



# Channel Islands Wealth Management Insights 2025

Seizing the moment



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## Foreword: The next big leap

Wealth management has evolved significantly over the past 100 years. Now, the opening up of alternative investments could be one of the most significant shake-ups in the sector since the introduction of exchange-traded funds (ETFs). What's the impact? What are the opportunities? Where does the Channel Islands fit into this new era?

Welcome to **Channel Islands Wealth Management Insights 2025: Seizing the moment.**

In the summer of 2025, we carried out a survey of executives from 31 Channel Islands wealth managers, with a combined total of 40,000 clients and managing approximately £100 billion of client assets.

Building on the themes explored in our [Thriving in a fast-evolving market](#)<sup>1</sup> survey report in 2024, the questions in our 2025 survey delve deeper into the make-up, performance and opportunities and challenges opening up for Channel Islands' wealth managers.

### Remade in real-time

Encouragingly, the wealth managers in our latest survey are more optimistic than they were a year ago, especially about their prospects for the coming 12 months.

Yet this confidence begins to recede as they look further ahead. The cautious outlook is unsurprising at a time of heightened macroeconomic uncertainty and disruption, as well as the changing political landscape. The tentative sentiment may also stem from a realisation of just how much transformation is needed to stay relevant and competitive in an international wealth management market that's being remade in real-time. The transformation cuts across people, processes and technology right through the front, middle and back-offices.

### Ahead of the pack

The most pressing questions centre on whether wealth managers are moving far and fast enough to keep pace with shifting investor expectations – demand for greater diversification and potentially higher yielding alternative investments in particular.

The wealth managers in our survey recognise the growth potential from cryptocurrency, private markets and other alternative investments as their clients look to increase investment options and returns. But few Channel Islands' wealth managers currently offer these alternative assets, with the traditional mainstays of listed equities and bonds still accounting for all but a very small proportion of their assets under management (AuM).

Getting ahead of the pack by offering alternative investments is therefore an opportunity to enlarge the share of wallet from existing clients and attract new business both locally and internationally. Channel Islands' wealth managers' ability to compete is bolstered by Jersey and Guernsey's already strong reputation as leading centres of private markets fund management.

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<sup>1</sup> Thriving in a fast-evolving market, Channel Islands Wealth Management Insights 2024, PwC





## Breaking down barriers

Private markets investment managers are keen to access the wealth channel as they look to open up new sources of funding. While these private markets assets used to be off limits to all but the highest net worth investors, new solutions such as tokenisation and evergreen funds are opening up the market. The game-changing potential includes lowering the minimum level of client investment. To help overcome the lack of liquidity, evergreen funds offer regular redemptions. In turn, tokenisation allows otherwise illiquid assets to be traded on secondary markets. This publication includes separate insights from Tokeny on how tokenisation works and the potential it offers.

## The ones to beat

New solutions are also helping wealth managers and their clients to compare investment returns. This publication includes separate insights from Enhance, which uses peer group data to help wealth managers assess and enhance their performance.

## Exploring outsourced solutions

From an operational perspective, outsourced solutions can improve access to talent and technology, while allowing in-house teams to allocate more resources to transformation and value creation. This publication includes separate insights from BNY Pershing Channel Islands on the case for outsourcing.

## Out in front

In this report, we explore the forces transforming the wealth management market, assess Channel Islands' wealth managers' readiness to capitalise on the opportunities and identify the capabilities they need to succeed.

We would like to thank the survey participants for sharing their time and insights. We would also like to thank Enhance, Tokeny and BNY Pershing for their contributions to the report.

### Ian Ross

Director and Jersey Banking Leader  
PwC Channel Islands



# Key findings

## The shape of the market

Trusts continue to be the biggest revenue generator. They make up more than half of Channel Islands wealth management clients and 70% of AuM, with an average mandate of £3.2 million. Private clients account for around a quarter of AuM and 20% of clients, with an average mandate of £1.3 million.

Custody and execution services account for almost half of AuM, with an average mandate of more than £5 million. Discretionary investment management makes up around a third of the AuM, at a smaller average mandate of £2.4 million.

## Real-terms growth is slowing

In absolute terms, fund levels are increasing strongly. But stripping out the uplift from inflation or rising asset prices reveals more modest growth in recent years. This underlines the need to look beyond core markets for new sources of value, differentiation and growth.

