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MAGAZINE

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TIME TO
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31
100 metres
VOTED ONE OF THE UK'S 'TOP 100 ADVISERS' IN 2012, 2013, 2014 & 2015 BY CITYWIRE.

Welcome to the latest issue of *Vision Magazine* from SG Wealth Management. We now know the date, and we (believe we) know the deal, but the outcome of the In/Out EU referendum on 23 June is far from certain. The bookmakers still suggest that the In campaign should prove successful, but with the battle lines being drawn and weeks of political posturing ahead, we have been considering what the financial implications of a Brexit could be. Read the full article on page 10.

It's a very interesting time as we approach the period where the majority of small and micro businesses will need to set up a compliant workplace pension scheme to meet their auto enrolment responsibilities. In addition, we are finding that many employers are widening the employee benefits they provide to staff to improve staff retention and employee satisfaction, for example, Death in Service and Group Private Healthcare. On page 07, we look at some lessons we have learned over the past two years from working with other employers on how to approach Auto Enrolment and what you can do to make it a worthwhile and simple addition to your business – as opposed to it being a nuisance!

The full list of the articles featured in this issue appears opposite.

We hope you enjoy reading this issue and find it informative. To discuss any of the articles featured, please contact us.

Simone Nicholson, Editor

SG WEALTH MANAGEMENT
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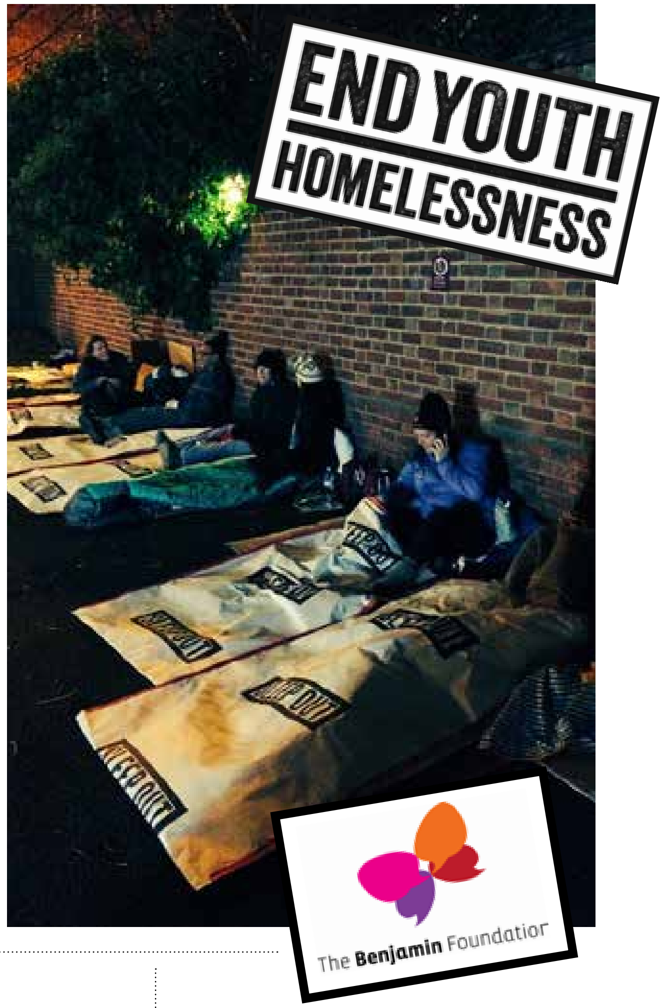
SUPPORTING OUR COMMUNITY

Our latest sponsorship and fundraising activities



We are delighted to be the principal sponsors for Norwich Baroque. They formed in 2006 to specialise in original and lively interpretations of music by popular and less well-known Baroque composers, from Handel and Vivaldi to Capel Bond and Mudge.

With internationally renowned countertenor Michael Chance CBE as their Patron, they work with eminent soloists from the Baroque world, bringing audiences fresh and vibrant performances in some of the region's most beautiful buildings.

