

# Boris's old aide joins world of 'robo-advice' for investors

By Kate Palmer

GERARD LYONS, the outspoken economist and former adviser to Boris Johnson, is planning a new career in algorithm-based investing.

The pro-Brexit former mayoral aide is joining a group of high-profile City investors who are backing new website Netwealth. It launches tomorrow amid a surge in so-called "robo-advice" companies, which use computer programmes to make investing decisions.

The minimum investment is £50,000 but the service hopes to attract the traditional clients of private banks such as Coutts and Brewin Dolphin. Netwealth's tiered 0.65pc management fee, falling to 0.35pc for people who put in more than £500,000, represents around a third of the cost of established asset managers.

Chief executive Charlotte Ransom, a former partner at Goldman Sachs, said she founded the firm after "it hit me I can't want to spend time managing

my finances, but didn't want to hand it over to somebody else to manage with little idea of how it's performing".

Among Netwealth's 28 initial investors, funding the firm's £6.5bn launch, are Jupiter vice-chairman Edward Bonham Carter, EFG founder Michael Hartweg and Harvey McGrath, the former Prudential chairman.

Mr Lyons will give macro-economic advice but the portfolios themselves are designed by an algorithm that quizzes individuals about their financial goals and savings habits. "I'll be very hands-on," he said. "But the technology is also very robust and is backed by a wealth of financial experience from individuals including myself."

"Robo-advice" platforms in the US have already accrued some £19bn in assets, according to Deloitte. A new platform by the founder of price comparison site Moneysupermarket called eVestor is due to launch this summer.

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