## Private markets are changing the playing field

With growth hard-won, offering access to alternative investments can help wealth managers to stand out from the pack and strengthen client returns. Many clients may switch to wealth managers who move early to incorporate alternative assets in their portfolios. This is also an opportunity to increase share of wallet, especially among clients who might otherwise go directly for investments such as cryptocurrency or private markets assets.

## Competing on cost

Cost bases across the market vary markedly. The average breakeven mandate size for wealth managers using in-house managed portfolio services (MPS) is nearly £500,000. Yet many wealth managers are operating at a breakeven point that's much lower than the average, enabling them to boost margins and attract customers that might otherwise fall through the net.

## Targeting tech investment where it really counts

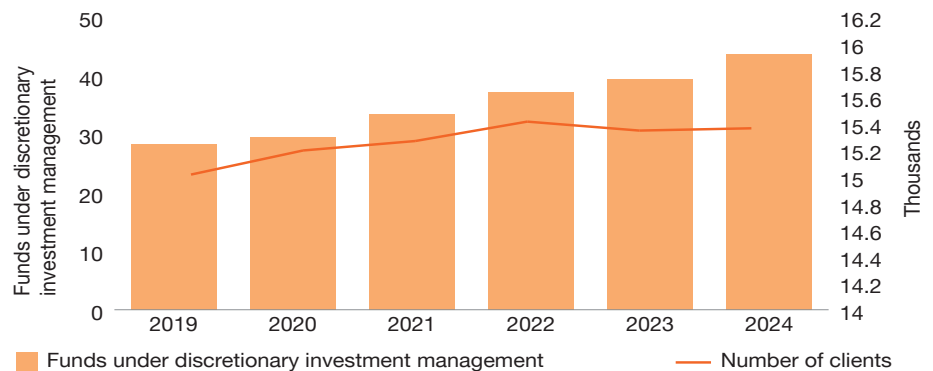
Clients expect tech-enhanced capabilities. The big question is how to harness new technology and meet client demands, while containing what could be significant investment costs. Getting to know what your clients do and don't value would enable wealth managers to target investment where it really counts.

# 1 The competitive frontlines: Assessing wealth managers' scale, client base and market reach

This year's survey looks more closely at where revenues are being generated and how the sector is performing.

At first glance, the performance of the Channel Islands wealth management sector looks strong. In Jersey, funds under discretionary management have risen by around 10% a year since 2018 (no comparable figures for Guernsey are available).

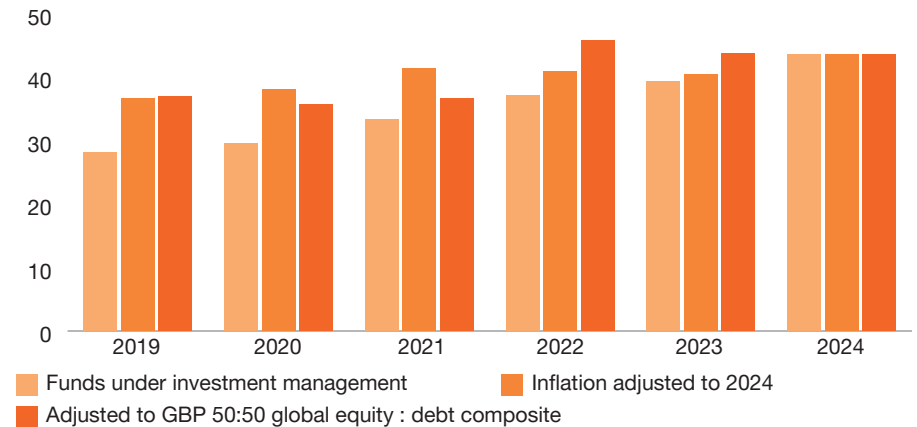
## Jersey funds under discretionary investment management



Source: PwC analysis of information provided publicly by the Jersey Financial Services Commission

Yet, behind the headline growth, a more nuanced picture emerges. The expansion in client numbers has tailed off over the past two years. In absolute terms, fund levels may be increasing. But stripping out the uplift from inflation or rising asset price valuations (using a composite 50:50 global equity: global debt index) reveals more modest growth in recent years.

