAs more in line with pensions as a serious prospect for long-term savings. Saving for your future is now something that brings both ISAs and pensions together, and that's great.

PENSION FREEDOMS

Not to be outdone, pension freedoms managed to sneak into the March 2015 Budget too. There was a feeling in some quarters (mainly those who had already taken out an annuity) that the new pension freedoms only applying to those yet to take benefits from their pension was not fair. Sauce for the goose and all that.

George Osborne responded by announcing that the Government would consult on allowing existing annuity holders to sell their annuity for a cash lump sum. This felt very much like electioneering and many expected it to quietly retreat to the dark corner where such election promises go to die. But then two things happened. The Conservatives won a clear majority and Dr Ros Altmann (long-standing consumer champion of the over 50s) became Pensions Minister and a Baroness to boot. Writing cheques is now hard work for Ros, whose proper title is The Right Honourable Doctor The Baroness Altmann CBE. Ros (as we like to call her) is a big supporter of this plan and the prospect of a secondary annuity market is suddenly looking much more likely, even though implementation was put back to 2017 in the summer Budget (to the considerable relief of consumer groups, the FCA and much of the industry). This frightens the hell out of us (there is real potential for poor consumer outcomes) and is certainly one to keep an eye on.

BUDGET 2015 THE SECOND

Speculation was rife over the content of the bonus summer Budget. And Mr Osborne didn't disappoint. He even used the words 'radical' and 'pension' in close proximity. Easy there George.

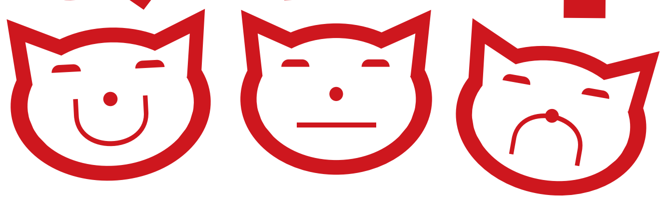
And the cause of this excitement? Having shaken the at-retirement end of the pensions market up like it was a particularly stubborn Etch a Sketch, HM Treasury is keen to shift the focus to those who are saving for retirement. In short, they're not saving enough.

The proposed solution is to further blur the lines between ISAs and pensions by removing tax relief on pension contributions but making pension income payments tax free, with a top-up from the government to boot. If you think this sounds quite like the Help-to-Buy ISAs from the March 2015 Budget you'd be right.

The bonus (about which there are no details at this stage) might sound attractive but rudimentary arithmetic dictates that long-term pension savings growth will somewhat 'stunted' by the abolition of tax relief on contributions. Compound growth is a powerful force. A government bonus might cushion that impact to some extent but, as we don't know when it would be applied, it's impossible to say.

It's very early days. The Budget was announced as we were finalising the Guide so we're working on scant information. We do know two things though: i. a consultation is underway (which is also an opportunity for other options to be suggested and explored) and ii. nothing will happen any time soon. In fact nothing may happen at all, if the consultation supports the existing model of deferring tax on contributions until you come to take pension income.

QUIET!



HERE COMES THE SCIENCE!

INTRODUCING THE PEE-WI

So that's all good. But how are platforms *feeling* about all this? Sometimes when you are making important decisions like which platform to choose it can be useful to have some kind of scale alongside factual information. Just to get a sense of what those facts mean in real terms.

That scale might be somewhat arbitrary. It might even be based around the facial expressions of cartoon cats. But it would provide a baseline, and a baseline is a baseline, and anyone who says it isn't can just stand there and be wrong.

Sound good? Well, the lang cat **P**rovider **E**nhanced **E**motional **W**ellbeing **I**ndex (PEE-WI) does just that. Let's be clear though – it's our opinion based on the information we have access to. But we trust us, and we know us, so that's all good.

How does PEE-WI work? It's complicated. Happy cats are platforms with things to purr about. Sad cats are platforms with things to bury in next door's strawberry patch. In-betweeny cats are…well, you get the idea.

Platform	Our view	PEE-WI rating
AJ Bell Youinvest	It's not been a stand-out year for Youinvest, more just ticking along. However, the next twelve months could be a bit more active though as Neil Woodford (a fund manager of some renown) recently invested £21m in the platform. There are also plans for a guided investment offering later in the year which we'll be watching with interest.	
Alliance Trust Savings	It's not been an easy year for ATS if we look at the whole operation (advised too). Some behind-the-scenes upheaval has been unsettling with a period of shareholder challenge to the way its parent company is run. But, despite all that, ATS was busy in the background, keeping it real and finalising the acquisition of execution-only platform Stocktrade from advisory firm Brewin Dolphin as part of a large scale expansion plan.	
Aviva Consumer Platform	The newest kid in the playground, we welcome Aviva to the direct platform market. It's very early days so we'll reserve judgement until it has a chance to settle in and find its feet.	
AXA Self Investor	AXA Self Investor has enjoyed a good year, thanks to a long-running offer which has now ended. There's still no SIPP, an omission which left AXA SI out of the pension freedoms party but it stands to benefit from increased ISA flexibility.	
Barclays Stockbrokers	Barclays Stockbrokers recently changed the underlying platform technology to FNZ. Trading was previously through FundsNetwork which seemed to work well, but everything will now be on one platform. There are plans to offer robo-advice so it'll be interesting to see where that sits in relation to the direct proposition.	☺
Bestinvest	Bestinvest is well established in the direct market but has now combined with posh discretionary manager Tilney, which gives it a newish air. There's an interesting approach here, focusing on both bigger and smaller pots as well as promoting close links to advice and discretionary management for those who want it. Appealing to both ends of the market is a tough one to pull off. But there is much to like here.	☺

Platform	Our view	PEE-WI rating
Cavendish Online	Not much news from the Cavendish frontline – we fear it's getting drowned out by the bigger boys. When we checked, even its Twitter feed only had 349 followers.	☺
Charles Stanley Direct	It's been a difficult year for Charles Stanley Direct, with a number of high profile departures. A restructure has followed and the direct platform will be more closely aligned to the overall business. We'll see what that looks like in real terms but in the short term it surely means further upheaval.	☺
Chelsea Financial Services	Chelsea jumped on the pension freedoms bandwagon when it launched a pension earlier this year. It's a bit multi-layered as it's a Cofunds SIPP, provided by Suffolk Life and available through Chelsea's fund store. We'll refrain from the obvious line about them winning the league. Chelsea? Football? There we are.	
Close Brothers Asset Management Self-Directed Service	The website has been redesigned with a simpler, more intuitive layout and access to research. Some of this is based on user feedback, which is always good to see. A special offer means the platform charge is 0.25% until the end of the year, when it reverts to 0.35%. The previous price was 0.35% tiered down to 0.25%. We're told this won't be the case come January so, for large pots, it's kind of a long-term, minor price increase by stealth.	
Clubfinance	Prides itself on being cheapest in some scenarios, by 0.01%. Beyond that, little to mark it out at the present time and – unfair as this may sound – feels like a proposition in search of a market.	
Equiniti Shareview	Acquired the Selftrade book in late 2014. It didn't seem to go smoothly, although to be fair you have to expect a few bumps in the road when you transfer an entire platform. On a more positive note, Equiniti plans to be the first retail investment platform to show investors their overall costs in the same way as you see on a price comparison website. Lots more to do.	☺
Fidelity Personal Investing	Fidelity was well ahead of the pension freedoms game with an established policy of no drawdown charges, which left it well positioned and with a good story to sell, while others were still working out new charging structures. Also achieved a good balance of covering transfer costs but not imposing them on the way back out; one of only two platforms to do so, albeit for a fixed time only (until 31/08/15).	☺
Halifax Share Dealing	Big, doesn't seem to be to be too interested in touting for new business; probably happier to keep on serving its existing base and picking up folk from the branch network. Most interesting thing is interplay between this and iWeb, which is part of the Halifax group.	
Hargreaves Lansdown	Hargreaves Lansdown continues happily as market leader but isn't resting on its laurels, as the recent launch of managed portfolio service Portfolio+ shows. It also led the way with pension freedom drawdown pricing. And still having some spare time before tea, also launched the HL Retirement Planning Service, which sits between Pension Wise guidance and full advice.	☺
iDealing	One for enthusiasts only. Not much feedback on it in the market, and not much to say.	
Interactive Investor	Bit of a mixed year for Interactive Investor. We understand that there have been some admin issues with customers having problems with tax relief in the SIPP. But, the launch of Telegraph Investor (in partnership with the Daily Telegraph) does mean a new stream of assets and revenue.	
iWeb	iWeb rubbed fur the wrong way when it hiked the account opening fee for ISAs and trading accounts up by an impressive 700%. Without any explanation. Not cool. Teach your customers to buy on price, and they will. But still cheap for bigger portfolios.	☺
James Hay Modular iPlan	James Hay recently announced plans to encourage a blend of direct and advised business on the same proposition. It sees that clients can want an adviser for some aspects and to self-direct for others. We agree and look forward to seeing how this works in practice.	☺

Platform	Our view	PEE-WI rating
Nutmeg	Nutmeg now offers the full complement of wrappers following the launch of its SIPP, which is provided by Hornbuckle. While Nutmeg still has a limited investment range, this lifts it from the ISA-only market and gives it a chance to benefit from the increased interest in pensions. It needs to disclose its figures to stop doubters/haterz making mischief.	
Retiready from Aegon	Retiready has had its first birthday and appears to have made more of an impression on the market than we might have thought, although we can't be sure as it still won't disclose AUA.	
rplan	Good, clean proposition but struggles (in our view) to mark itself out from the crowd.	
Selftrade	The Selftrade business is now part of Equiniti and there appear to have been some teething troubles. The transfer of business was delayed and some customers reported issues. However, improvements are planned so we'll see how things settle down over the longer term. The new SIPP is cheap.	☺
Strawberry	It's been a big year for Strawberry. The new simplified managed portfolio service (MPS) has Birthstar target date funds in its armoury and gives Strawberry a bit more substance. Still little evidence of traction, though.	
SVS XO	Again, one for the enthusiasts and share-dealers.	
TD Direct Investing	TD Direct Investing went up in our estimations when it obliterated exit charges, showing other platforms that it can be done. The recent deals with Saga and with NatWest show that there is serious life in this platform, reflected in its increasing AUA.	☺
Telegraph Investor	On one level we understand that using a platform's technology means you have to take its charging structure (in this case, exit charges) but for the paper to select a platform with exit charges when it actively campaigns against them is beyond us. There is an offer to the end of 2016 where the first ten lines of stock are free to transfer out, but still.	
The Share Centre	Another minority sport, but quite a lot to like under the hood. Charges are OK, the range is huge, and TSC probably deserves more limelight than it gets.	☺
True Potential Investor	It's not often we get to use the words 'genuine innovation' but we do here. True Potential's impulseSave uses mobile (and wearable) technology so you can top up your pension or savings on the go. Instead of spending £5 on coffee and cake, a couple of taps and it's in your fund. Genius. Not that we're dissing coffee and cake. That's good too.	☺
Trustnet Direct	A great front end, with Interactive Investor underneath. Trustnet Direct is a hidden gem for us – so much great content comes from its ownership by FE, the investment rating and research company, but it gets a bit lost in the crowd.	
Willis Owen	Kudos to Willis Owen for reworking its charging structure. It's gone from sticking out like a sore thumb (and glowing an appropriate shade of red in our heatmaps), to put it politely, to being much more in line with the market. Still only gets a flat cat face though.	
X-O	Another stockbroker trying to get traction in the platform space. Nothing to hate; nothing to love.	

THE PLATFORM REVIEWS

We've looked at the market, what's happening and what that might mean for direct platforms. 'But what about the platforms themselves?' we hear you cry. 'Surely you're not just going to leave us with emotionally indicative cat visages?'.

We wouldn't dream of it. Instead we're going to take an in-depth look at a few platforms and help you to get to know them better. Of course, you *could* do all this yourself. You probably have better things to do, but you *could*. The information we've used is readily available and we've gone about it as any ordinary investor might. Not that you're ordinary. Heaven forbid. We just mean that we don't call in any 'special friends' favours to ease our path. Keeping it real and all that.

As much as we'd have liked to do this for every platform in our sights, we couldn't. Not right now anyway. The range of platforms in the direct market would demand a guide all of its own, just for reviews. While that's *our* idea of fun, it's possible we might lose one or two of you along the way. So we decided to pace ourselves.

Since we have to start somewhere we figured we might as well go with who we believe to be the top five direct platforms by assets under administration (AUA to its friends). That doesn't mean they are the best or the worst or that we recommend them. It's just something we could measure and use to draw a line.

Alliance Trust Savings

The basics	Alliance Trust Savings (ATS) is the direct-to-customer arm of the wider Alliance Trust group, one of the largest generalist investment trust organisations in the UK.
Ownership	100% owned by Alliance Trust Savings group.
Technology	The current system runs on proprietary (posh = in-house) technology called 'ActiveBank'. This will change in 2016 to the Composer system from Aussie provider GBST[2].
AUA	A shade over £5.5bn as at 31 March 2015. This will increase by around £4.6bn with the acquisition of Stocktrade, putting ATS in the top 5 by AUA.
Accounts	Around 63,000 as at 31 March 2015. This will also increase by up to 48,000 with the addition of Stocktrade investors.
Wrappers	Offers a full range of wrappers including SIPP, dealing account[3] and ISA (with all the respective junior options too).
Investment range	ATS offers a range of over 4,000 different options including: • A wide range of collectives (OEICs and unit trusts) • Exchange traded funds (ETFs) • UK listed shares • Investment trusts • Bonds • Gilts There is a selection tool that helps you choose investments and a list of the most popular funds, shares and investment trusts, but no model portfolio options.
Charges	ATS heavily markets its fixed fee approach, with core administration costs as follows: • ISA/Dealing Account: £75 pa (charged quarterly). • Junior ISA/Dealing Account: £40 pa (charged quarterly). • SIPP: £155 + VAT pa (charged annually). • SIPP (if in Drawdown): £230 + VAT pa (charged annually). • Child SIPP: £80 + VAT pa (charged annually). • Trading: £12.50 a deal on all instruments. • Regular trading: £1.50 per deal if set up online, £5 per deal otherwise.
Overall proposition	The fixed fee approach means that, from a pricing perspective, ATS is automatically (by the unremitting power of arithmetic) more competitive for those with larger fund sizes. That often suggests a slightly more sophisticated investor, something which in practical terms is reflected in the stripped back content of the ATS website. There is little in the way of hand-holding; no off-the-shelf investments for example.