This year we are excited to host the inaugural SG Wealth Management Gala Concert at Norwich Cathedral on Saturday 10 September. The venue has a capacity of over 600, and we hope you can join us to celebrate what promises to be a magical concert of Vivaldi's *Four Seasons* – with violinist Adrian Chandler (director of *La Serenissima*). For further details on the programme, please visit *www.norwichbaroque.co.uk*. Tickets can be purchased from Prelude Records on 01603 628319.

> "On the evening of 12 November 2015, four of our team in Norwich took part in a sponsored 'sleep out' in aid of the Benjamin Foundation – they raised a huge £1,390!"

FUNDRAISING FOR THE BENJAMIN FOUNDATION

On the evening of 12 November 2015, four of our team in Norwich took part in a sponsored 'sleep out' in aid of the Benjamin Foundation – they raised a huge £1,390!

With all luxuries removed – and just cardboard and a sleeping bag for warmth and shelter – they spent the night in the cold and rain in Clapham & Collinge's car park in Norwich.

Why? This was the first large-scale Sleep Out in Norwich to highlight the issues of homelessness and to support the Benjamin Foundation's work with homeless young people in Norfolk. Each year they help around 2,000 people by providing hope, opportunity, stability and independence. Well done team SG Wealth!

You can find out more about the Benjamin Foundation at *benjaminfoundation.co.uk/home.* ■

BIMBY

Advocating the involvement of community development

We have recently become involved with the Prince's Foundation for Building Community's initiative of BIMBY (Beauty in my Back Yard) as a result of the forthcoming redevelopment of the St Mary's Works site in the north of the city and adjacent to our offices in St Martin's Lane in Norwich.

BIMBY advocates the involvement of the local community in the development/regeneration of a site, or indeed a whole area, to ensure that as far as possible it meets peoples' legitimate needs in terms of architecture, appropriateness of the development, facilities and amenities in order to avoid the mistakes of the past of simply building 'boxes' without care or thought for the local environment. Sustainably planned, built and maintained communities improve the quality of life of everyone who is part of them. They help us to both live better at a local level and start dealing with the broader challenges of rapid urbanisation and climate change.

As part of the BIMBY process, we were given the opportunity to help organise various workshops with other members of our community. Together we used The Prince's Foundation's tool to highlight what we think works in the local area and what could be improved. The ability to provide input into this process means that as a community we can be closely involved in the redevelopment of the St Mary's site. The BIMBY housing toolkit consists of three workshops that really help you to get to know your area and to put forward the point of view of the people that count.

We were delighted to be able to tell The Prince of Wales, President of The Prince's Foundation, all about our involvement in the workshop, our thoughts for the site and the help his charity gave us. During his visit to St Mary's, the Prince was able to meet lots of members of the local community involved with the BIMBY process and hear from various groups involved about how they have used the toolkit.

We look forward to the next steps for the site and seeing the actual development in due course. If you want to get involved or find out more, please visit *www.bimby.org.uk* or email The Prince's Foundation at *bimby@princes-foundation.org* ■

Neil Shillito with HRH The Prince of Wales at the forthcoming redevelopment of the St Mary's Works site in the north of the city

WEALTH MANAGERS

A behind the scenes look

> "The insights we gain from these face-to-face meetings are invaluable; you can be assured if there's a question or concern we have, it will be raised and answers elicited 'from the horse's mouth."

Another part of the 'behind the scenes' activity that the team at SG Wealth Management are involved with is meetings with leading fund managers and fund management groups, in whose investment funds our clients' money may be deployed through our Model Portfolios.

Often this is the culmination of the research team's work, narrowing down the fund to be selected in a particular category or asset class (for example, Global Equities or Absolute Return sector) from the wide market place of UK authorised collective funds that are available as Unit Trusts and their modern equivalents (acronyms that are commonly used for these are OEICs or ICVCs).

DUE DILIGENCE

Once a fund is identified as matching our requirements in terms of the suitability of its objectives, the defined risk rating, component assets, and the quality track record and expertise of the management team, ideally we aim to meet the fund managers. Discussions are based around an agenda where questions often arise from an investment group's responses to the in-depth questionnaire we send them as part of the firm's 'due diligence' process.

In the past year, for instance, we have held meetings with leading investment industry figures such as Investec's Alastair Mundy, Standard Life Investments' Barry McLennan and FundSmith's Julian Robins.

