Rethinking your centralised investment proposition?

Evaluating if your proposition still delivers—and what to do next.

Is your centralised investment proposition (CIP) still suitable for the needs of your clients and your business?

Regulatory pressure, market dynamics, and operational scalability make now the ideal time to reassess whether your CIP still consistently and compliantly delivers the right outcomes to clients while maximising your productivity.

This paper explores key considerations you should be thinking about when assessing your CIP and the options for implementing a revised approach.

We also highlight how SEI helps advisers strengthen their value proposition, optimise commercial strategies, and manage business risks across the evolving landscape.

Reasons to rethink your CIP.

Regulatory pressures

Regulations affecting CIPs likely necessitate at least an annual review to ensure suitability and compliance. PROD, the Consumer Duty, and the FCA's Retirement Income Advice review collectively require advisers to show that their CIP targets a defined market, delivers fair value, and supports good client outcomes in both the accumulation and decumulation phases. This may require building robust governance, documented processes, and ongoing MI to demonstrate suitability, value, and sustainability, while ensuring consistent advice for clients with similar needs.

Market dynamics

Over the past five years, investment returns have been driven by US exceptionalism, big tech, and artificial intelligence. If your CIP offers concentrated exposure to US large caps—perhaps via low-cost passive strategies—your business and clients have likely benefitted. But what happens if returns broaden globally and shift away from large caps? Historically, active strategies outperform in periods of falling concentration.

Active management is evolving. It no longer equates to high-cost funds with unpredictable outcomes. Have you considered what the next generation of active strategies might offer your clients?

Operational scalability

As your firm grows—organically or through acquisition—can your CIP scale efficiently while supporting cost-effective servicing of smaller customers?

You may already be facing challenges such as:

- **Capacity constraints** from increased planner and client numbers or portfolio customisation that strains resources, making it harder to maintain consistent service levels.
- **Legacy components** you acquired that demand additional oversight and resourcing to support.
- **New technology** that is incompatible with your CIP, creating more administration instead of the time-saving benefits your new tech promised.
- **Future growth concerns**, wondering if significant expansion will compromise control over the centralisation of investment decisions, as your CIP intends.

A scalable CIP should support client experience, technology integration, regulatory compliance, and cost control across a larger and growing client base.

There are, of course, many other reasons that could prompt you to rethink your CIP, including changing client needs and the emergence of new investment products, technologies, and operating models.

The key question to pose—especially if your CIP was implemented a few years ago—is this: Is it still fit for purpose, or is there a better approach that avoids slowing your progress?

Four key points to consider.

1

Value proposition

Who are your target clients, and what matters most to them?

Investment philosophy, performance, and price matter, but your value proposition should go beyond that. What makes it attractive, suitable, and effective for clients and advisers? Building a proposition that advisers actively want to use is key to smooth adoption and long-term retention. How does your CIP support productivity and deliver better client outcomes?

Importantly, delivering consistent value through retirement might require more than simply extending accumulation-phase strategies. A centralised retirement proposition (CRP) can help by offering a structured, tailored solution that evolves with client goals—delivering consistent value throughout retirement stages.

QUESTIONS TO POSE:

- Who are our target clients and what do they value most (e.g., reassurance, simplicity, exclusivity)?
- What makes our proposition compelling and credible compared to alternatives (other advisers, direct platforms, banks)?
- Are our CIP options competitively priced and performing as expected?
- Does our CIP clearly support our advice proposition—both in philosophy and in how it drives adviser confidence, productivity, and long-term client value?

2

Commercial strategy

How does your CIP support your business growth?

It's not just about having a commercially viable model. It's about designing a strategy that aligns with your target market, withstands regulatory scrutiny, and positions you competitively. Your cost of production, pricing structure, and revenue model must work together to deliver value for clients while supporting adviser engagement and long-term profitability. Distribution matters too. Design your CIP to reach the right clients, with advisers fully supported to adopt and promote it confidently. A well-considered commercial strategy should make your CIP central to your firm's future success.

QUESTIONS TO POSE:

- Does our CIP align with our financial planning or investment-led approach, and enhance our brand and client experience?
- Is the total cost of delivering our CIP—including investment management, technology, governance, and administration—commercially sustainable?
- Can our CIP scale efficiently as our client base grows, and does it support adviser adoption and engagement?
- Is our CIP distribution strategy—via internal advisers, networks, or platforms—effective in supporting consistent client transition and adoption?
- If we hold discretionary permissions, how does the CIP contribute to recurring revenue, margin improvement, and enterprise valuation?

3

Operations

How well does your CIP operate behind the scenes, and how visible is that to advisers and clients?

Operational efficiency is about delivering a consistent, scalable experience that advisers can trust and clients can rely on. Platform integration, automation, reporting, and production are all critical. A CIP that's clunky to implement or difficult to maintain will struggle to gain traction, no matter how strong the investment proposition. Advisers need tools that work smoothly, reduce friction, and free up time to focus on client relationships. How does your CIP support operational excellence and make it easier to deliver great outcomes at scale?