2. A quick note. In the UK, there are a number of tech providers who sit underneath many providers. These firms include GBST, Bravura, FNZ, JHC, IFDL, SEI and others. If you're interested in this stuff then let us know and we'll give you more information.

3. You might also see this referred to as a trading account or a general investment account (GIA).

User experience	Perhaps unsurprisingly for an in-house system, the user interface of ATS is relatively basic. That doesn't have to be a bad thing, in particular we found the account set-up stage to be extremely straightforward because of this. We like the fact that there are visual aids for the information you'll need handy to set up your account and we managed the whole process – including funding the account – without the need to contact the good people in Customer Service (as we have often needed to do for other providers). The main niggle we find with ATS is that the system expects you to know the ISIN code (one of the schemes the industry has to track unique funds) of the fund you wish to buy. There is no easy way to search from the trade screen – you have to leave that, jump over to Research, use the Morningstar search tools (which have improved a lot recently), find what you need, copy the ISIN, head back to the Trade screen, start again and put it in. This might not deter those who know what an ISIN is (and, if you squint, there is a tiny 'Buy' button on the fund page which will pre-populate the trade screen for you), but you could absolutely see less experienced investors being put off here. The design of the screens is relatively basic but no worse than many of its peers in the industry. All in all a decent, if simple experience.
Web links	http://www.alliancetrustsavings.co.uk http://www.alliancetrustsavings.co.uk/forms-documents/fees-charges/charges-guide.pdf
Best for	The savvy investor who is conscious of administration costs, provided they don't trade too often.
the lang cat view	If you have a decent amount invested and are happy with what you're doing, there is a lot to like about ATS. We think ATS behaves like what it is – a fixed fee home for those who don't need too many bells and whistles and who have a large enough portfolio for fixed fees to work their magic. This in itself might discourage novices which is probably no bad thing for a platform which, to us at least, is clearly best suited to those who have some idea of what they're doing.

BARCLAYS STOCKBROKERS

The basics	The second biggest direct investment platform, Barclays Stockbrokers (BS, stoppit) benefits from the brand familiarity of its parent.
Ownership	The execution-only business of the slightly-well-known Barclays Bank Group.
Technology	Platform technology is provided by FNZ, who also powers platforms for the likes of AXA, Standard Life and Zurich. Fund dealing was previously provided by Fidelity FundsNetwork.
AUA	Barclays wouldn't respond to our request for data, so we'll settle for 'lots', probably between £15 – £20bn.
Accounts	Also lots.
Wrappers	Pension options are Barclays' SIPP (provided by AJ Bell) or a Pension Trader Account (PTA), which involves keeping your old SIPP or SSAS but moving the investment to Barclays. There's also an ISA and a trading account (MarketMaster). All the pension freedoms options are available through the SIPP and there's plenty of supporting information. A nifty infographic summarises the new rules and (rather helpfully) compares them to the old ones. https://www.barclaysstockbrokers.co.uk/Accounts/SIPP/pages/pension-changes-info.aspx
Investment range	Barclays Stockbrokers Fund Market offers access to more than 2,000 funds from over 100 fund managers, with no initial charges. There aren't any ready-made portfolios so you have to make your own fund selections but there are sources to help you with this. • The Barclays Stockbrokers Funds List – funds that BS believes are likely to provide consistent returns. • The Citywire Selection – based on analysis by the independent industry publisher. • BS Funds Market Top 20 – details the most popular fund purchases by BS clients in the previous calendar month. Not a recommendation, just a view on recent activity. • Smart Investor – market and investment tips and tools. If you're just starting out, there are some good 'Understanding Investing' pages that encourage you to think about why you're investing, what your goals are and how you might get there, as well as the level of risk you're willing to take and also your timescale. That done, there are similar pages covering the main investment options (Funds/ETFs, stocks & shares, gilts/bonds and cash) with background information, videos and some useful definitions. Market research is available too (Smart Investor and Barclays Insight) with fund/equity factsheets and updates. Equities, gilts and bonds and cash are also available, all with a range of options and accessible support material while Barclays Trading Hub offers access to more sophisticated options for experienced and confident investors.

Charges	**Annual platform charge:** 0.35% with a minimum of £35 and maximum of £1,750 pa per account (which means no charges for funds in excess of £500,000). This applies to ISA, dealing account and SIPP where invested in the Barclays Fund Market. **Account administration charges:** SIPP: £155 plus VAT (waived if you only hold Fund Market funds). ISA: £30 plus VAT (waived if you only hold funds). MarketMaster: £48 plus VAT (cancelled out if you hold equities and trade once per quarter i.e. the charge comes with one free equity trade). **Fund switches:** free across the board. **Equity trading charges:** depend on number of trades each month: £11.95 (up to 9 times), £8.95 (10-19) and £5.95 (more than 20). Additional charges apply for complex investments, drawdown and transferring out of equities.
Overall proposition	The website and material seems a little confused as to who it's targeting. There's a lot of good stuff for beginners but some of it's pretty extensive. There are also moments in the set-up process where BS assumes investor knowledge (hands up who can explain a scrip dividend?). And we'd be remiss if we didn't mention the 107 page T&C document we were presented with during account set up. Yes, it's a record and no, we didn't read it. It was nicely set out but it was still 107 pages. That's just 23 pages less than The Shawshank Redemption. They even post it to you on a CD. The T&Cs that is – not The Shawshank Redemption.
User experience	The account set up process itself was swift and efficient, and in line with what we'd expect. BS is very risk-averse. This is (arguably) good but created a couple of interesting moments along the way, including the requirement to post an original bank statement to BS within 30 days of account set up. 'What happens if you just do online banking?' we asked. 'Oh, just print a page and send it,' they said. We did, and it worked. However, it's 2015, and no-one else asks you for this. Once logged into your account there is a consolidated home page that you can personalise. The layout isn't perfect and one or two of the options are obscured by some overlapping text, but this is a small point. Things got a little more complicated when we moved on to investing. We had a problem with declined cards and conflicting messages that we had to phone up to resolve. Once the buy order is placed you are pointed back to the account view page, where you can see the transaction waiting to be completed. This is much better than some platforms, where the initial investment seemingly disappears into the ether until the transaction is completed. Overall the platform feels less intuitive than some others but part of that could just be down to different technology and layout. There is a lot of support material, but the quality varies and some of it is pitched above those who would benefit most from it. Based on our experience and general perception of the site, it seems quite likely that investors might need a helping hand.
Web links	https://www.barclaysstockbrokers.co.uk https://www.barclaysstockbrokers.co.uk/Accounts/Rates-and-Charges/Pages/default.aspx
Best for	While there is a lot of good material for beginners, the focus is on hobbyists who know what they're doing and are happy to just get on with it.
the lang cat view	For hobbyists, BS is up there with Hargreaves and Bestinvest, albeit with a more business-like feel to proceedings. It's smooth and efficient but little things may leave it out of step with some consumers' knowledge and expectations.

FIDELITY PERSONAL INVESTING

The basics	One of the biggest direct investment platforms, Fidelity Personal Investing is the UK direct-to-consumer arm of the U.S. fund management house.
Ownership	Owned by fund management giants Fidelity.
Technology	A mixed bag. GBST is the underlying tech provider for the pension whereas Bravura provides the kit for your ISA/GIA. Charles Stanley handles share dealing. Confused? Us too.
AUA	£61.1bn on the Fidelity FundsNetwork platform but this also includes retail funds and advised investors. Direct AUA was £11.5bn as at 31 March 2015.
Accounts	Around 275,000 as at 31 March 2015.
Wrappers	Offers a full range of wrappers including SIPP, GIA and ISA (including a junior ISA). There's a bit of a schism when you zero in on investment choice though. You're unable to hold both equities and funds within the same ISA or pension (they're working on solving this really, really silly restriction). In fact, you need to be a wealthier cat (£100k and above) to access equities on the pension side, with access to the Specialist SIPP. That said, on the pension front Fidelity Personal Investing is (rightly) vocal about the range of pension freedom options available from its SIPP at no extra cost.
Investment range	Fidelity Personal Investing offers access to more than 2,000 funds from over 100 fund managers with no initial charges. You can have an open choice from these funds or go down one of several guided paths: • A range of Fidelity 'Pathfinder' funds that are picked out on the basis of your attitude to risk. • Similarly, a range of 'headstart portfolios', suggested based on investment type and attitude to risk. • A 'select' range of funds which are selected by Fidelity experts. This is a subset of just under 300 of the 2,000+ full fund list. • Smart Investor – market and investment tips and tools. If you'd like to invest outside of funds, then it's possible to deal in equities, investment trusts and a limited range of ETFs. These are available via the stocks and shares ISA and Specialist SIPP – but see the warning above.
Charges	**Annual platform charge:** 0.35% for portfolio sizes up to £250,000. If you have a bigger portfolio than this, you'll pay 0.20% on the full value. These charges are capped at £2,000 per year. We like to see maxima placed on charges but £2k is still an awful lot to pay for platform administration. **Account administration charges:** There is an additional monthly fee of £5.10 if you want to trade equities. **Fund switches:** Free across the board. **Equity trading charges:** £9 trading charge if you trade equities online. ETF trading is charged at 0.10% of the value of the buy or sell.

Overall proposition	The overall look, feel and tone of the website suggests Fidelity Personal Investing is aiming at the novice end of the spectrum, with a lot of material about getting to grips with the basics. This is further highlighted by the product wrappers themselves showing distinct splits between fund (where there is a lot of good supporting material) and equity investment which is presented as more niche. But when you log in the experience you get is a long way from the marketing website.
User experience	The front end of the website is packed with information and guidance. It also has a fresh, engaging feel. Once you begin to sign up for an account, however, things take a different turn: • We were surprised by the high minimum investment of £1,000 per fund. This is out of line with many in the market and isn't made clear on the front-end of the site. It's also too much for novices. • You need to choose investments before you even enter any personal details. In fairness, if you're going down one of the guided routes this doesn't work too badly. But if you're choosing a range of funds, having to go through an online shopping-style basket approach feels counter intuitive. • And while we're at it, the manual fund selector element is pretty clunky. • Once you start adding money, you get a temporary log-in but it's not immediately apparent what this means. • It transpires that the temporary log-in simply gives you access to further rich content within the site. There's actually no means of checking if your money has been placed successfully until the trade completes several days later and you get your username and password through the post. That's the post. In 2015. They might as well have faxed it. All in all, this feels well short of what you'd expect from an online shopping experience in 2015, let alone something where you're potentially investing many thousands of pounds. We expected much better and were sorely disappointed.
Web links	https://www.fidelity.co.uk/investor/default.page https://www.fidelity.co.uk/investor/funds/fund-charges/no-hidden-charges.page
Best for	The reasonably well-off novice investor who needs to swot up before placing their hard-earned and who doesn't mind a disjointed online experience.
the lang cat view	A game of two halves on show here. The front-end website is up there with the best. There's loads of information to read through and help you, most of which is clear and pretty well written. The charging structure is similarly clear and the absence of event-driven charges is a big thumbs up. The platform sign-up process and post-login experience is another story though. A poor experience leaves a bad taste. Fix that, and integrate fund and equity investment, and Fidelity Personal Investor would be up there with the best.

HARGREAVES LANSDOWN

The basics	The acknowledged King of direct investing. Hargreaves Lansdown (HL) controls around one third of direct platform AUA and is known for service excellence, something its customers are willing to pay a premium for.
Ownership	Founded by Peter Hargreaves and Stephen Lansdown in 1981, HL is now a FTSE100 company.
Technology	Proprietary: HL prides itself on its in-house tech. The HL Live app (research, dealing and secure account access) is available for iPad, iPhone and android while the HL Investment Times (the in-house magazine) has both print and iPad versions.
AUA	£52.4bn (30/04/15). This includes advised but not discretionary assets.
Accounts	707,000 active clients (30/04/15). This includes advised but not discretionary clients.
Wrappers	SIPP, ISA and trading account are all accessed through the Vantage platform. All the new retirement flexibilities are catered for and HL has removed drawdown set-up charges. If you're a new customer who sets up drawdown and then clears it out within a year then a £295 plus VAT charge applies to cover HL's admin costs.
Investment range	HL has in excess of 2,500 funds, equities, ETFs and investment trusts to choose from and caters for the whole spectrum of investor knowledge and confidence: • Master Portfolios – 5 ready-made, risk-rated portfolios aimed at new investors or those who prefer something off-the-shelf. • Portfolio+ – the new managed portfolio service with 6 options, still ready-made and risk-rated but also re-balanced by HL. • Index tracker and multi-manager funds, HL's oft-mentioned Wealth 150 range of funds and a whole host of equity options. This is all backed up by some useful FAQs and other support material. You can also sign up for a range of fund research and updates if that's what you like landing in your inbox. HL's reputation for relentless direct marketing is well-deserved.
Charges	Platform (or annual management) charge is the same regardless of which wrapper you choose. Be aware that it applies *per wrapper*, so you have to have £250,000 in each of SIPP, ISA or trading account to get the benefit of the tiered discount.

Amount per wrapper	Platform admin charge
£0 to £250,000	0.45%
£250,000 to £1m	0.25%
£1m to £2m	0.10%
£2m plus	0.00%

- If you are invested in funds the above charges apply but there are no additional trading charges.
- For shares, ITs, ETFs, gilts and bonds held in a SIPP or ISA the annual charge is 0.45% pa, capped at £45pa.
- There's no charge for shares, ITs, ETFs, gilts and bonds held in a trading account but trading charges apply and depend on the frequency with which you dealt in the previous month: up to 9 deals (£11.95), 10-19 (£8.95) and 20 plus (£5.95).
- Other charges apply for various additional services.
- Exit charges apply of £25 per holding on transfer elsewhere.