The insights we gain from these face-to-face meetings are invaluable; you can be assured if there's a question or concern we have, it will be raised and answers elicited 'from the horse's mouth'. Common points of analysis in these discussions might include: 'What do you look for in an equity?'; 'Talk us through your top 10 holdings', 'Which sectors of the economy do you feel have the strongest outlook from here?', and so on.

Composition of stock holdings with a UK Equity fund are often discussed in some depth, and the 'story' behind a manager's conviction in buying into a particular company (or indeed why they decided to sell out of another) are often fascinating and compelling. A revealing factor can often be whether a fund manager and his team 'eat their own cooking', i.e. invest their own money in the fund they manage. If they do – and most of the leading funds encourage this commitment – you can feel confident that the interests of the fund managers and their investors are well-aligned.

It's a very interesting part of the firm's work for our clients and demonstrates the skill, care and (due) diligence that the Investment Committee and team, led by Chief Investment Officer Henry Gaskin (himself formerly of Jupiter Unit Trust Managers), bring to the table. ■

John Griffin DipPFS
Wealth Manager

AUTO ENROLMENT DO'S AND DONT'S

Helping you to meet your obligations as an employer

It's a very interesting time as we approach the period where the majority of small and micro businesses will need to set up a compliant workplace pension scheme to meet their auto enrolment responsibilities. In addition, we are finding that many employers are widening the employee benefits they provide to staff to improve staff retention and employee satisfaction, for example, Death in Service and Group Private Healthcare.

Here are some lessons we have learned over the past two years from working with other employers on how to approach Auto Enrolment and what you can do to make it a worthwhile and simple addition to your business – as opposed to it being a nuisance!

Here is a list of do's and don'ts to help you meet your obligations as an employer:

DO

- Communicate and raise awareness of the up coming workplace pension with your staff well in advance – posters are available from the Pensions Regulator's website, or messages in their payslips can be effective
- Speak to your payroll provider/bookkeeper if your payroll is outsourced and find out how they are facilitating the assessments and communications. You may find that they are not able to provide anything, or they may charge you an additional fee each month
- Even if there are no staff to enrol, employers still have legal duties, one of which is completing a declaration of compliance with the Pensions Regulator

DON'T

- Leave it until the last minute to act. The fines issued by the Pensions Regulator can be high, typically £400 followed by a daily charge of anything between £50 and £10,000
- Think that you can implement your scheme at the last minute. Either you should take all the necessary steps at least six months in advance of your 'staging date', or alternatively if you do postpone action you must be prepared to pay your adviser more for the privilege. You do have the ability to postpone your staging date by up to three months or bring it forward, providing you have notified the Pensions Regulator, but this does not in any way relieve you of your duty to implement a scheme

You should consider whether you are going to provide the minimum contribution you are responsible for or offer a higher level of contribution. It is worth noting that you can pay different levels of contributions for different staff. The minimum contributions are currently at 1% for employers; however, this will be increasing to 2% in April 2018 and 3% in April 2019.

Here at SG Corporate Services we have created a service specifically for our small and micro business clients that is cost-effective and provides a complete service that will ensure you have a compliant workplace pension scheme in place by your staging date. The service includes advising and setting up the most suitable pension scheme to liaising with your payroll provider to ensure the assessment and communication is completed correctly. ■

Ryan Oates DipPFS BSc
Corporate Services Manager

automatic enrolment
Workplace pensions. We're all in.

To find out more, please contact a member of the corporate services team – telephone: 01603 760866, email: enquiries@sgcorporateservices.co.uk or visit our website: www.sgcorporateservices.co.uk

NORFOLK PROPERTY HOTSPOTS

A new-found recognition

I'm delighted to say that Norfolk is finally getting the recognition it deserves in the national press. Barely a week goes by without mention of our county in some weekend paper or supplement. We have a gorgeous 130-mile coastline, a huge array of arts, gastronomic and sporting events, festivals galore, excellent schools, and, of course, the Duke and Duchess of Cambridge have chosen to set up their family home here.