QUESTIONS TO POSE:

- Is our CIP fully integrated with our platforms and technology, or are manual workarounds still required?
- Where can we automate processes to reduce friction and free up time?
- How easily can we implement and maintain our CIP across different client types, and can the model scale as our business grows?
- Are we confident in the accuracy, timeliness, and relevance of reporting, and is performance communicated in a client-friendly, compliant way?

4

Risk

How resilient is your CIP, and how well does it stand up to scrutiny?

Managing risk means more than just ticking compliance boxes. It involves building a proposition that's robust, future-proof, and well-governed. From regulatory alignment to oversight of third-party fund managers, your CIP should be designed to minimise risks to clients and your business. Change is constant, so your CIP needs to be adaptable without compromising control. A well-considered approach to risk helps protect your clients, your advisers, and your business—now and in the future.

QUESTIONS TO POSE:

- Does our CIP meet current regulatory requirements, and are we confident it would adapt to regulatory, market, or internal change without compromising control?
- How do we evidence good outcomes and fair value under Consumer Duty?
- Where are the potential points of failure in our CIP delivery, and how are we mitigating them?
- Do we have defined oversight and governance of third-party providers and contingency plans in place if a key vendor fails?

CIP implementation options.

Having considered the client, strategic, operational, and risk dimensions of your CIP, the next step is deciding how best to implement it. How you answered the questions from the previous section will help shape that decision. In this section, we explore the pros and cons of three high-level approaches: advisory, outsourcing, and co-manufacturing.

Advisory

In an advisory portfolio approach, the advice business takes full responsibility for building and managing client portfolios, either bespoke for each client or aligned to model templates. This approach allows for greater customisation and deeper client engagement. But it also demands significant investment in talent and can be operationally inefficient due to manual processes and consent requirements. Scalability and consistency also become challenging, especially under Consumer Duty.

Outsourcing

Outsourcing portfolio management to third-party managers allows advice businesses to focus on client relationships while delegating asset allocation, fund selection, and rebalancing. Supporters point to operational simplicity, reduced compliance burden, and consistent outcomes across a broad client base. However, outsourcing can limit customisation, reduce adviser control, and possibly weaken the sense of ownership.

Co-manufacturing

Co-manufacturing offers a collaborative route to CIP implementation, allowing the advice business to partner with an investment manager to jointly design and deliver portfolios. Advisers retain strategic input—such as portfolio objectives, risk, and overall design— while leveraging the manager's expertise in asset allocation, fund selection, and risk management. This approach balances customisation and efficiency, but success depends on clear roles, strong governance, and cultural alignment.

Different implementation models

This chart indicates how each option performs across key considerations. It's designed as a quick reference to help you weigh trade-offs and identify where strengths and limitations may exist.

	Advisory	Outsourcing	Co-manufacturing
Control	🟢	🔴	🟡
Customisation	🟢	🔴	🟢
Differentiation	🟢	🔴	🟢
Production cost	🔴	🟢	🟢
Scalability	🔴	🟢	🟢
Planner support	🔴	🟡	🟢
Governance	🔴	🟡	🟡
Integration	🔴	🟡	🟢

🟢 Strong alignment.
🟡 Balanced or mixed position.
🔴 May present challenges or require additional attention.

Source: SEI

Three paths. One partner: SEI.

Whether you choose to build portfolios in-house, outsource investment management, or co-manufacture with a strategic partner—we have the expertise to support you.

We help financial advisers, wealth managers, and banks strengthen their value propositions, optimise commercial strategies, implement scalable operating models, and navigate regulatory, market, and business risks.

- For firms managing portfolios directly, we offer a broad range of equity, fixed-income, and alternative funds.
- For those outsourcing, our risk-profiled, multi-asset solutions deliver consistent outcomes across client segments.
- And for businesses seeking a collaborative approach, our deep experience in co-manufacturing enables us to design custom investment solutions that align with strategic goals, enhance client engagement, and support better outcomes.

With regulations evolving, client expectations shifting, and markets in flux, the real question isn't whether your CIP was fit for purpose—it's whether it still is. Now is the time to reassess whether your centralised investment proposition is helping your business thrive or quietly holding it back.

Ready to rethink your CIP with SEI?

Let’s work together to uncover new strategies to drive measurable results.

ABOUT SEI

SEI® (NASDAQ:SEIC) is a leading global provider of financial technology, operations, and asset management services within the financial services industry. SEI tailors its solutions and services to help clients more effectively deploy their capital—whether that’s money, time, or talent—so they can better serve their clients and achieve their growth objectives.

seic.com/uk

SEI Investments
(Europe) Ltd (“SIEL”)
1st Floor, Alphabeta
14-18 Finsbury Square
London
EC2A 1BR