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Industry support for consistent Advice Fee Consent approach

Licensees and platform providers have committed to defining a consistent industry approach to manage new requirements under proposed Advice Fee Consent legislation.

The commitment emerged at an industry roundtable hosted by technology company Iress following [its earlier call](#) for a standardised, whole-of-industry response.

The proposed legislation requires platform operators and superannuation trustees to be satisfied that consent for ongoing service has been given to the adviser before deducting advice fees via a platform. The requirement is contained in draft legislation released by the Federal Treasurer: Financial Sector Reform (Hayne Royal Commission Response).

Iress chief executive Andrew Walsh said participants at the roundtable agreed there was a clear need for a standardised and automated way for the new obligations to be met by all parties.

"We had over 80 people join the roundtable to hear a range of industry views, as well as discuss the merits of acting in a consistent manner to tackle this with efficiency. We also outlined the rationale for using a blockchain as the single source of truth for providing trust and confidence in the currency and accuracy of data.

"There was broad agreement that working together on a solution is the best way ahead, and have formed an early adopter group to help define how existing systems will be adapted to meet the new requirements."

Count chief executive Matthew Rowe said it was crucial the industry work together to get the process right.

"Our modelling indicates the new disclosure requirements will create an additional 50,000 hours of non-client facing work, a 280% increase. This time is better spent serving our clients, particularly now. There is a strong need for the industry to agree to a digital, consistent and automated process to ensure we can maintain a balance in meeting regulatory obligations, delivering for clients and having a financially sustainable advice profession."

IOOF's head of platform technology and architecture, Damien O'Donnell, believes it is essential the industry works together to deliver an efficient solution.

"Working together as an industry solving a pressing business problem with a technology solution is an opportunity for us. What we are looking for is an efficient, intuitive and standardised solution which will

provide confidence we are satisfying our obligations to all of our stakeholders - members, clients, advisers and trustees.”

Iress confirmed the early adopter group will begin defining and testing the solution, with a view to launching in readiness for the new legislation coming into effect.

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For further details, please contact:

Kelly Fisk

Iress

Mobile : +61 435 684 543

kelly.fisk@iress.com

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