Visitors tend to head to the North Norfolk coast and well-known hot spots like Burnham Market, Holt, Holkham and Wells. I love our celebrated coastline, with its exceptional wildlife and landscape, but there is much more to Norfolk. As a property search consultant, I find houses for my clients all over the county and I'm often asked, 'Where is the best place to live?' Of course there is no one answer to that question, but there are certainly a handful of 'hidden' gems tucked away. Take Walsingham, a beautiful village with a contemporary food emporium (posh farm shop!) housed in a converted flint barn. Walsingham is in fact two co-joined villages, Little Walsingham and Great Walsingham, and is perhaps best known as a major pilgrimage centre.

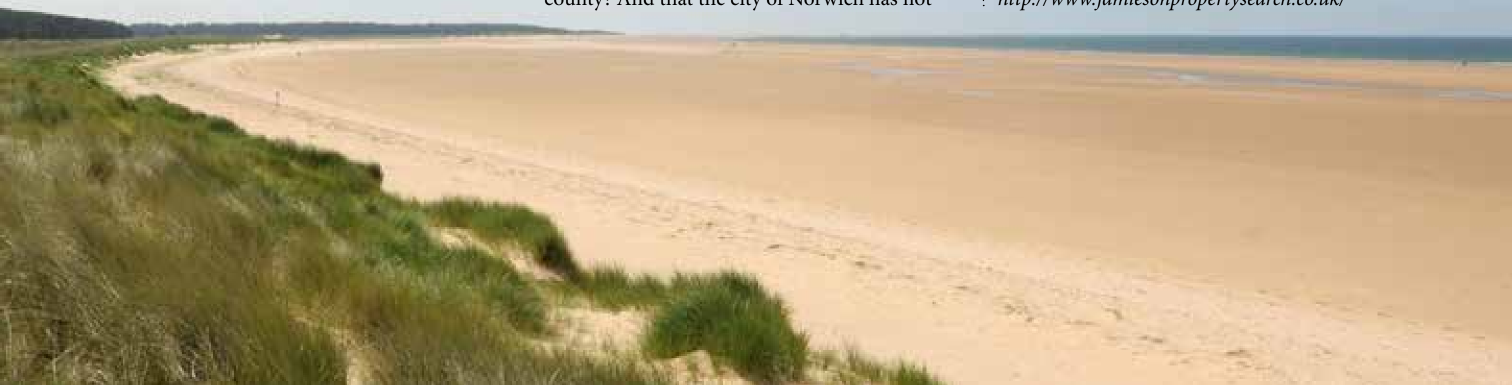
A few miles west of Walsingham – and less than four miles from Burnham Market – is Stanhoe, a tiny and picturesque village with an excellent pub called The Duck Inn, complete with a traditional duck pond. The views towards North Creake from the Stanhoe–North Creake road are just stunning. Some of my favourite views are inland, expansive views of trees and churches. Did you know that Norfolk has over 650 medieval churches, more than any other county? And that the city of Norwich has not one, but two cathedrals? Church spires are a constant feature of the Norfolk landscape and one that I relish.

> "We have a gorgeous 130-mile coastline, a huge array of arts, gastronomic and sporting events, festivals galore, excellent schools, and, of course, the Duke and Duchess of Cambridge have chosen to set up their family home here."

With the Sandringham Estate to the west and the much-lauded coast to the north, east Norfolk can get forgotten about. North Walsham offers a very good train service into Norwich, and just a few miles north you will find the Gunton Arms, an upscale pub with rooms on a 1,000-acre deer park dating back to the 18th century. Heading back east from there, Honing and East Ruston are charming villages just a stone's throw from the idyllic beach at Waxham. Continue your journey five miles further south, through the Broads National Park, and you arrive at Winterton-on-Sea, an ancient fishing village boasting another exceptional stretch of Norfolk beach.

So I finish where I started, in thrall to Norfolk's exceptional expanse of coastline, which offers something for everyone – as indeed does the county itself. Finding the perfect house from which to enjoy everything on offer here is a real challenge and that, in a Cromer crab shell, is why I love my job. ■

Jamie Jamieson
http://www.jamiesonpropertysearch.co.uk/



“I have previously run five London Marathons since 2000 and tend to leave a few years between each until I can only remember the good bits and think ‘that was great, I should try that again!’”