## Jersey funds under discretionary investment management



Source: PwC analysis of information provided publicly by the Jersey Financial Services Commission

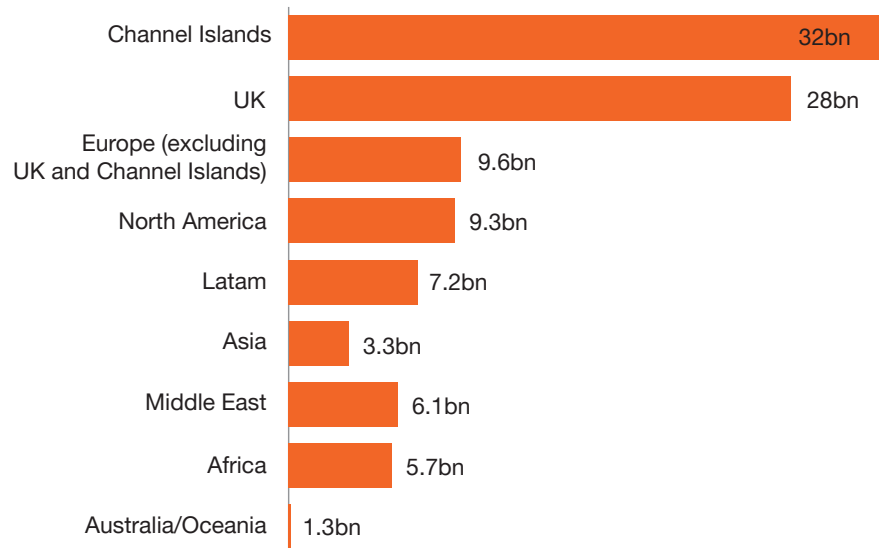
## Where clients come from

Last year's survey found that the bulk of clients and AuM come from the Channel Islands. This year, we wanted to find out more about the make-up of this client base.

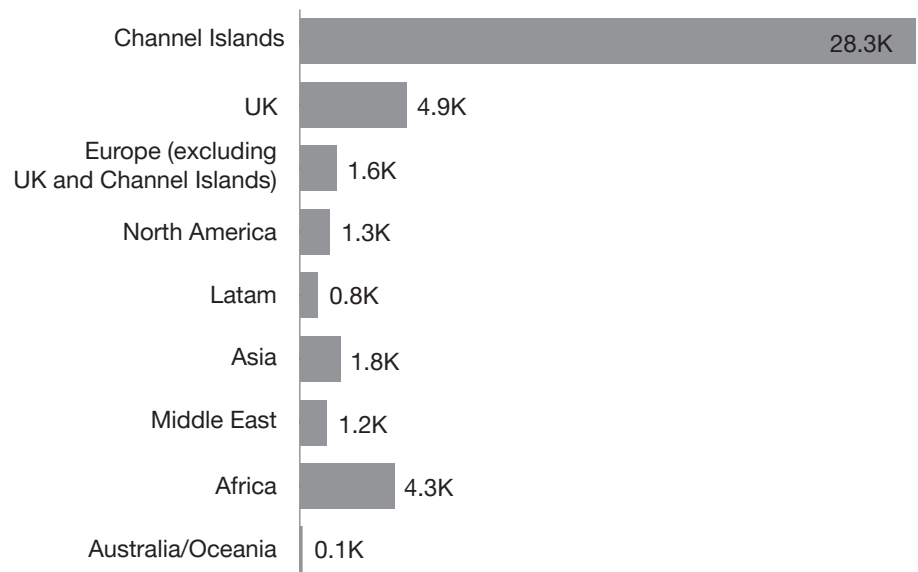
Trusts account for a quarter of Channel Islands clients and 70% of AuM, with an average mandate of £3.2 million. Private clients make up around a quarter of AuM and 20% of clients, with an average mandate of £1.3 million.

Potential targets include local HENRY (high earning not rich yet) investors. While the values of their portfolios might be small at present, they could become significant in the decades to come and a number of Channel Islands wealth managers are developing service offerings for this segment. A combination of personalisation and access to alternative assets would help wealth managers to attract the many clients in this segment who are currently using digital platforms to independently place their investments.