Overall proposition	HL treads the very thin line between keeping the die-hard investor-heads happy whilst also holding the hand of nervous newbies. And it does so very effectively. Pretty much everything you need from a wrapper and investment perspective is there and easy to find. Where it sets itself apart is in the service offering and the range of information on offer, both on the website and in the regular mailings and marketing material it sends out. The basics are there for beginners along with a broad range of fund and market research and updates. It's an enviable operation from a business perspective and is intended to keep investors up-to-date and informed on fund and market developments without them having to seek information out. Which is fine when it all works as it should. We'll come back to that point shortly.
User experience	If HL does anything, it's make it easy for people to give it money. As much of the set-up journey as possible is online; you can be up and trading very quickly if you've got money in your pockets. Things take longer if you're transferring, but HL is well versed in this stuff and the process is as smooth as the other links in the chain will allow. You will go far and fail to find an easier set-up journey. Whether you're researching, setting up an account or firmly established, you're never far from the option of advice. While HL is a direct platform, it also operates advice and discretionary management services and it's easy to flip over should you wish. Once logged in to your account the screen layout is similar to most platforms. Should you have a number of accounts within a family they are set out together so you can see each individually alongside a consolidated view. There's also a detailed breakdown of cash and stock holdings as well as prices (current and when bought) and messages relating to funds held. The service is generally excellent in our experience (we hold a number of HL accounts). But even then there are chinks in the armour. One of the funds held in our account was closing and so was not tradable – and the communication was notable by its absence. As we said to someone at HL – we can pay iWeb prices for sorting it all ourselves. Communication is HL's speciality. It's part of what you pay (a little more) for. But no-one gets it right all the time, and HL gets it right more than most. Overall, the experiences is what you'd expect from HL. User friendly, intuitive and (if needed) a helpful voice on the phone, as well as plenty of support material and general research/market updates.
Web links	Homepage: http://www.hl.co.uk SIPP charges: **http://www.hl.co.uk/pensions/sipp/charges-and-interest-rates** ISA charges: **http://www.hl.co.uk/investment-services/isa/savings-interest-rates-and-charges** Trading account charges: **http://www.hl.co.uk/investment-services/fund-and-share-account/charges-and-interest-rates**
Best for	Investors looking for a little something extra – whether that's support, service or information – and who are happy paying a premium for it.
the lang cat view	HL does get a lot of things right. Its service offering is an example to others while both the website and platform are intuitive if not simple, with the added bonus of mobile access. But there are flaws, and we are unapologetic in holding HL to a higher standard than some of its smaller peers. We also think that it remains – after log-in at least – best suited to hobbyists or investment enthusiasts. As HL tries to broaden its appeal still further, we think that post-login experience needs to evolve still further.

TD DIRECT INVESTING

The basics	Managing over £13bn of assets, TD Direct Investing is now one of the UK's largest direct investment platforms.
Ownership	Part of Toronto-based TD Bank Group, which is a global financial services player and, frankly, massive. We have no idea in the UK just how big it is.
Technology	JHC Figaro under the hood.
AUA	£13.2bn as at 31 March 2015.
Accounts	270,000 as at 31 March 2015.
Wrappers	ISA, SIPP and a trading account. There are also some advanced accounts catering for more specialist trading requirements.
Investment range	Offers access to more than 2,000 collective investment funds and, in addition, more specialist investments including all the usual exchange-traded assets plus specialist trading on derivatives, financial spreading betting, forex, futures and more.
Charges	The core costs are simple enough. It's an ongoing platform fee with tiers based on the level of funds held, with an annual maximum of £1,500:

Up to £250,000	0.30%
Over £250,000	0.20%
Maximum	£1,500

However, there are a few ifs and buts…

- The pension (run by AJ Bell) is charged at an extra 0.25% of the level of funds held in it, subject to a minimum of £80 and a maximum of £200 a year (both are subject to VAT).
- The ISA has no charge unless your balance is less than £5,100, then it's £30 a year plus VAT.
- The trading account is free if you already have a SIPP or ISA, you hold funds valued at more than £10,000 or have placed a trade in the previous six month period. If not, then it's £80 a year plus VAT.
- Direct trading fees vary from £5.95 to £12.50 per trade, depending on how often you trade.

Overall proposition

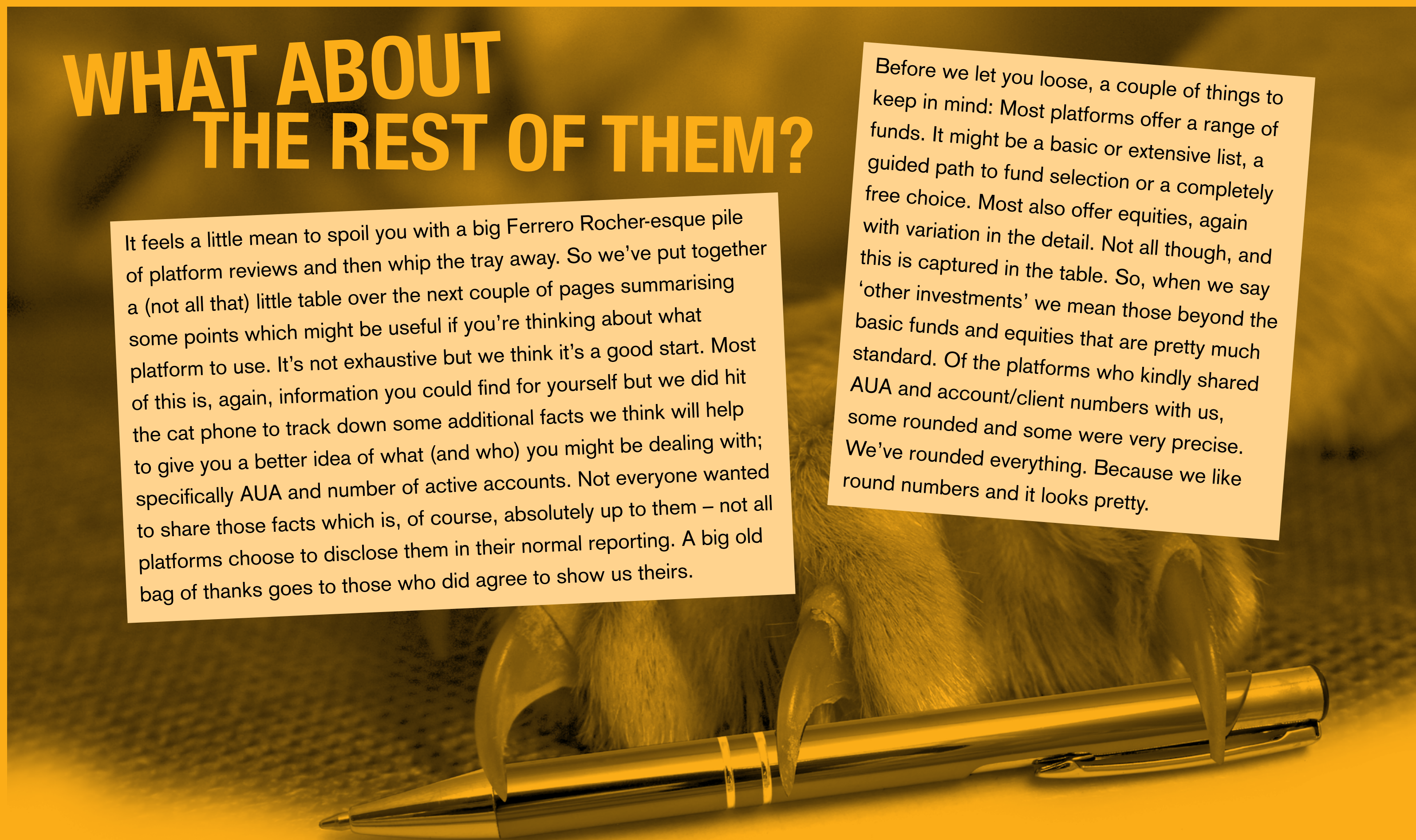
While TD is designed to attract both straightforward and more sophisticated investors, it's most suitable for those with at least some experience or idea of what they're looking for. With no promoted fund range, it's a case of making selections using a standard tool (with standard criteria such as name, fund manager, asset class and region). There is a 'most popular funds' list, but it's purely that – with no split by sector, or fund type.

The website, however, manages the tricky job of speaking to both experienced and novice customers pretty well and we certainly wouldn't rule it out for beginners (with the caveat that it would require some careful research to decide which funds are right for you). Both wrapper and investment coverage are as comprehensive as they could be and the specialist trading options will appeal to the more serious and hobbyist investors.

Our word of caution would be that the complex stuff could be risky for anyone who doesn't know what they're doing and is tempted to dabble – derivatives and spread trading are not for gambling your pension on. There is a free demo account with a virtual £100,000 to practice with, which is cool.

Overall, the platform usability is decent but a number of process points could be improved. In particular, security (while of course important) is a pain even compared to others.

User experience	A reasonable level of investment knowledge is required to set up an account and get using TD. At a minimum, if using collective funds you need to know what you're looking for. If that's you, the system is fairly intuitive and the user journey when creating an account is similar to most of its peers. The minimum trade size (£500) isn't clear enough and the process breaks down if you're trying to invest less than £500 in a single fund. This might seem dumb to the TD guys, but it's important. Once the account is initially set up, getting back in is a bit problematic and involves going to email to find a password, but it's not clear what to use (we are specialists in this stuff but eventually had to phone up for assistance). When everything is set up, the account screen layout works well. Total amounts held between cash, funds or direct investments are nice and clear in a banner across the top of your account. As is where to go to 'do things' like make more trades. Overall, it's nice and usable – especially once you're used to it. You'll find lots of sophisticated features and helpful tools. We especially like the pension calculator and advanced trading platforms. TD also gets kudos for being mobile compatible.
Web links	http://www.tddirectinvesting.co.uk/
Best for	From reasonably experienced up to highly sophisticated self-investors.
the lang cat view	It needs a bit of knowledge to use and, although not especially expensive, the charging is complex. The range of investments available is huge – and with all of the specialist areas taken into consideration reaffirms our view that TD is not primarily for beginners. That said, once you're used to the system, there's no reason whatsoever that those with pretty simple needs can't be happy with this platform.



WHAT ABOUT THE REST OF THEM?

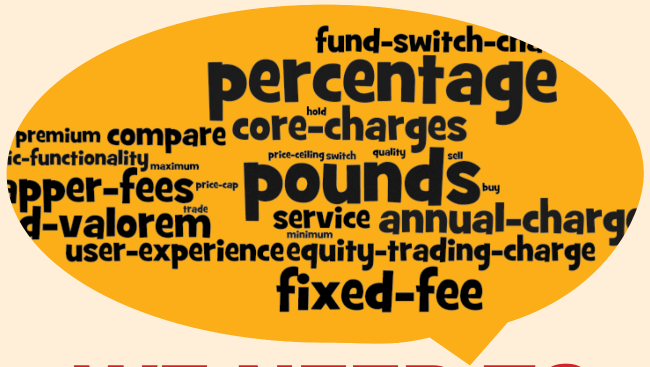
It feels a little mean to spoil you with a big Ferrero Rocher-esque pile of platform reviews and then whip the tray away. So we've put together a (not all that) little table over the next couple of pages summarising some points which might be useful if you're thinking about what platform to use. It's not exhaustive but we think it's a good start. Most of this is, again, information you could find for yourself but we did hit the cat phone to track down some additional facts we think will help to give you a better idea of what (and who) you might be dealing with; specifically AUA and number of active accounts. Not everyone wanted to share those facts which is, of course, absolutely up to them – not all platforms choose to disclose them in their normal reporting. A big old bag of thanks goes to those who did agree to show us theirs.

Before we let you loose, a couple of things to keep in mind: Most platforms offer a range of funds. It might be a basic or extensive list, a guided path to fund selection or a completely free choice. Most also offer equities, again with variation in the detail. Not all though, and this is captured in the table. So, when we say 'other investments' we mean those beyond the basic funds and equities that are pretty much standard. Of the platforms who kindly shared AUA and account/client numbers with us, some rounded and some were very precise. We've rounded everything. Because we like round numbers and it looks pretty.

Platform	Wrapper choice	Help with choosing investments?	Other investments
AJ Bell Youinvest	SIPP, ISA, Junior ISA and dealing account.	No	Investment trusts, ETFs, government bonds, corporate bonds, warrants and exchange traded commodities.
Alliance Trust Savings	SIPP, ISA, Junior ISA and dealing account.	No	Investment trusts, ETFs, bonds and gilts.
Aviva Consumer Platform	SIPP, ISA and dealing account.	No	Investment trusts, structured deposits, gilts, bonds and ETFs.
AXA Self Investor	ISA and dealing account.	Ranges of all-in-one multi-manager funds, favourite funds and quick-start portfolios.	
Barclays Stockbrokers	SIPP, ISA and dealing account.	No	Investment trusts, ETFs, government bonds, corporate bonds, structured products and exchange traded commodities.
Bestinvest	SIPP, ISA, Junior ISA and dealing account.	Range of risk-rated model portfolios plus a suggested selection of top-rated funds.	Investment trusts, ETFs, VCTs.
Cavendish Online	ISA, Junior ISA and dealing account.	A range of risk-based model portfolios.	
Charles Stanley Direct	SIPP, ISA, Junior ISA and dealing account.	A range of risk-based portfolios and a suggested fund list.	Investment trusts, ETFs, gilts and bonds.
Chelsea Financial Services	ISA and SIPP.	A range of risk-based portfolios and a suggested fund list.	
Close Brothers A.M. Self-Directed Service	SIPP, ISA and dealing account.	A range of in-house managed funds and a suggested fund list.	Gilts and fixed term deposits.
Clubfinance	ISA and dealing account.	No	Access to complex investments such as synthetic ETFs, structured products, warrants and covered warrants, complex funds and shares on unregulated markets.
Equiniti Shareview	ISA and dealing account.	No	Investment trusts, corporate bonds, gilts and ETFs.
Fidelity Personal Investing	SIPP, ISA and dealing account.	Range of model portfolios, risk-based portfolios and suggested fund list.	Investment trusts and exchange traded products
Halifax Share Dealing	SIPP, ISA and dealing account.	No	Investment trusts, ETFs, bonds, gilts and structured products.
Hargreaves Lansdown	SIPP, ISA, Junior ISA and dealing account.	Ready-made portfolios, ability to create profolios based on risk and suggested fund lists.	Investment trusts, ETFs, bonds and gilts.
iDealing	SIPP, ISA and dealing account.	No	Access to a wide range of markets and options such as investment trusts, bonds, futures and options.
Interactive Investor	SIPP, ISA and dealing account.	Range of ready-made risk-rated portfolios and a suggested fund list.	Investment trusts, ETFs, bonds, gilts and advanced options.
iWeb	SIPP, ISA and dealing account.	No	Investment trusts, ETFs, bonds, gilts and preference shares.
James Hay Modular iPlan	SIPP, ISA and dealing account.	No	Investment trusts, ETFs, bonds and gilts. Can access more specialised investments too.
Nutmeg	SIPP, ISA and dealing account.	Platform centres around a goal based approach, matching a portfolio to your risk profile.	
Retiready from Aegon	SIPP and ISA.	Platform centres around a goal based approach, matching investment fund to your risk profile.	
rplan	ISA and dealing account.	A range of risk-rated portfolios.	
Selftrade	SIPP, ISA and dealing account.	No	ETFs, bonds, gilts, ETCs and derivatives.
Strawberry	SIPP, ISA and dealing account.	Offers a few multi-manager funds as suggestions for the beginner.	Investment trusts and ETFs.
SVS XO	ISA and dealing account.	No	Wide range of international equities.
TD Direct Investing	SIPP, ISA and dealing account.	A range of reccommended funds.	Investment trusts, ETFs, bonds and gilts.
Telegraph Investor	SIPP, ISA and dealing account.	No	Investment trusts, ETFs, bonds and gilts.
The Share Centre	SIPP, ISA, Junior ISA and dealing account.	A range of reccommended funds.	Investment trusts, ETFs, bonds, gilts and complex investments.
True Potential Investor	SIPP, ISA and dealing account.	Fund choice is divided into risk bands.	
Trustnet Direct	SIPP, ISA, Junior ISA and dealing account.	A range of goal-based selections and model portfolios.	Investment trusts and ETFs.
Willis Owen	SIPP, ISA, Junior ISA and dealing account.	No	Investment trusts and ETFs.
X-O	SIPP, ISA and dealing account.	No	Investment trusts, ETFs, bonds and gilts.