SPOTLIGHT ON...

Managing Director, Stephen Girling

Outside of work, our Managing Director Stephen Girling has been dedicated to training for the Virgin Money London Marathon, which he is in running to raise funds for an amazing charity on Sunday 24 April. Here Stephen tells us more about how he has prepared himself for this huge test of physical and mental endurance, and how you can help support his charity of choice. Good luck Stephen!

HAVE YOU EVER RUN A MARATHON?

I have previously run five London Marathons since 2000 and tend to leave a few years between each until I can only remember the good bits and think ‘that was great, I should try that again!’ I also ran one local one at Bungay, but that was twice round a hilly rural circuit, and without the crowds to cheer you round, on a wind-swept country lane, was definitely tough going!

WHAT ARE YOUR ABIDING MEMORIES OF IT?

From the huge number of runners to the crowds cheering you round, the whole experience is colourful, noisy and increasingly painful as you mentally tick off the miles. The many different London districts and iconic buildings you pass, with the finish by Buckingham Palace and the different bands playing (mainly brass and drums rather than strings to be honest!) makes the whole day very special.

WHICH CHARITY ARE YOU RAISING MONEY FOR THIS TIME AND WHY?

I am raising money for Sense, which is the leading national charity that supports and campaigns for children and adults who are deaf and blind. I can only guess at the difficulties of not having those two key senses, and it is great to raise money for a charity that can provide the much-needed specialist services for them, their families and carers.

HOW IS THE TRAINING GOING?

So far, so good! As the longer training runs become necessary, the risk of injury increases, but I have so far avoided such setbacks this time round. The cold, dark mornings are also behind us, so the challenge now is the hours required to plod round the Norfolk roads in preparation.

HOW CAN PEOPLE SPONSOR YOU?

I have set up a giving page at *uk.virginmoneygiving.com* and typing ‘Stephen Girling’ in the donations box brings up my page.

Whether it is me you kindly sponsor or someone else you know who is running it, I would encourage you to do so, as when the going gets tough it is a real motivator to keep going and not let down those supporting you. ■

sense
for deafblind people

THE ECONOMIC IMPACT OF BREXIT

What are the financial implications?

We now know the date, and we (believe we) know the deal, but the outcome of the In/Out EU referendum on 23 June is far from certain. The bookmakers still suggest that the In campaign should prove successful, but with the battle lines being drawn and weeks of political posturing ahead, we have been considering what the financial implications of a Brexit could be.

It is a question clients have increasingly been asking, and therefore a 34-page report into the economic impact of Brexit was a timely arrival in my inbox recently.

There have been a range of previous studies published on the subject with a wide range of potential outcomes forecast. This latest report, commissioned from Capital Economics by Woodford Investment Management, draws a measured and neutral conclusion. The report considers several of the most important elements of the Brexit debate including immigration, trade, financial services, regulation and the public sector.

MIGRATION

Annual net migration from Europe has more than doubled since 2012, reaching 183,000 in March 2015, boosting the workforce by around 0.5%. Currently, labour movement within the EU is free, whereas leaving the EU could allow immigration policy to be restricted and focussed on certain skill bases, which could benefit certain industries. Restriction of low-skilled worker immigration could however be detrimental to low-wage sectors such as agriculture, and could increase wage growth and inflation.

Free trade with EU countries would be impacted. Under the Lisbon Treaty, a country leaving the EU has two years to negotiate a withdrawal agreement, and it is very likely that a favourable trade agreement would be reached in a Brexit scenario, albeit with some potential additional costs to exporters. Indeed, the ability to negotiate our own trade agreements with other non-EU countries may be favourable to going via the bureaucratic processes of the EU, and this could potentially offset some of the additional cost of dealing with EU members.

The City's position as a global financial hub is certainly helped by being part of the EU, allowing unfettered access to European markets to London-based firms. The City currently exports £19.4bn of financial services to the EU, and this would be significantly disrupted in the short term. Over the longer term, the UK could broker deals with emerging markets to help allay this impact.

Saving on the red tape and regulation emanating out of Brussels is often cited as a potential positive of Brexit. This might however prove be a smaller boost to productivity as exporters will still need to comply to easily access the EU, and the UK may therefore decide to retain many EU rules.