### Total AUM by geography of client



### Total number of clients





## Comparing service offerings

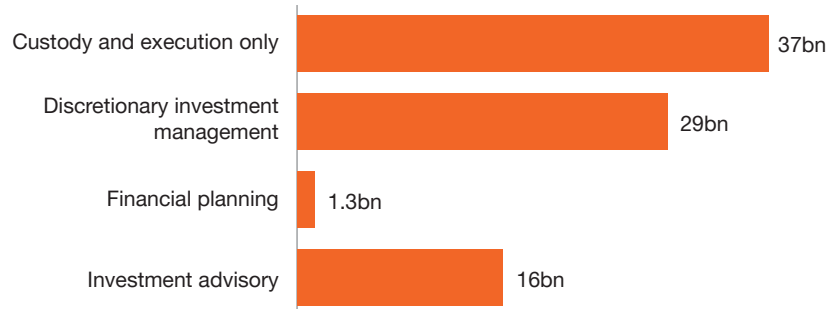
Another area we wanted to explore in this year's survey is how AuM breaks down across the different service offerings.

Custody and execution services account for almost half of AuM, with an average mandate of more than £5.2 million. Discretionary investment management makes up around a third of the AuM, at a smaller average mandate of £2.4 million. Investment advisory is next with around 20% of AuM and an average mandate of £1 million. At £1.4 billion, financial planning is a relatively small slice of AuM, and has an average mandate of £375,000.

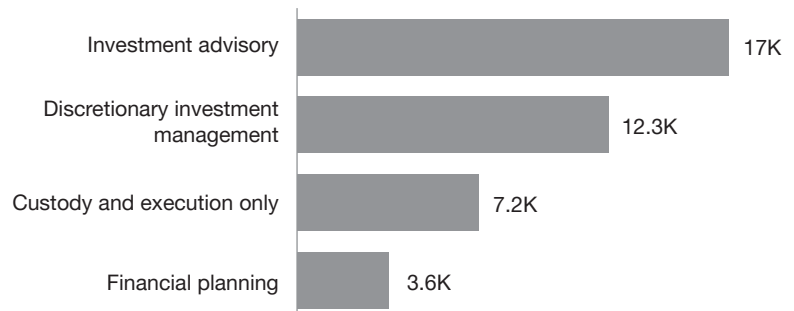
The opportunities for growth include tie-ups between discretionary management and financial planning firms, as acquirers and joint venture partners seek to broaden access to clients and strengthen the financial solutions they offer.

### Service offerings

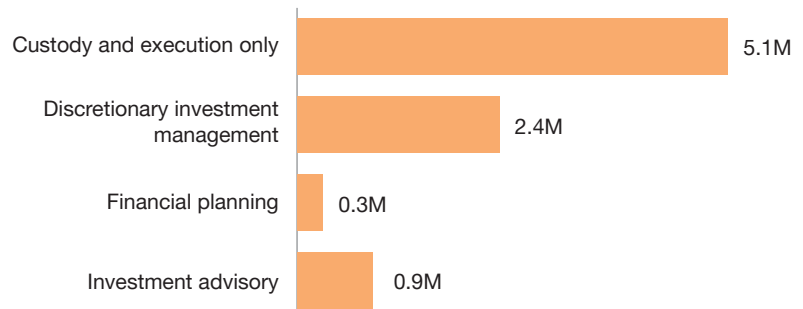
#### Total AUM by service offerings



#### Total number of clients



#### Average AUM per client



## Scale versus high touch

With client numbers and real-terms growth in AuM flatlining, wealth managers face pressing questions over where and how to boost returns.

The strategic options include going upmarket by focusing on the most valuable clients with the high touch services this demands. The numbers are there. The wealth managers in our survey are serving almost two thousand clients with mandates of over £10 million (average £37.5 million).

At the other end of the spectrum are opportunities to develop a lean, digitally-enabled model to serve a less affluent, high-volume customer base. The targets include the significant number of clients with mandates of less than £500,000. Many wealth managers are also serving customers with mandates of less than £250,000.

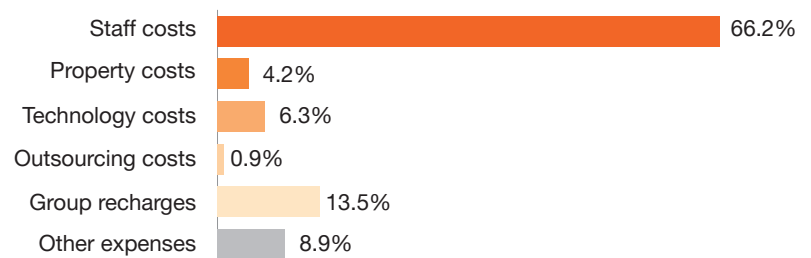
At what point does this low margin high volume business become uneconomic? The average breakeven mandate size for wealth managers operating with in-house MPS is £490,000. Clients with mandates of less than the breakeven average could therefore lose access to wealth management services.