Note: where the cell is greyed out, that means the platform does not offer additional investment options.

Platform	Share dealing	Find out more	Active accounts (31/03/15)	AUA (31/03/15)
AJ Bell Youinvest	Yes	https://www.youinvest.co.uk/	Approx 90,000 clients (AJ Bell group)	£17.7bn (AJ Bell group)
Alliance Trust Savings	Yes	http://www.alliancetrustsavings.co.uk	63,000	£5.5bn
Aviva Consumer Platform	Yes	http://www.aviva.co.uk/savings-and-retirement/	NA (launched June 2015)	NA (launched June 2015)
AXA Self Investor	No	https://www.axaselfinvestor.co.uk/	Not disclosed (ND)	ND
Barclays Stockbrokers	Yes	https://www.barclaysstockbrokers.co.uk	ND	ND
Bestinvest	Yes	http://www.bestinvest.co.uk/	48,000	£2.5bn
Cavendish Online	No	http://www.cavendishonline.co.uk/	ND	ND
Charles Stanley Direct	Yes	https://www.charles-stanley-direct.co.uk/	21,000 for 17,000 clients (06/04/15).	£1.05bn (plus £450m in Garrison) as at 06/04/15.
Chelsea Financial Services	No	https://www.chelseafs.co.uk/	Approx 13,000 clients (Cofunds business only).	Approx £700m (Cofunds business only).
Close Brothers A.M. Self-Directed Service	Yes	https://www.closebrothersam.com/self-directed-service	25,000 clients	Approx £710m
Clubfinance	Yes	http://www.clubfinance.co.uk/FrequentTrader/Frequent-Trader.php	5,500 Frequent Trader direct clients (25/06/15).	£200m for Frequent Trader direct clients (25/06/15).
Equiniti Shareview	Yes	http://www.shareview.co.uk/4/Info/Portfolio/Default/en/Home/Pages/Home.aspx	ND	ND
Fidelity Personal Investing	Yes	https://www.fidelity.co.uk/investor/default.page	275,000	£11.5bn
Halifax Share Dealing	Yes	http://www.halifax.co.uk/sharedealing/	ND	ND
Hargreaves Lansdown	Yes	http://www.hl.co.uk	707,000 active clients as at 30/04/15 (includes advised but not discretionary).	£52.4bn AUM as at 30/04/15 (includes advised but not discretionary).
iDealing	Yes	https://www.idealing.com	ND	ND
Interactive Investor	Yes	http://www.iii.co.uk/	ND	£3bn
iWeb	Yes	http://www.iweb-sharedealing.co.uk/share-dealing-home.asp	ND	ND
James Hay Modular iPlan	Yes	http://www.jameshay.co.uk/modular/index.aspx	8,000	£1.8bn
Nutmeg	No	http://www.nutmeg.com/	ND	ND
Retiready from Aegon	No	https://retiready.co.uk/retiready.html	27,300 clients	ND
rplan	No	https://www.rplan.co.uk/	ND	ND
Selftrade	Yes	https://selftrade.co.uk/	145,000	£5bn AUM
Strawberry	Yes	http://www.strawberryinvest.com/	ND	ND
SVS XO	Yes	https://svsxo.com/	ND	ND
TD Direct Investing	Yes	http://www.tddirectinvesting.co.uk/	270,000	£13.2bn
Telegraph Investor	Yes	http://www.telegraph.co.uk/finance/investor/	ND	ND
The Share Centre	Yes	https://www.share.com/	ND	ND
True Potential Investor	No	https://www.tpinvestor.com/	ND	ND
Trustnet Direct	Yes	https://www.trustnetdirect.com/	Around 2,400	Around £120m
Willis Owen	Yes	https://www.willisowen.co.uk/	42,300	£860m
X-O	Yes	http://www.x-o.co.uk/	ND	ND



WE NEED TO TALK ABOUT PRICING

There are lots of things to take into account when you're looking for a platform. Some are subjective (brand, customer service experience, whizzy toys) and so are tricky for us to compare – we might feel differently to you as to what the Barclays brand means, for example. Different things matter to different people.

One thing that doesn't vary is core platform functionality, which is broadly similar across the market. **As we've said before, platforms help you buy stuff, keep it, find out how it's doing and sell it again when you're bored of it.**

It comes down to finding an offering that suits you and does what you want it to for what you consider to be a reasonable price.

Which brings us neatly to the topic of price. Ah, price. Price should not be the core of your platform decision but it is important. You *can* compare platform charges in an objective manner. And looking at price also provides context for softer elements such as service and those whizzy toys. Are they worth paying a premium for or are you more comfortable just paying for the basics because that's all you'll ever use? The answer is…up to you. Otherwise you'd be talking to an adviser.

We spend a lot of time looking at how much different platforms cost. To say that's an understatement would be understating it, if you get our drift. One consequence (apart from the dwindling number of invites to social gatherings) is that we're deeply, distressingly familiar with these costs – who charges what, where it's detailed on websites and how it all adds up.

However, we're still sufficiently human to understand that the range of charging structures on offer could easily overwhelm the casual or new saver.

Some platforms charge an annual percentage; some charge a fixed cost. Some bundle in the cost of switching your investments; others split it out. And many charge a combination of all of these. Add to this the different terminology and layouts used across different platforms and you'd be forgiven for gazing longingly at your old Bank of Scotland SuperSaver Squirrel piggy-bank and wishing for simpler times.

Wouldn't it be great then if someone were to:

- collect all of this information in a logical order and
- present it in some form of tabular form and
- tell you which platform will make you rich! RICH BEYOND YOUR WILDEST DREAMS!

Well, we can't do the latter but as a certain Mr Loaf once put it, two out of three ain't bad and we've had a decent bash at the first two. We'll retreat now and update our cultural references, which gives you time to cast your eyes over our sizeable table of charges. There will be a quiz when we get back.[4]

JARGON CLAXON!

We're going to be talking about pricing and charges for the next few pages. While we'll try to explain terms as we go, some may slip though the net. There's a glossary of sorts in last year's Guide which breaks things down nicely. It might be worth having a look through now or just dipping in if you feel a bit lost. Remember, last year's is free to download too. It's gooooood.

	Core platform charges	SIPP fee
AJ Bell Youinvest	0.20% for investment in funds, capped at £200 pa.	Value / Charge (pa) Up to £10k: £20 £10K to £20k: £60 Above £20k: £100
Alliance Trust Savings	£0	£186 pa
Aviva Consumer Platform	Value / Charge (pa) Up to £50k: 0.40% £50K to £250k: 0.35% £250K to £500k: 0.25% Above £500k: 0.00%	£0
AXA Self Investor	Value / Charge (pa) Up to £250k: 0.35% Above £250k: 0.20%	
Barclays Stockbrokers	0.35% charge with £35 minimum and £1,750 maximum per year.	£186 pa (waived if you hold funds only)
Bestinvest	£0	Value / Charge (pa) Up to £250k: 0.40% £250K to £1m: 0.20% Above £1m: 0%
Cavendish Online	0.25% (0.20% platform fee and 0.05% Cavendish ongoing fee).	
Charles Stanley Direct	Value / Charge (pa) Up to £500k: 0.25% £500K to £2m: 0.15% Above £2m: 0.10%	£120 per year
Chelsea Financial Services	Value / Charge (pa) Up to £250k: 0.60% £250k to £500k: 0.55% £500k to £1m: 0.50% £1m to £2m: 0.40% Above £2m: 0.15%	£0
Close Brothers A.M. Self-Directed Service	0.35% pa	£0
Clubfinance	0.24% pa with a £120 minimum.	
Equiniti Shareview	0.50% pa with a £20 + VAT minimum and £75 + VAT maximum.	

Note: where cells in the table are greyed out, that means that option is not available on the platform.

	ISA fee	Online fund switching	Equity trading
AJ Bell Youinvest	£0	£4.95 per trade	£9.95 a deal, reducing to £4.95 if there were 10 or more deals in the previous month.
Alliance Trust Savings	£75 pa	£12.50 per trade	£12.50 per trade
Aviva Consumer Platform	£0	£0	£7.50 per trade
AXA Self Investor	£0	£0	
Barclays Stockbrokers	£36pa (waived if you hold funds only)	£0	£11.95 a trade reducing to £8.95 if there are 10-19 trades in the previous month, reducing further to £5.95 if there were more than 20.
Bestinvest	Value / Charge (pa) Up to £250k: 0.30% £250k to £1m: 0.20% Above £1m: 0%	£0	£7.50 per trade
Cavendish Online	£0	£0	
Charles Stanley Direct	£0	£0	£10 a trade There is a charge of 0.25% for equity investment with a minimum of £20 and maximum of £150 per half year. This is waived if there were 6 or more trades in the half-yearly collection period.
Chelsea Financial Services	£0	£0	
Close Brothers A.M. Self-Directed Service	£0	£0	£8.95 a trade 0.25% pa charge
Clubfinance	£0	£0	£2.50 a trade. £1.50 is rebated for portfolios between £250,000 and £500,000, reducing to a £2 rebate for portfolios above this. Value of the rebate is capped at £4,000.
Equiniti Shareview	£0		£12.50 per trade

4. Not really.

	Core platform charges	SIPP fee
Fidelity Personal Investing	**Value** / **Charge (pa)** Up to £250k 0.35% £250K to £1m 0.20% Above £1m 0.00% Once £250K is reached, the 0.20% charge applies to the whole portfolio.	
Halifax Share Dealing	£0	**Value** / **Charge (pa)** Up to £50k £90 Above £50k £180
Hargreaves Lansdown	0.45% pa for equities, gilts and bonds (capped at £45 for ISA and £200 for SIPP). For investment in funds: **Value** / **Charge (pa)** Up to £250k 0.45% £250k to £1m 0.25% £1m to £2m 0.10% Above £2m 0.00%	£0
iDealing	£0	£20 pa
Interactive Investor	Quarterly £20 account fee (comes with a credit for 2 free trades a quarter).	£80 + VAT per year
iWeb	£0	Value / Charge (pa) Up to £50k £90 Above £50k £180
James Hay Modular iPlan	**Value** / **Charge (pa)** Up to £500k 0.18% £500k to £1m 0.15% Above £1m 0.05%	£195 fee, waived if there is over £195k in basic assets (including investment centre funds).
Nutmeg	**Value** / **Charge (pa)** Up to £25k 1.00% £25k to £50k 0.90% £50k to £100k 0.75% £100k to £250k 0.60% £250k to £500k 0.50% Above £500k 0.30% Once each band is reached, it applies to the full portfolio value.	£0
Retiready from Aegon	**Value** / **Charge (pa)** Up to £50k 0.50% £50k to £100k 0.40% Above £100k 0.30%	
rplan	0.35% pa	
Selftrade	£0	£118.80 pa
Strawberry	**Value** / **Charge (pa)** Up to £50k 0.35% £50k to £1m 0.25% Above £1m 0.10% Minimum charge of £30pa. There is also an annual platform charge of £10.	£120 pa
SVS XO	£0	
TD Direct Investing	**Value** / **Charge (pa)** Up to £250k 0.30% Above £250k 0.20% Maximum collection per year of £1,500.	Product charge of 0.25% taken twice a year. Minimum of £48 and maximum of £120 per collection.
Telegraph Investor	0.30% with a minimum of £20 and maximum of £300 per year.	£96 pa
The Share Centre	£0	£172.80 pa (£12 + VAT per month)
True Potential Investor	0.40% pa	
Trustnet Direct	0.25% pa with minimum of £20 and maximum of £200.	£96 pa
Willis Owen	**Value** / **Charge (pa)** Up to £50k 0.40% £50,000 to £100k 0.30% £100,000 to £250k 0.20% Above £250k 0.15%	£132 pa
X-O	£0	£132 pa

	ISA fee	Online fund switching	Equity trading
Fidelity Personal Investing	£0		Monthly admin charge of £5.10 for equities. Share trading costs £9 per deal. ETF trading costs 0.10% per deal.
Halifax Share Dealing	£12.50 per year	£12.50 per trade	£12.50 per trade
Hargreaves Lansdown	£0	£0	£11.95 a trade reducing to £8.95 if there are 10-19 trades in the previous month, reducing further to £5.95 if there were more than 20.
iDealing	£20 pa		£9.90 per trade
Interactive Investor	£0	£10 per trade	£10 per trade reducing to £5 for the rest of the month if you've paid for 10 full price trades that month.
iWeb	£200 one-off account opening fee	£5 per trade	£5 per trade
James Hay Modular iPlan	£0	£0	£15 a trade
Nutmeg	£0	£0	
Retiready from Aegon		£0	
rplan	£0	£0	
Selftrade	£0		£12.50 reducing to £6 if 100 trades are placed in a quarter.
Strawberry	£0	£0	£9.50 a trade
SVS XO	£0		£5.75 per trade
TD Direct Investing	£36 annual charge for balances lower than £5,100.	£0	£12.50 a trade reducing to £8.95 if there were10-19 trades in the previous 3 consecutive months, reducing further to £5.95 if there were more than 20.
Telegraph Investor	£0	£0	£10 per trade
The Share Centre	£57.60 charge for ISA (£4 + VAT per month).	Standard option – Minimum of £7.50 a trade or 1%. Frequent trader option – a flat rate of £7.50 a trade plus £96 pa admin fee.	Standard option – Minimum of £7.50 a trade or 1%. Frequent trader option – a flat rate of £7.50 a trade plus £96 pa admin fee.
True Potential Investor	£0	£0	
Trustnet Direct	£0	£10 per trade reducing to £6 for the rest of the month if you've paid for 10 full price trades that month.	10 per trade reducing to £6 for the rest of the month if you've paid for 10 full price trades that month.
Willis Owen	£0	£0	£7.50 per trade
X-O	£0		£5.95 per trade

YOU WANT TO KNOW HOW IT WORKS? YOU TOOK THE WORDS RIGHT OUT OF MY MOUTH

OK, so we've still some work to do in updating our cultural references by a decade or three.