Similarly, the UK's significant £10bn contribution could be saved through Brexit, but in reality this saving may not be fully felt. The economic impact in other areas (above) may offset some of this, and indeed the Government may have additional costs in compensating certain sectors and regions that currently receive EU subsidies.

The full report makes interesting and thought-provoking reading. It is available for all to download at https://woodfordfunds.com/economic-impact-brexit-report/. In summary, the effect on the UK economy of a Brexit may not prove to be too significant in the long term. However, much will depend on how an (unprecedented) exit is handled and how the UK can then independently negotiate with other parts of the world.

OUTCOME

As the vote draws ever closer, it will be interesting to see whether economic impacts draw more headlines than the current focus on political issues. However, it is hard to currently see how the debate will be dragged too far away from the emotive issue of immigration.

Until such time as the outcome is clear, uncertainty will dominate, which is not usually beneficial for financial markets. In the event of an Out vote, the uncertainty will continue for some time, whereas a vote to remain in will provide some quicker clarity. This suggests that financial markets may continue to demonstrate volatility in the months ahead. As ever, we will be looking to help clients navigate choppy waters whilst still taking the long-term view which, according to Capital Economics, appears reasonably well balanced. ■

Henry Gaskin
Chief Investment Officer

All figures sourced from Capital Economics report, published February 2016.

NEW LIFETIME ISA FOR HOMEBUYERS AND RETIREMENT

Helping young people save flexibly for the long term throughout their lives

The Government said the introduction of a new Lifetime Individual Savings Account (LISA) will help young people save flexibly for the long term throughout their lives. The aim is to help them simultaneously save for a first home and for their retirement, without having to choose one over the other.

SIMPLICITY AND POPULARITY

The LISA is designed to work in conjunction with existing ISA products and be simple for savers to use by harnessing the simplicity and popularity of the ISA wrapper where contributions are made out of post-tax income but investment growth on savings and future withdrawals are tax-efficient.

25% BONUS RECEIVED

From April 2017, people under the age of 40 will be able to open a LISA and contribute up to £4,000 in each tax year. The Government will then provide a 25% bonus on these contributions at the end of the tax year. This means that people who save the maximum each year will receive a £1,000 bonus each year from the Government. Savers will be able to make LISA contributions and receive a bonus from the age of 18 up to the age of 50.

TAX-EFFICIENT GROWTH

The bonus will be paid into the LISA at the end of each tax year so that savers will also benefit from tax-efficient growth on the bonus from the time it is added. For example, a £4,000 contribution made by a 25-year-old into a LISA which grew at 4% a year would be nearly five times larger due to the government bonus and investment growth by the time they reach 60.

£32,000 MAXIMUM LIFETIME BONUS

Over their lifetime, savers will be able to have contributions of £128,000 matched by the Government for a maximum bonus of £32,000, with investment growth on both their contributions and the government bonus. Tax-efficient funds, including the government bonus, can be used to buy a first home worth up to £450,000 at any time from 12 months after opening the account. The funds, including the government bonus, can be withdrawn from the LISA from age 60 for any other purpose.

> "Individuals will be able to open a LISA from the age of 18 until they turn 40. Opening a LISA will, in most ways, be identical to opening a regular ISA under the existing rules."

OPENING A LISA

Individuals will be able to open a LISA from the age of 18 until they turn 40. Opening a LISA will, in most ways, be identical to opening a regular ISA under the existing rules. Individuals will be able to open more than one LISA during their lives but will only be able to pay into one LISA in each tax year.

SAVING INTO A LISA

Saving into a LISA will also be very similar to saving into any other ISA. For example, contributions will be made with the individual's own cash. Qualifying investments in a LISA will be the same as for a Cash ISA or Stocks & Shares ISA. Individuals will be able to transfer their LISA within 30 days between providers to get the best deal in line with the existing ISA rules.

ARE YOUR FINANCIAL PLANS STILL ON TRACK AFTER BUDGET 2016?

There are likely to have been a number of key announcements in this Budget that could have a bearing on your current and future financial plans. To review what action you may be required to take to keep your plans on track, please contact us.

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