Yet cost bases and breakeven points vary markedly across the market. Many Channel Islands wealth managers are operating at a breakeven point that's much lower than the average. Others need mandates of at least £1.5 million to breakeven.

Targeted investment in technology could help to cut the breakeven to £250,000 or even lower and hence open a large section of the otherwise unserved mass affluent market. Technology could also help wealth managers to offer the kind of cost-effective portfolio personalisation that isn't available under a standard MPS.

### Cost analysis and breakdown

#### Detailed breakdown of relative share of costs by category (2024)



## Moving to centralised screening

Centralising know your customer (KYC) and anti-money laundering (AML) screening could have one of the most significant impacts on costs. This kind of centralised KYC facility is high on the list of wealth managers' priorities for making the Channel Islands more competitive.

A number of leading markets including Singapore, India and the UAE all offer one-time digital verification. The results not only reduce costs but also speed up onboarding and enhance client satisfaction.

If implementing a solution for individuals and trusts is too challenging, it may make sense to introduce one-stop verification in stages. This could start with more straightforward local private clients before evaluating the impact and potentially expanding market-wide.

## What is Enhance Peer Group data? by Enhance

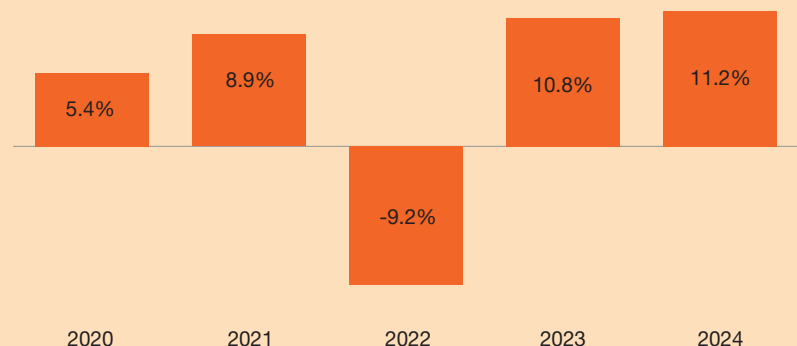
Enhance monitors over 9,000 investment portfolios for the fiduciary sector quarterly. The company produces an independent performance report based on a data feed built with over 800 investment managers around the world, covering USD50 billion in assets. These portfolios are primarily discretionary and are broadly classified into various risk profiles in different base currencies.

Enhance has shared some insights from this peer group data. GBP balanced profiles are prioritised since they are the most widely used strategy.

### Performance

Despite the economic shocks and uncertainties of the past five years, investment managers have delivered a 25% average return, with only one negative year in 2022. In comparison, a simple 50:50 global bond and global equity index composite has delivered 30% over the same period. Active managers' active decisions have contributed value mainly around risk control.

### Discrete annual performance



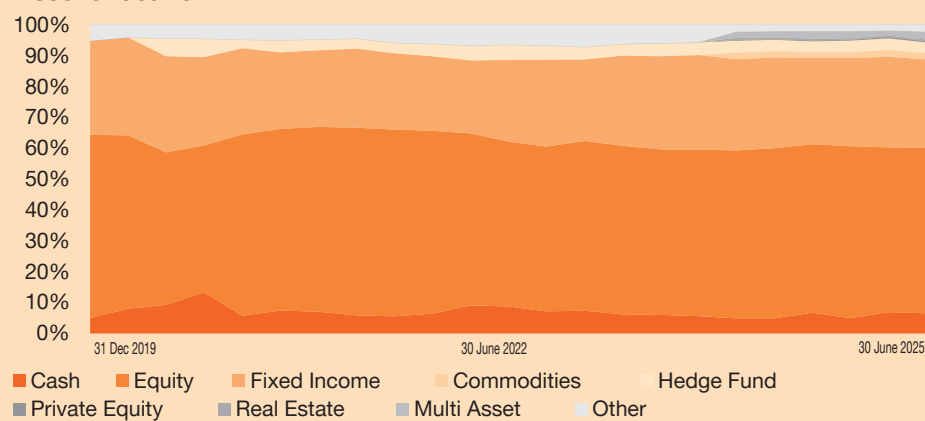


## Portfolio positioning

Looking at peer group data, equities, the main source of returns, have tended to make up around 50% (+/- 10%) of portfolios. Fixed income asset class has been around 25% (+/- 5%) over this period. Cash allocation tends to fall between 5% - 10%.