Moving on, the way in which the charges apply to your own investment depends on a number of key factors. Namely:

- Are you investing in a trading account, ISA or pension? Or a combination?
- Are you investing in funds or equities, ETFs or investment trusts? Or a mix?
- How much money do you have to bring to the game?
- Once you invest, do you plan on chopping and changing your investments or leaving well alone?

Let's take a look at how some of these variables affect the charges you'll pay, as well as a few other bits and pieces to look out for when you're deciding which platform might be right for you.

We'll start with the basic, core platform charge. This works in one of two ways.

Percentage-based is more common

Most investment platforms charge a percentage of the amount of money invested, typically starting at around 0.25% to 0.45% (so if you invest £10,000 that's £25 or £45 per year), but sometimes higher.

Percentage-based core platform charges tend to come down as the size of your pot goes up. Nutmeg offers the lowest beginning discount level (£20k) with others kicking in at around the £50k to £100k mark. The vast majority of platforms take your whole on-platform investment into account for this across ISA, SIPP or trading account. But the odd one or two differ by calculating charges per wrapper or account, which means you need to have built up a substantial amount in each of SIPP or ISA or whatever to get a discount. We do not heart this approach owing to its parsimony, despite being Scottish ourselves. Are you listening, Hargreaves?

But others offer a fixed fee

A core platform charge set at a fixed amount may appear less appealing at first glance. Having a value in cash money rather than a percentage staring you in the face can be a stark reminder of what you're handing over for the privilege of giving someone your money to look after. But it pays to do your sums and look again at these platforms, especially if you're lucky enough to be investing a larger sum of money.

If you have a princely couple of thousand pounds to invest then a £75 ISA fee is undoubtedly pricier than paying 0.25% (£5.00) to 0.45% (£9.00), but there is a crossover point where the fixed fee comes into its own. If you have, say, £100,000 to invest then that £75 will look much more attractive compared to 0.25% (£250) or 0.45% (£450).

Be mindful of product fees

Very few platforms charge an explicit additional fee for ISA investment but you still need to watch out for them. In some cases – Alliance Trust Savings and The Share Centre, for example – there is an ISA charge but no core platform charge, so it all balances out.

Additional wrapper fees are much more common if you invest in a pension. These range from around £100 to £200 so, again, if you have a smaller sum of money, it may pay to look at those who bundle the platform and product charges altogether into one percentage-based charge (Close Brothers, Fidelity Personal Investing, Hargreaves Lansdown and others.)

Some cap their charges

Good news for those lucky souls who have a considerable amount of cash to stash: some platforms set a limit on how much they charge per year. For example, Telegraph Investor and Trustnet Direct Investing set a maximum of £300 and £200 per year respectively which, in real terms, means no charge on funds above £100,000 and £80,000 respectively. Both are powered by Interactive Investor, incidentally. Others like HL, Fidelity and TD Direct also set a limit but at a much higher level.

Think about how much you want to tinker

No, not like that. Naughty. We're talking about your tendency to trade, or muck around with your investments. And to complicate matters further, costs vary depending on whether you invest in funds or equities.

Most platforms offer fund switching for free (well, nothing is free, it's bundled into the main platform charge) but some do levy an additional, explicit charge. These charges range from £5 to £12.50 and apply to both the sell part and the buy part of the transaction. So if you're being charged £12.50 per trade, that means £12.50 to sell the old fund and then another £12.50 to buy the new one. Even at £5 a pop this can quickly stack up so it's worth bearing in mind if you're going to be watching the markets and trading regularly.

The impact of this is more pronounced on the equity dealing side as every provider who offers this facility charges explicitly for buying and selling equities. These charges range from a couple of quid up to £15 for isolated buys and sells (so £30 for a complete switch). Many platforms offer frequent trader or regular investor (where you put in a sum of money on a regular basis – typically monthly) discounts.

And just to cap it off, some platforms waive their core platform charges for the portion of money you invest in equities which offsets the trading charges to some extent at least. Oh, and some platforms don't offer equities at all.

We never said this was straightforward, did we? Remember people, we care about this stuff so you don't have to…

So, that's it then, right? We've covered the main charges that apply when you place your cash in an investment platform and we're all still friends. Well, *SPOILER ALERT*, there's a nasty sting in the tail of this particular beast that can bite you on the way out should you choose to move away from your platform of choice. We'll come back to that later on in the Guide.

But first, let's move on to our patented[5] pricing tables and see how these providers compare side by side.

5. No, not actually. But replicate them without asking and @langcatsteve will have your ass.

PLATFORM CHARGING: LIKE A WOUNDED BULL

Having worked our way through the platform charging theory labyrinth, let's have a look at what it all means for your investment in terms of cold hard cash. And percentages. LOTS OF PERCENTAGES. You can tell we're excited.

We're about to hit you with a load of very large tables. But they're easy to use. Simply identify the closest portfolio size to your own in the columns, then in the rows pick out the platform(s) you're interested in. By the miracle of acrossy-downy looking up, that's broadly speaking the charge you'll pay. Simples, as a highly-paid London creative agency made a pretend member of the mongoose family say.

CHARGES CHANGES (BET YOU CAN'T SAY IT FAST FIVE TIMES)

Pricing activity in the last year has been noticeably calmer compared to the preceding 12 months. But that's (1) not a fair fight and (2) inevitable. This time last year the majority of the direct platform market had not long announced new 'clean' pricing structures (explicit charges with commission no longer included) designed to meet new rules which came into effect in April 2014. Even those who already had clean pricing reviewed what they charged in light of the new offerings hitting the market.

Subsequent activity, then, has been largely limited to special offers, particularly in ISA season, where we saw the likes of AXA Self Investor, Fidelity Personal Investing, Close Brothers Asset Management Self-Directed Service (snappy; we're just saying CBAM from now on, because it sounds like a US TV station rather than a platform), Nutmeg and Retiready from Aegon offer special deals – typically waiving charges completely for a limited timeframe.

Of course, where there are rules there will be exceptions and some platforms have made more substantial pricing changes.

iWeb caught everyone off guard when it increased the opening charge for its ISA and trading account from £25 to £200. One of the main points in iWeb's favour is that it's cheap. The platform is functional but basic – it does what you need it to and this lack of frills is reflected in the overall pricing. It's not *quite* so cheap now. But let's keep things in proportion. Yes, it's a sizeable increase from £25 to £200 (700% for arithmetic fans) but it only applies when you open your account. If you're investing for a reasonable length of time or have a sizeable bag of cash and require neither bells nor whistles from your platform, then the effect of this charge will disappear over time. And let's not forget iWeb's highly competitive £5 per trade tariff.

We had a bit of a pop at **Willis Owen** in last year's Guide, mainly for being – and there's no way to gild this particular lily – comically expensive. Well, they either (1) listened to us or (2) were going to do it anyway, but whatever the reason, at the start of the year they came to market with a shiny new charging structure. We'll see very shortly whether this has had any effect on its positioning in the market. That's us building tension to keep you reading, you know. This stuff doesn't happen by accident.

Platform exit charges have long been a burr in the fur of the lang cat so we were heartened when **TD Direct** escorted exit fees to the door and gently deposited them on the pavement with due care for their wellbeing, such as you may find a bouncer doing on the Quayside in Newcastle on an average Saturday night. This was a genuine change for the better as, at £25 per line of stock, charges for moving off TD soon mounted up.

By the by, some platforms offer to give you back some bunce to cushion the blow of exit fees incurred by your jumping ship to join them. Nice of them, eh? Selfless. Well, what about when you decide to move on again? Exit charges don't affect our tables but we'll look at them in a lot more depth a little further on in the Guide.

Alongside those changes, we also welcome some new faces to the Guide. In some cases (Equiniti Shareview, Selftrade, True Potential Investor and X-O) this is down to reader feedback (See? We don't delete *all* our emails without reading them). And we welcome two brand new platforms to the fray in Telegraph Investor, which launched in late 2014, and the Aviva Consumer Platform which just squeaked in after launching midway through us drafting the Guide. Thanks, lads.

On that note, it's time to move onto our pricing tables ...

As with all exclusive clubs, we have a few house rules. If you've read last year's Guide you'll be familiar with them. But for new members and those who'd like a refresher, here they are:

- We take the main platform custody charges and add in any annual product charges too, combining them using the elite and patented (in our imagination) mathematical process of 'squishing'.
- We look at the fundamentals only, excluding event-driven charges like re-registration, drawdown or exit fees.
- We ignore underlying investment costs to ensure a fair comparison. In the absence of discounted fund deals (where a fund manager will give a better deal to one platform over another) we assume you can get broadly the same deal on investments from platform to platform.
- But we *do* include fund trading or share dealing costs. We assume 5 full switches (5 buys and 5 sells) for the fund tables and the cost of 25 trades (buys or sells) for the equity tables.
- The tables, or *heatmaps* as we call them, absolutely do not mean that green is good and red is bad. The formula behind it is comparative in nature; it compares the numbers to each other rather than to a standard. That means if everyone was very cheap, some providers would still look a little red. Then we'd wake up. Or go out of business. One of the two.

ISA – FUNDS ONLY

Firstly, we'll look at the ISA market and assume that you're invested in a range of funds where possible. We say where possible because there are a couple of providers (Nutmeg and Aegon's Retiready) who offer guided solutions, so the fund choice just isn't there.

Some providers charge for fund trading so we include 10 instances of that in here (typically 5 complete switches; see the house rules above).

Here's how the table looks in percentages…

Portfolio size	£5k	£15k	£25k	£50k	£100k	£250k	£500k	£1m
AJ Bell Youinvest	1.19%	0.53%	0.40%	0.30%	0.25%	0.10%	0.05%	0.02%
Alliance Trust Savings	4.00%	1.33%	0.80%	0.40%	0.20%	0.08%	0.04%	0.02%
Aviva Consumer Platform	0.40%	0.40%	0.40%	0.40%	0.38%	0.36%	0.31%	0.15%
AXA Self Investor	0.35%	0.35%	0.35%	0.35%	0.35%	0.20%	0.20%	0.20%
Barclays Stockbrokers	0.70%	0.35%	0.35%	0.35%	0.35%	0.35%	0.35%	0.18%
Bestinvest	0.40%	0.40%	0.40%	0.40%	0.40%	0.40%	0.30%	0.25%
Cavendish Online	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%
Charles Stanley Direct	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.20%
Chelsea Financial Services	0.60%	0.60%	0.60%	0.60%	0.60%	0.60%	0.58%	0.54%
Close Brothers A.M. Self-Directed Service	0.35%	0.35%	0.35%	0.35%	0.35%	0.35%	0.35%	0.35%
Clubfinance	2.40%	0.80%	0.48%	0.24%	0.24%	0.24%	0.24%	0.24%
Fidelity Personal Investing	0.35%	0.35%	0.35%	0.35%	0.35%	0.20%	0.20%	0.20%
Halifax Share Dealing	2.75%	0.92%	0.55%	0.28%	0.14%	0.06%	0.03%	0.01%
Hargreaves Lansdown	0.45%	0.45%	0.45%	0.45%	0.45%	0.45%	0.35%	0.30%
Interactive Investor	2.00%	0.67%	0.40%	0.20%	0.10%	0.04%	0.02%	0.01%
iWeb	5.00%	1.67%	1.00%	0.50%	0.25%	0.10%	0.05%	0.03%
James Hay Modular iPlan	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.18%	0.16%
Nutmeg	1.00%	1.00%	0.90%	0.75%	0.60%	0.50%	0.30%	0.30%
Retiready from Aegon	0.50%	0.50%	0.50%	0.50%	0.45%	0.36%	0.33%	0.32%
rplan	0.35%	0.35%	0.35%	0.35%	0.35%	0.35%	0.35%	0.35%
Strawberry	0.80%	0.42%	0.39%	0.37%	0.31%	0.27%	0.26%	0.26%
TD Direct Investing	1.02%	0.30%	0.30%	0.30%	0.30%	0.30%	0.25%	0.15%
Telegraph Investor	0.40%	0.30%	0.30%	0.30%	0.30%	0.12%	0.06%	0.03%
The Share Centre	1.40%	0.63%	0.48%	0.46%	0.23%	0.09%	0.05%	0.02%
True Potential Investor	0.40%	0.40%	0.40%	0.40%	0.40%	0.40%	0.40%	0.40%
Trustnet Direct	2.40%	0.92%	0.65%	0.45%	0.30%	0.12%	0.06%	0.03%
Willis Owen	0.40%	0.40%	0.40%	0.40%	0.35%	0.26%	0.21%	0.18%

The noticeable thing about this heatmap is that there's a good spread of colour across the piece, with no one provider showing either green or red all the way across. This is a marketplace with plenty of options regardless of how much money you have to invest.

- The market standard has settled at around the 0.25% to 0.45% mark, with fixed fees dominating the price war[6] for much higher pot sizes.
- It's worth noting that despite **Hargreaves Lansdown** being easily the biggest player in the market, it's far from being the cheapest option for any fund size.
- **James Hay Modular iPlan** looks particularly cheap up to £250,000 but bear in mind you must have a SIPP before you can set up an ISA and that comes with a £195 fee for pots lower than £195,000.
- We mentioned that **Willis Owen** launched a new charging structure since our last Guide. It's a much more competitive offering now, with its entry charge of 0.40% looking a lot sharper.

6. Fortunately, there's not an actual war. Some of these expressions really are bloody silly.

Here at the lang cat, we're all about finding the simplest way of looking at things and a big table of percentages on its own doesn't feel quite right. We mentioned earlier how cold hard cash can bring things into focus, so here's the same table expressed as pounds.

Portfolio size	£5k	£15k	£25k	£50k	£100k	£250k	£500k	£1m
AJ Bell Youinvest	£60	£80	£100	£150	£250	£250	£250	£250
Alliance Trust Savings	£200	£200	£200	£200	£200	£200	£200	£200
Aviva Consumer Platform	£20	£60	£100	£200	£375	£900	£1,525	£1,525
AXA Self Investor	£18	£53	£88	£175	£350	£500	£1,000	£2,000
Barclays Stockbrokers	£35	£53	£88	£175	£350	£875	£1,750	£1,750
Bestinvest	£20	£60	£100	£200	£400	£1,000	£1,500	£2,500
Cavendish Online	£13	£38	£63	£125	£250	£625	£1,250	£2,500
Charles Stanley Direct	£13	£38	£63	£125	£250	£625	£1,250	£2,000
Chelsea Financial Services	£30	£90	£150	£300	£600	£1,500	£2,875	£5,375
Close Brothers A.M. Self-Directed Service	£18	£53	£88	£175	£350	£875	£1,750	£3,500
Clubfinance	£120	£120	£120	£120	£240	£600	£1,200	£2,400
Fidelity Personal Investing	£18	£53	£88	£175	£350	£500	£1,000	£2,000
Halifax Share Dealing	£138	£138	£138	£138	£138	£138	£138	£138
Hargreaves Lansdown	£23	£68	£113	£225	£450	£1,125	£1,750	£3,000
Interactive Investor	£100	£100	£100	£100	£100	£100	£100	£100
iWeb	£250	£250	£250	£250	£250	£250	£250	£250
James Hay Modular iPlan	£9	£27	£45	£90	£180	£450	£900	£1,650
Nutmeg	£50	£150	£225	£375	£600	£1,250	£1,500	£3,000
Retiready from Aegon	£25	£75	£125	£250	£450	£900	£1,650	£3,150
rplan	£18	£53	£88	£175	£350	£875	£1,750	£3,500
Strawberry	£40	£63	£98	£185	£310	£685	£1,310	£2,560
TD Direct Investing	£51	£45	£75	£150	£300	£750	£1,250	£1,500
Telegraph Investor	£20	£45	£75	£150	£300	£300	£300	£300
The Share Centre	£70	£95	£120	£229	£229	£229	£229	£229
True Potential Investor	£20	£60	£100	£200	£400	£1,000	£2,000	£4,000
Trustnet Direct	£120	£138	£163	£225	£300	£300	£300	£300
Willis Owen	£20	£60	£100	£200	£350	£650	£1,025	£1,775

We think this really brings home the various price differences. At the lowest pot size (£5,000) the difference between providers is a few quid here or there, but at the £1 million mark, we're talking about several thousand pounds. And that's each year. We'd wager that folk with a million squid managed to get that by hanging on to as much of their money as possible.

- A combination of new charging structures and new entrants mean colour shifts in our tables compared to last year. The new **Willis Owen** shape is a marked improvement on the previous version. **Telegraph Investor** and **Aviva Consumer Platform** also launched competitive offerings. In particular, the £300 cap for Telegraph Investor really helps at the higher end of our scale.
- **iWeb** still competes at the higher end but the addition of the £200 product opening fee plus £5 a trade really bites at the lower end. Keep in mind though that the £200 only applies at the outset.
- Other providers who charge for fund switching (**AJ Bell, Alliance Trust Savings, Halifax Share Dealing** and **Trustnet Direct**) struggle a bit here too. It's worth remembering that they will be significantly cheaper if you simply buy some funds and leave them alone for the duration.
- **Interactive Investor** also charges for switching (£10 a pop) but you get 2 free trades per quarter, and our table assumes that you use this credit and stump up the bunce for the remaining 2.

SIPP – FUNDS ONLY

OK. Let's move onto SIPPs. The same assumptions apply: funds only and 10 trades (5 switches) per year.

Percentages first…

Portfolio size	£5k	£15k	£25k	£50k	£100k	£250k	£500k	£1m
AJ Bell Youinvest	1.59%	0.93%	0.80%	0.50%	0.35%	0.14%	0.07%	0.03%
Alliance Trust Savings	6.22%	2.07%	1.24%	0.62%	0.31%	0.12%	0.06%	0.03%
Aviva Consumer Platform	0.40%	0.40%	0.40%	0.40%	0.38%	0.36%	0.31%	0.15%
Barclays Stockbrokers	0.70%	0.35%	0.35%	0.35%	0.35%	0.35%	0.35%	0.18%
Bestinvest	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%	0.25%	0.23%
Charles Stanley Direct	2.65%	1.05%	0.73%	0.49%	0.37%	0.30%	0.27%	0.21%
Chelsea Financial Services	0.60%	0.60%	0.60%	0.60%	0.60%	0.60%	0.58%	0.54%
Close Brothers A.M. Self-Directed Service	0.35%	0.35%	0.35%	0.35%	0.35%	0.35%	0.35%	0.35%
Fidelity Personal Investing	0.35%	0.35%	0.35%	0.35%	0.35%	0.20%	0.20%	0.20%
Halifax Share Dealing	4.30%	1.43%	0.86%	0.43%	0.31%	0.12%	0.06%	0.03%
Hargreaves Lansdown	0.45%	0.45%	0.45%	0.45%	0.45%	0.45%	0.35%	0.30%
Interactive Investor	3.92%	1.31%	0.78%	0.39%	0.20%	0.08%	0.04%	0.02%
iWeb	2.80%	0.93%	0.56%	0.28%	0.23%	0.09%	0.05%	0.02%
James Hay Modular iPlan	4.08%	1.48%	0.96%	0.57%	0.38%	0.18%	0.18%	0.16%
Nutmeg	1.00%	1.00%	0.90%	0.75%	0.60%	0.50%	0.30%	0.30%
Retiready from Aegon	0.50%	0.50%	0.50%	0.50%	0.45%	0.36%	0.33%	0.32%
Strawberry	3.20%	1.22%	0.87%	0.61%	0.43%	0.32%	0.29%	0.27%
TD Direct Investing	2.22%	0.94%	0.80%	0.78%	0.54%	0.40%	0.30%	0.17%
Telegraph Investor	2.32%	0.94%	0.68%	0.49%	0.32%	0.13%	0.06%	0.03%
The Share Centre	3.71%	1.40%	0.94%	0.69%	0.34%	0.14%	0.07%	0.03%
True Potential Investor	0.40%	0.40%	0.40%	0.40%	0.40%	0.40%	0.40%	0.40%
Trustnet Direct	4.32%	1.56%	1.03%	0.64%	0.40%	0.16%	0.08%	0.04%
Willis Owen	3.04%	1.28%	0.93%	0.66%	0.48%	0.31%	0.23%	0.19%

The shape of the table changes a fair bit here[7]. You get a small prize for noticing that the table itself is a bit smaller, which is due to several providers not offering a pension.

- The other main change is the bevy of providers charging a fixed annual fee for pension administration, on top of their core platform charges. This creates a contrast with providers such as **Aviva, CBAM** and **Fidelity Personal Investing** (and others) who bundle everything into a percentage cost and are really competitive for smaller investments.
- Conversely, those who charge a fixed fee in isolation start to turn green from the £100,000 or so mark. Have a look at the likes of **Alliance Trust Savings, Halifax Share Dealing** and **iWeb** lines (and others too) for a good illustration for this. Or **Telegraph Investor** which caps its charges at £300 per year.
- We mentioned this last year but we (still) can't get our heads around the **Bestinvest** pension being cheaper than the ISA. Why not just amalgamate the two charging structures and make things simpler for the poor souls trying to interpret all of this?

7. Actually, in the interests of accuracy, the table is the same shape: rectangular. However, the distribution of colours changes a lot. Our mothers, in case you were wondering, are indeed proud of us.

And now in the currency of the realm…

Portfolio size	£5k	£15k	£25k	£50k	£100k	£250k	£500k	£1m
AJ Bell Youinvest	£80	£140	£200	£250	£350	£350	£350	£350
Alliance Trust Savings	£311	£311	£311	£311	£311	£311	£311	£311
Aviva Consumer Platform	£20	£60	£100	£200	£375	£900	£1,525	£1,525
Barclays Stockbrokers	£35	£53	£88	£175	£350	£875	£1,750	£1,750
Bestinvest	£15	£45	£75	£150	£300	£750	£1,250	£2,250
Charles Stanley Direct	£133	£158	£183	£245	£370	£745	£1,370	£2,120
Chelsea Financial Services	£30	£90	£150	£300	£600	£1,500	£2,875	£5,375
Close Brothers A.M. Self-Directed Service	£18	£53	£88	£175	£350	£875	£1,750	£3,500
Fidelity Personal Investing	£18	£53	£88	£175	£350	£500	£1,000	£2,000
Halifax Share Dealing	£215	£215	£215	£215	£305	£305	£305	£305
Hargreaves Lansdown	£23	£68	£113	£225	£450	£1,125	£1,750	£3,000
Interactive Investor	£196	£196	£196	£196	£196	£196	£196	£196
iWeb	£140	£140	£140	£140	£230	£230	£230	£230
James Hay Modular iPlan	£204	£222	£240	£285	£375	£450	£900	£1,650
Nutmeg	£50	£150	£225	£375	£600	£1,250	£1,500	£3,000
Retiready from Aegon	£25	£75	£125	£250	£450	£900	£1,650	£3,150
Strawberry	£160	£183	£218	£305	£430	£805	£1,430	£2,680
TD Direct Investing	£111	£141	£200	£390	£540	£990	£1,490	£1,740
Telegraph Investor	£116	£141	£171	£246	£316	£316	£316	£316
The Share Centre	£185	£210	£235	£344	£344	£344	£344	£344
True Potential Investor	£20	£60	£100	£200	£400	£1,000	£2,000	£4,000
Trustnet Direct	£216	£234	£259	£321	£396	£396	£396	£396
Willis Owen	£152	£192	£232	£332	£482	£782	£1,157	£1,907

We won't spend too much time on this as we're sure you get the drift. The advantage of repeating the exercise in £s is that the contrasts we mention are that much more striking.

- At the £5,000 end of the scale, **Close Brothers** and **Fidelity**'s £17.50 is a pleasing shade of green when set against **Charles Stanley Direct's** £132.50 pa. This is a good example of a low core platform charge swamped by an annual wrapper fee.
- Moving to the other extreme of the scale we see a few greenies who stand out even more when you see it in pounds: **Interactive Investor** (£196 pa), **iWeb** (£230 pa) and **Halifax Share Dealing** (£305 pa), particularly when set against charges in excess of our lowest investment amount of £5,000 – hello **Chelsea Financial Services**! We're guessing the business case from Abramovich country doesn't include too many Abramoviches.

DEALING ACCOUNT – SHARES

We've looked at investing in funds in both ISAs and pensions. But we haven't forgotten equities (stocks and shares) and we're going to have a look at them right now.

We'll assume you're invested in a dealing account (you might see this referred to as a general investment account (GIA) or trading account) and we're going to make the trading assumptions a bit zestier. From talking to various platforms, we know that if you invest in stocks and shares rather than funds you're likely to be a bit more active on the trading front.

With that in mind (coupled with our love for round numbers) and for consistency purposes because we did it last year, we're going to assume 25 trades in a year. And we'll just show you pounds here, because anyone trading stocks and shares is well used to fixed monetary charges. It's not that we couldn't do percentages, you understand. We totally could. Any time.

Here's how it looks:

Portfolio size	£7.5k	£15k	£25k	£50k	£100k	£250k	£500k	£1m
AJ Bell Youinvest	£249	£249	£249	£249	£249	£249	£249	£249
Alliance Trust Savings	£388	£388	£388	£388	£388	£388	£388	£388
Aviva Consumer Platform	£218	£248	£288	£388	£563	£1,088	£1,713	£1,713
Barclays Stockbrokers	£299	£299	£299	£299	£299	£299	£299	£299
Bestinvest	£218	£248	£288	£388	£588	£1,188	£1,688	£2,688
Charles Stanley Direct	£250	£250	£250	£250	£250	£250	£250	£250
Close Brothers A.M. Self-Directed Service	£243	£261	£286	£349	£474	£849	£1,474	£2,724
Clubfinance	£183	£183	£183	£183	£303	£625	£1,213	£2,413
Equiniti Shareview	£313	£313	£313	£313	£313	£313	£313	£313
Fidelity Personal Investing	£286	£286	£286	£286	£286	£286	£286	£286
Halifax Share Dealing	£325	£325	£325	£325	£325	£325	£325	£325
Hargreaves Lansdown	£299	£299	£299	£299	£299	£299	£299	£299
iDealing	£268	£268	£268	£268	£268	£268	£268	£268
Interactive Investor	£250	£250	£250	£250	£250	£250	£250	£250
iWeb	£325	£325	£325	£325	£325	£325	£325	£325
James Hay Modular iPlan	£375	£375	£375	£375	£375	£375	£375	£375
Selftrade	£313	£313	£313	£313	£313	£313	£313	£313
Strawberry	£278	£300	£335	£423	£548	£923	£1,548	£2,798
SVS XO	£144	£144	£144	£144	£144	£144	£144	£144
TD Direct Investing	£313	£313	£313	£313	£313	£313	£313	£313
Telegraph Investor	£273	£295	£325	£400	£550	£550	£550	£550
The Share Centre	£136	£155	£180	£243	£209	£209	£209	£209
Trustnet Direct	£270	£288	£313	£375	£450	£450	£450	£450
Willis Owen	£218	£248	£288	£388	£488	£788	£1,163	£1,913
X-O	£149	£149	£149	£149	£149	£149	£149	£149

The majority of platforms do away with core charges if you decide to invest in stocks and shares (which is to say, they dispose of those charges *on the element of your portfolio invested in stocks and shares.* If you're investing in funds as well, then all we can do is offer you counselling). Instead, fixed trading charges are the order of the day, which means many lines in the table are the same all the way along. (If you do want the view in percentages we really do have it, just get in touch)

- **iWeb, SVS XO** and **X-O**'s respective pedigrees of low, fixed trading charges with no frills on top are very much in evidence here.
- Providers like **Bestinvest, Close Brothers, Clubfinance** and **Strawberry**, who still carry a charge based on the size of your investments, look increasingly out of step as portfolio sizes start to get tastier.
- While our table looks at the specific example of someone trading 25 times a year, the picture will change significantly depending on your own circumstances. Many platforms offer either frequent trading deals or lower rates for regular investment so it's worth checking this out before making your choice.

So that's us done for this section; thanks for sticking with us. We've looked at charges in the context of making investment decisions and what that might mean during the lifetime of those investments. What about when you decide to take your money out or transfer it to another platform? Life gets stickier, that's what. But don't worry. We've got your back. The answer is but a page-turn away.

A FINAL WORD ABOUT PRICING

Remember that spoiler we mentioned on page 31? Perhaps not as gut-wrenching as reading about your favourite Game of Thrones dude kicking the bucket before you see the series finale, but a potential sour note nonetheless.

Instead of oddly named characters in cloaks having at each other with daggers, we refer to the unsavoury habit that all too many providers have of surprising you with exit penalties should you wish to leave.

Fair dinkum demands our making clear that all platforms do make sure they mention exit charges along with their other information; it's all there to be found as you research them. Some are better at this than others, however.

Most investors don't think about exit charges when signing up. That's natural. But, much as Jason Bourne doesn't go into a room he doesn't know how to get out of, you must, must, *must* be clear when you sign up what happens when it's time to exit and Brian Cox is coming through the main door with a handgun. We reckon exit charges cause more heartache than just about anything else in this market – all avoidable if you take the time to read the platforms pre-nup.

Much like our massive tables earlier, the scope and detail of this information can be complex and we're guessing you have better things to do with your time. So, just for you, we've ploughed through the reams of charging information out there and summarised it in another (slightly less massive) table. This is all the exit charge data you need.

Platform	Reimbursement offer	ISA exit fee	SIPP exit fee	Equity investment exit fee
AJ Bell Youinvest	£35 per line of stock and £100 for product fees up to a maximum of £500.	None	£75 + VAT	£25 per line of stock
Alliance Trust Savings i.nvest	None	£100 + VAT	£150 + VAT	None
Aviva Consumer Platform	None	None	None	None
AXA Self Investor	Will pay up to £750 transfer costs (until 31/07/15).	None		None
Barclays Stockbrokers	£150 per transfer up to a maximum of £500.	None	£75 + VAT	£30 per line of stock
Bestinvest	Will pay up to £500 transfer costs.	£50 + VAT	£75 + VAT if held for 2+ years, else £175 + VAT.	£25 per line of stock
Cavendish Online	None	None		None
Charles Stanley Direct	None	None	£125 + VAT	£10 per line of stock
Chelsea Financial Services	None	None	None	None
Close Brothers A.M. Self-Directed Service	None	None	£75 + VAT	None
Clubfinance	None	None		£15 per line of stock
Equiniti Shareview	None	None		£35 per line of stock
Fidelity Personal Investing	Will pay up to £500 transfer costs (until 31/08/15).	None	None	None
Halifax Share Dealing	None	None	£75 + VAT	£25 per line of stock (£125 max)
Hargreaves Lansdown	None	£25 + VAT	£25 + VAT	£25 per line of stock
iDealing	None	£60 + VAT	£60 + VAT	£17.50 per line of stock
Interactive Investor	Will refund £10 per line of stock up to maximum of £200.	None	£100 + VAT (waived if account has been held for less than a year).	£0 for up to 10 lines of stock if account held for less than a year. £15 per line otherwise.
iWeb	None	None	£75 + VAT	£25 per line of stock (£125 max)
James Hay Modular iPlan	None	£50 + VAT	£150	None
Nutmeg	None	None	None	None
Retiready from Aegon	None	None	None	None
rplan	None	None		None
Selftrade	None	None	£75 + VAT	£15 per line of stock
Strawberry	None	£25 + VAT	£75 + VAT	£12 per line of stock
SVS XO	None	None		£15 per line of stock
TD Direct Investing	None	None	None	None
Telegraph Investor	None	None	£100 + VAT (waived if account has been held for less than a year).	£0 for up to 10 lines of stock up to end of 2016. £15 per line otherwise.
The Share Centre	Will pay up to £300 transfer costs.	None	£100 + VAT	£25 per line of stock
True Potential Investor	None	£50	£50	None
Trustnet Direct	Will pay up to £100 transfer costs.	None	£120 + VAT	£15 per line of stock
Willis Owen	None	None	None	£25 per line of stock
X-O	None	£50 + VAT	£100 + VAT	£15 per line of stock

Note: where cells in the table are greyed out, that means that wrapper is not available on the platform.

Of the **32 platforms** we looked at only **9** don't charge exit fees at all. Many of the introductory deals that were kicking around in ISA season have gone. Fidelity Personal Investor stands out even further from the crowd as (until 31/08/15) it offers up to £500 to cover the cost of exit fees incurred by new investors leaving other platforms while not levying a charge itself. Fair play to the Fiddy lads.

Of those who do levy exit charges…

- Only a handful of providers charge for transferring your ISA, which isn't so bad, we suppose.
- Charges for transferring a pension away are much more common, and while we acknowledge there is admin involved, this doesn't feel like an appropriate charge for the customer to bear unless she is investing in complex assets. We'd much rather this was factored into core platform charges - be those percentage based or fixed fee - resulting in a simpler charging menu. Some providers do manage this. And this means **all providers could.**
- If you invest in equities and want to move to another provider, be prepared to be turned upside down and shaken by the ankles. Exit charges range from £15 to £35 and that's for every stock holding you have. You don't need to have a calculator to hand to work out that charges will soon rack up if you hold more than a few different stocks. This is ugly, and needs a light shining on it; something we're happy to help with.

We've talked about the potential sting on the way out, but let's respect the fact that some good Samaritans will try to ease your pain by offering to cover these exit penalties for you when you join them. These incentives vary from £100 to £500 for brand new customers. Before we get too excited, let's look at this a different way…

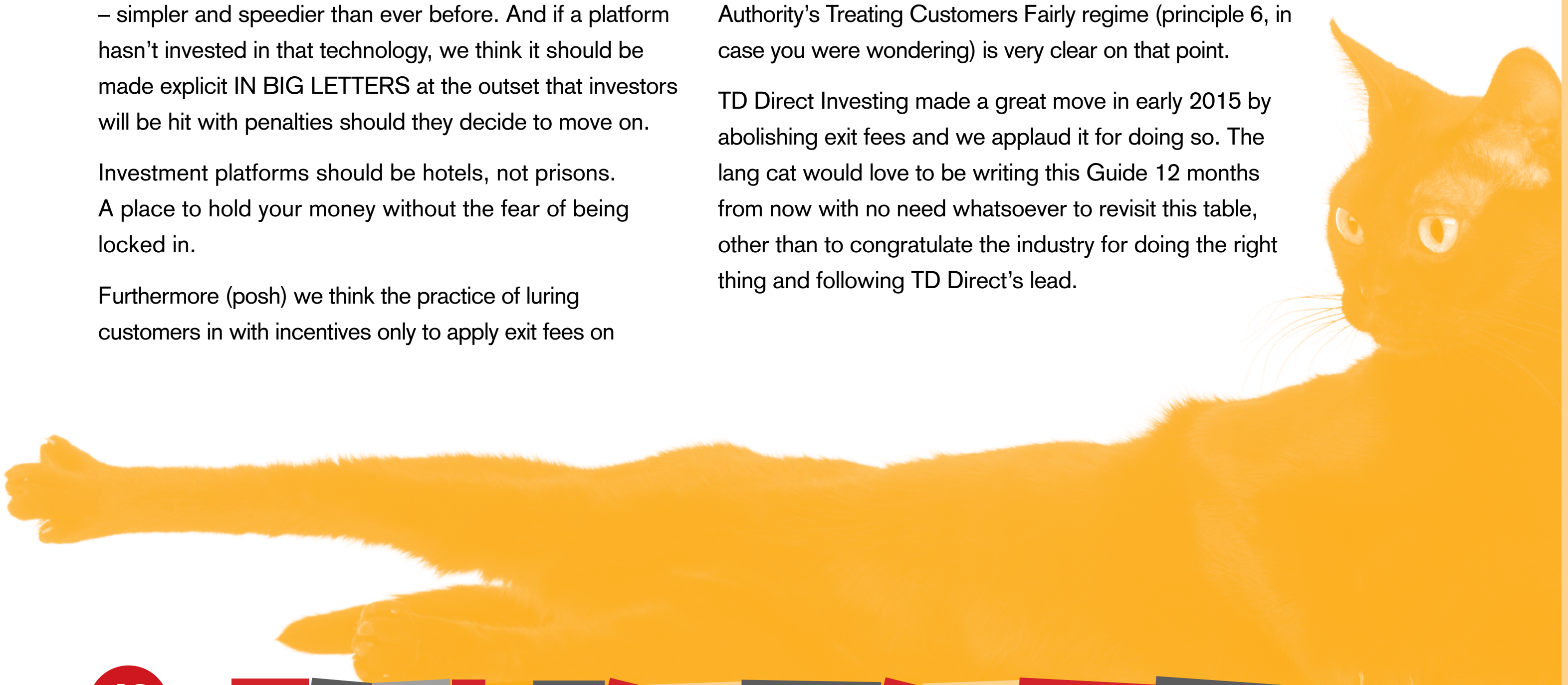
- A couple of offers are due to end shortly after we publish the Guide but, as we write, 6 out of the 9 providers currently offering to reimburse exit fees also levy their own charges on the way out again! Sauce for the goose is sauce for, you know, the other thing. **We think a better approach for our industry would be to get rid of the exit charges and the incentives.**
- It could be detrimental in the longer term to be swayed by the offer of 'free' cash. Let's say you get £200 back by taking up one of these offers. If you have £100,000 invested, then that's 0.2% of your pot. You can see from our share dealing tables that charges vary quite a bit at this point from 0.14% to 0.59% or so (depending on your trading levels). You could make a far more cost-effective decision in the longer term by basing it on core, annual charges and not eye-catching one-offs.

We accept that platforms need to cover admin costs, but today's technology allows platforms to invest in kit that makes product transfers and re-registration – the act of moving assets from place to place without cashing them in – simpler and speedier than ever before. And if a platform hasn't invested in that technology, we think it should be made explicit IN BIG LETTERS at the outset that investors will be hit with penalties should they decide to move on.

Investment platforms should be hotels, not prisons. A place to hold your money without the fear of being locked in.

Furthermore (posh) we think the practice of luring customers in with incentives only to apply exit fees on the way out is a perverse sleight of hand. It harks back to products of a bygone era that should be consigned to history once and for all. Exit charges should never be punitive or a barrier to leaving. The Financial Conduct Authority's Treating Customers Fairly regime (principle 6, in case you were wondering) is very clear on that point.

TD Direct Investing made a great move in early 2015 by abolishing exit fees and we applaud it for doing so. The lang cat would love to be writing this Guide 12 months from now with no need whatsoever to revisit this table, other than to congratulate the industry for doing the right thing and following TD Direct's lead.



Where there is a lang cat guide, there will usually be awards. We don't do it every time – we like to keep a little something up our foreleg – but here we are with another awards ceremony. Such pleasantries are usually reserved for 'industry' people but, since this particular event is quite, quite imaginary, we're more than happy to relax the rules *just for you*.

While the awards ceremony itself exists only in our collective heads, the awards are really rather real. Completely real actually. There are certificates and logos and every good thing. As long as you classify 'every good thing' as consisting solely of certificates and logos.

The awards are determined through a careful, considered and exacting process of deliberation by the lang cat panel. Without giving away too many trade secrets, that means we argue a lot, drink coffee, argue some more and then eventually come to a decision which Mark changes as soon as the rest of us leave the room. Then we go to the pub for lunch. It's a slog but we think it's worth it.

We do know our onions though. And our platforms, thanks to our near obsession with every detail of how they operate.

Before we get into the awards proper it's only right to acknowledge that, while there hasn't been a great deal of pricing activity over the last twelve months, there have been a couple of things which made us stand up and take notice. For very different reasons.

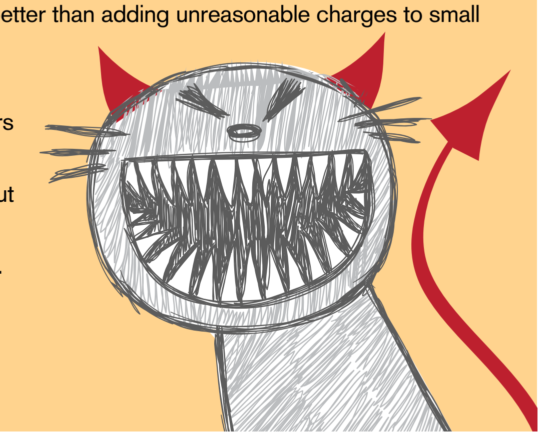
the lang cat Hero and Villain of the year

Hero: TD Direct Investing

We got a warm fuzzy feeling when TD Direct Investing stood up and announced that it would charge exit fees no more. Going from having one of the higher exit fees in the market to none at all in one movement was brave and we salute them for it. Hopefully others will follow this fine example.

Villain: iWeb

We accept that the increase in iWeb's account opening charge for ISAs and trading accounts from £25 to £200 only applies once and that the low trading charges still make it an attractively priced offering overall. But we still don't like it. We suspect the move was intended to discourage smaller investments but this isn't the best way. If you don't want smaller funds, fine. If they aren't profitable for you, fine. But in that case just don't accept them. Don't say 'oh, OK then, but we're going to take a huge strip out of you'. A minimum account level is better than adding unreasonable charges to small pots. Price isn't the right way to control consumers accessing your platform. It's about suitability. Or at least it should be.



BEST FOR BEGINNERS
RETIREADY FROM AEGON

Retiready had only just launched when we were putting together the last Guide and we were keen to see how it would settle and develop. While there are still teething issues (the mythical fifth fund is still to launch but we are assured this is imminent) Retiready has a lot to recommend it, particularly for those new to investing. It's goal based and there's a lot of guidance – as well as live chat should you get stuck – and it's designed for tablets, which will suit many. The investment options are limited but this isn't a platform for hobbyists. There are no exit charges so if you find you've outgrown Retiready and want to flex your investing muscles a bit more, it won't cost you to leave. Charges aren't low in our tables – but if you're starting out then the difference between this and the others just isn't that great in monetary terms.

RUNNER UP: HARGREAVES LANSDOWN

Yes, it's built for those who have a bit of a clue about investing, but if you want someone to make you feel secure, loved and wanted then the market leader is a good place to be.

HONOURABLE MENTION: THE SHARE CENTRE

While we wouldn't necessarily recommend The Share Centre to a beginner (a combination of chunky exit fees and a charging model that bites at the smaller end of the fund scale) we do like some of its material. There's a lot there for beginners but we especially like the practice account, which lets you play with an imaginary £15,000 to get a feel for investing and test drive some options without worrying about the consequences.

BEST FOR FREQUENT TRADERS
CLUBFINANCE

Frequent traders are likely to be more experienced investors. With that in mind, this award is less about the overall offering. Here it's the straight fund research and competitive trading charges that win the day. The website doesn't have a huge amount to recommend it, but this doesn't tend to bother hobbyists too much. Clubfinance charges a competitive £2.50 per trade but a bulk trader option can see this drop to 50p per trade. It works as a rebate which, unusually, depends upon the size of your fund rather than the extent of your trading activity. That said, you'd need to be an *extremely* active trader to hit the rebate cap of £4,000 per year.

RUNNER UP: INTERACTIVE INVESTOR

While not quite as cheap as iWeb, II offers a far more engaging experience than its low-cost rival, and is considerably less clunky. A good choice if you know what you're doing.

BEST FOR BUY AND HOLD (SMALLER FUNDS)
CHARLES STANLEY DIRECT

Last year's winner remains a good choice for those who want to buy some funds and keep them. There are flaws, and we have a slight concern about a drift in focus as key members of staff have moved on, but overall it's still a nice proposition and very well priced.

RUNNER UP: TD DIRECT INVESTING

Ok, so it's 0.05% more expensive, but if you're not investing megabucks then that makes next to no difference. TD has the financial strength to reassure, a good range of funds, plenty of investing ideas and a decent website. Broadly speaking, if you're a cat with relatively simple needs, TD gives you all you need of Hargreaves Lansdown at 2/3 of the cost.

BEST FOR BUY AND HOLD (LARGER FUNDS)
ALLIANCE TRUST SAVINGS

Look, it's always going to be a fixed fee provider that wins this, and ATS is a clear winner in this space. We like the service (which has improved dramatically in recent times) and the website, while basic, is functional if you know your stuff. The pension is integrated, which is useful for those with large funds spread across pension, ISA and general account. Trading is too expensive at £12.50 a pop, but this is a buy and hold category.

RUNNER UP: THE SHARE CENTRE

With a price to rival ATS, The Share Centre is a solid choice for larger investors. It often goes unheralded outside of the hobbyist press – might have something to do with the name – but you can access pretty much anything you want. There are plenty of tips and articles to read, and the fixed fees don't bite too hard as your fund size increases.

BEST FOR PENSIONS (AND PENSION FREEDOMS)
HARGREAVES LANSDOWN

Pensions have really been at the front of everyone's minds this last year and some platforms have responded to that better than others. HL has led the way and deserves credit, specifically for setting an example in removing set-up charges for flexible drawdown as well as the annual charge, one-off payment charge and annuity set-up charge (if coming from an existing HL policy). There is still a charge if you empty out your drawdown fund within one year of opening it, but that's OK by us. HL remains, in our book, an outstanding pensions administrator and a worthy winner.

RUNNER UP: AJ BELL YOUINVEST

AJ Bell has an excellent pedigree as a SIPP provider and its direct business, Youinvest, is an extension of this. The technology and service offerings are up there with HL. There is a mobile trading app (which is a bit buggy in our experience) and AJ Bell offers the added bonus of live chat. There's a whole micro-site devoted to pension freedoms with clear explanations, videos and case studies. It is less competitive than HL for charges when it comes to flexible access, with an annual flexible access drawdown (FAD) charge and charges for one-off FAD payments, Uncrystallised Funds Pension Lump Sum payments (UFPLS to their friends) and buying an annuity, as well as for setting up the drawdown and then stripping it out within the year. These extra charges are really why AJ Bell takes silver this time instead of gold.

HONOURABLE MENTION: FIDELITY PERSONAL INVESTING

A hat tip is merited here simply for Fidelity Personal Investing's charging structure for accessing the flexible pension options. No additional charges are levied for any of the services we have noted, although it doesn't tell us what happens if you set up a drawdown account and clear it out within a year.

BEST FOR CLARITY
NOBODY

We spent ages looking at this. We wanted total clarity (and simplicity) around charges, and also a set of terms and conditions that someone who wasn't a QC could understand. We wanted no stupid restrictions and also an intuitive web service. We didn't find one. Not a single one. We didn't hand this award out last year and we can't see any reason for that to change this year. Everyone has work to do, even the simpler propositions like Retiready.

the lang cat DIRECT PLATFORM AWARDS 2015

BEST FOR INNOVATION

TRUE POTENTIAL INVESTOR: IMPULSESAVE

It's so, so rare that we see genuine innovation in our market. But this year brings a new addition to the market which taps into the very thing that often costs us money: impulse. Instead of impulse *spending*, True Potential targets impulse *saving* using the impulseSave tool across its advised and direct offerings. And it appears to be onto something, with several million pounds trickling in in since launch and around 40% of transactions worth less than £10. Small amounts, yes. But that's the point – as our Grannies said, many a mickle maks a muckle. And it's getting those amounts into proper funds rather than leaving them to wither on the cash vine. impulseSave has been designed for mobile apps (iOS and Android) and is now available for Apple Watch and other wearables. Genuinely innovative, beautifully designed and all round brilliant.

RUNNER UP: NONE

Sorry, everyone. We saw nothing else exciting this year. The propositions which are even a bit different – Nutmeg, Retiready, Money on Toast (which isn't in our tables) – have all been out for a while, and most other launches have been me-too, catch-up or half-a-loaf. We're keeping our runners-up certificate in our back pocket for now.

the lang cat DIRECT PLATFORM AWARDS 2015

BEST FOR USER EXPERIENCE

TRUE POTENTIAL INVESTOR

the lang cat DIRECT PLATFORM AWARDS 2015

BEST FOR USER EXPERIENCE

BARCLAYS STOCKBROKERS

A quick word on what we mean by user experience: This is a web award. It's got nothing to do with charges, investment options, or brand. It is aimed at those platforms who've put real thought into the online experience the user goes through.

It's unfair to directly compare those with simple propositions and those with highly sophisticated ones. So we've awarded two gongs – one for a simpler, more focused proposition, and one for an all-singing, all-dancing one.

TPI has already had a nod for its impulseSave feature, but the whole experience is very nicely put together. What swings it is being able to create goals, each with a different investment strategy, and monitor your progress towards them. No one does this better in the UK than TPI.

Over in the more complex end, we like Barclays Stockbrokers, whose site has an awesome amount of functionality and yet manages, just, to stay on the right side of impenetrability. That's helped by 'persisting' logins which allow you to jump out to public areas and back in again without timing out and having to log back in. The trading area itself is good and while it's not simple it is well laid out. To us, BS is a system you can use if you know what you're doing but you don't want to become a systems expert.

the lang cat DIRECT PLATFORM AWARDS 2015

BEST ALL ROUNDER

HARGREAVES LANSDOWN

As the name suggests, this award takes into account all elements of proposition, pricing and service. And that means anyone in the running has to offer: ISA, SIPP and a trading account.

The ancillary charges still annoy us (and HL still does a terrific job of not caring) but these are outweighed by all the good stuff on offer. The service offering is just as good as everyone says it is; there is always support on hand should you need it and the platform layout makes it easy to see your investments and manage them individually or collectively. This all costs however, and HL is rarely the cheapest option (although it is very well priced for drawdown), but that's not what it's about. In our experience, investors are willing to pay that premium for service and user experience. And others charge more for less.

It's not a perfect operation: the service isn't always faultless and there are a couple of other aspects we don't love, mainly around the Wealth 150 and exit charges. The fact that we are handing this award over despite those things should indicate that the rest of it is exceptional.

Finally, the market has been dominated this year by the implementation of the new pension freedoms. HL was in the midst of this, leading by example in the removal of drawdown set up fees and pretty much acting as an unofficial adjunct to Pension Wise.

RUNNER UP: AJ BELL YOUINVEST

Offers a decent online experience and has the added option of commercial property (which HL does not offer) should this be on your investment wish list in a SIPP. Charges are reasonable for all but the smallest funds and very good higher up. We like the web chat facility and there's a decent amount of content on the website. We think usability is ok albeit a bit samey (a function of using the very common Figaro system underneath), and the mobile app is similarly constrained. But at least it's all there, and it works. We'd point out again that AJBYI's SIPP pedigree is second to none, and that absolutely lifts it up beyond many of its rivals.

So that's it. Well done to all our winners, runners up and special mentions. We don't hand this stuff out lightly, and while big bosses of platforms will pretend not to care, we know too many people working hard in all these companies to make your investing experience a good one to believe that.

It's time to start packing up, children. Let's recap on what we've learned.

CONCLUSIONS

STOP PRESS!

Another year, another direct platform announcement about three and a half minutes before we finalise the Guide. We're beginning to suspect a conspiracy. But, putting our tinfoil hats and diagrams of the grassy knoll to one side, we warmly welcome Brewin Dolphin to the direct market fray in the form of BrewinsDirect. We'd already closed the cabin doors for take-off by the time it launched but we'll have a proper look at it in the near future. Ooh, bit of a spoiler there…

And there we have it. The lang cat's second foray into direct platform investing. We hope it's been useful and has left you feeling at one with the (direct investing) world and ready to take control (of your ISA. Or maybe a SIPP. Or even a trading account).

HERE WE GO AGAIN

We've talked a lot about how much the market has – what? Changed? Solidified? Matured? We don't know the right word – over the past year. When we were working on last year's Guide it felt as if direct platforms, despite being long established, were for many investors only just beginning to stray onto the radar.

This increase in profile was brought about partly through the retail distribution review (RDR), which led a number of consumers to try direct investing, followed by changes in how platforms charge for their services. This past year has brought another not-so-quiet revolution in the form of pension freedoms with direct platforms getting in on the act alongside their advised counterparts.

This is a tricky balance as there is an inevitable complexity about drawdown in particular. Platforms must ensure consumers have everything they need to make an informed decision without wandering, however inadvertently, into advice. Some have achieved this with more ease than others and offerings will continue to launch and evolve over time.

While pensions have undoubtedly had the lion's share of attention in recent months, we shouldn't forget about ISAs. Despite 'new ISAs' now being just 'ISAs' again, they have had their own little flexibility fiesta. Increased limits and greater flexibility around withdrawing and replacing funds should see the UK's favourite savings vehicle enjoy a little time in the sun too.

WELCOME TO THE JUNGLE

It's been heartening to see some new entrants to the direct platform market over the last year. Alongside that we've also seen sparks of proper innovation and signs that our continual railing against unreasonable exit charges ain't been in vain for nothin'. We'd like to welcome the Daily Telegraph to the cause, and encourage Telegraph Investor to jump on the bandwagon.

We're also seeing signs that some platforms are finally starting to address existing technology issues. Direct platforms are rarely built from scratch and have often been re-purposed from advised or stockbroking technology. There's nothing wrong in that, but it can mean some issues behind the scenes and a fairly lumpen consumer interface (posh for 'website'). And it's this that is starting to get some attention.

WAFER THIN MINT?

Not quite full after all that? We can help. What's better than a whole Guide about direct platform investing? A whole Guide about direct platform investing…. plus… quarterly updates! Yes, as if the Guide you have now enjoyed/leant on to fill in the Daily Mail crossword wasn't enough, your ticket price of nothing-at-all also gets you a set of updates to keep you, well, updated really.

Thanks for taking the time to read the Guide. We'd love to hear what you think of it – good and bad. An update will be hitting your inbox towards the end of October and if you have a burning desire to see any particular topic grace its pages then do let us know. Email addresses for the team are on the website.

Until then…stay fabulous.

the lang cat

Edinburgh, July 2015

ABOUT THE LANG CAT

In 2010, Mark Polson set off on a crusade to get financial services companies talking to their customers like real people and developing products and services those real people may actually want to use. And so the lang cat was founded on the principle of shedding the complexity, jargon and marketing white noise to get to what matters. And then communicating that in a way that doesn't require A Rough Guide to Platforms to locate the good bits.

The lang cat has grown considerably since then and we now also help companies with public relations, strategy and product development. We're based in Edinburgh and specialise in platforms, pensions and investments. We work with platforms, life companies, fund managers and large advisory firms across the direct, advised and workplace markets. We also publish annual guides – you've just finished reading one of them (or skipped to the end to see who the murderer is) and we also do one for advised platforms.

If you've enjoyed the Guide and would like to know more about us or have a look at some of our other material then you're more than welcome to visit our website – **www.langcatfinancial.com** – for a browse.

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