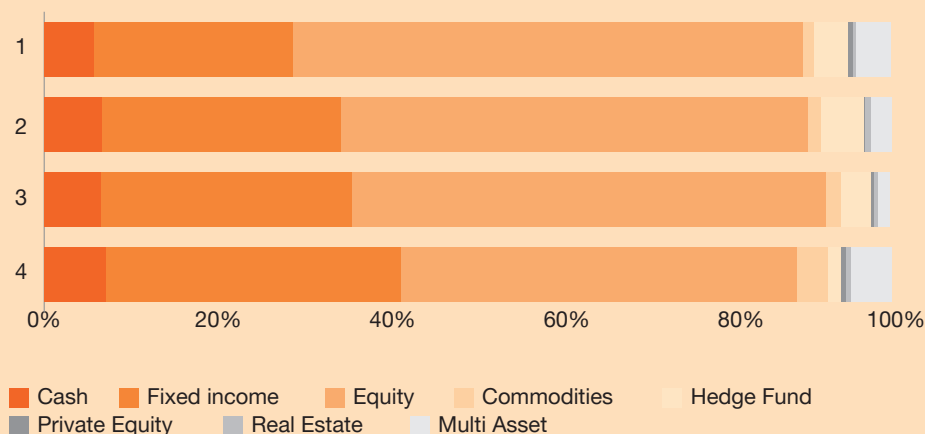
Enhance expanded the range of asset classes in 2024. In the first six quarters of data, we observe a meaningful and stable allocation to Hedge Funds and Commodities (largely gold), while the traditional 'diversifying' asset class Real Estate is barely recognisable at 0.5%.

### Asset allocation



## Quartile ranking

The table below shows the asset allocation of different quartiles. It is perhaps unsurprising that the highest-quartile manager has a noticeably higher exposure (59%) to the highest return-producing equity asset class, and the same holds true for the lowest quartile with the smallest equity exposure (45%). The second and third-quartile managers are comparable to each other. This supports the belief that strategic asset allocation is responsible for relative performance over the long-term. This is also consistent with our observation that the 50:50 bond/equity passive benchmark composite has generated a higher return than even the first quartile managers, given that this passive benchmark composite does not include many asset classes such as Commodities, Hedge Funds, Real Estate or even High-Yield Bonds and Emerging Market Bonds.



## Distributions

Enhance rates each portfolio based on proprietary methodology taking into account returns and risk over one and three years. The rating score ranges between 1-5, and the distribution is a reasonably shaped bell curve, with most managers (c.70%) rated around the average score of 3. Amongst all the managers covered in this peer group data, only one has consistently rated above 3 on a rolling 3-year basis over the last six years, with 20 managers rating above 3 for more than half of the time.

The universe is fairly global, which would have implications for its relevance to Channel Islands' wealth managers. For example, the domestic bias in this peer group is likely to be less than that of the Channel Islands. These portfolios also have distinctive investment requirements, such as long-term horizons, which may be less applicable to client portfolios of the Channel Islands. Nonetheless, these observations are hopefully useful to take note of.

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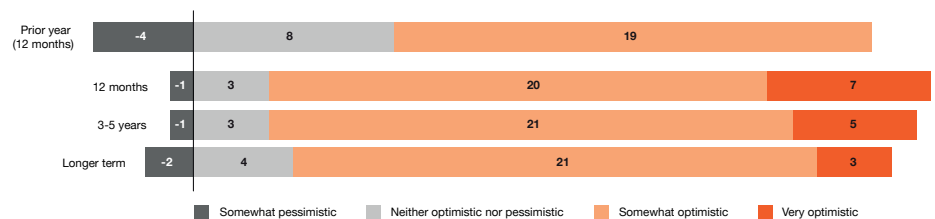
## 2 Openings for growth: Gauging sentiment, competitiveness and strategies for expansion

Channel Islands wealth managers are ideally placed to benefit from international movements in wealth and investors' search for safe harbours in an unstable world. How successful have they been? What would improve their ability to compete?

The prevailing mood among Channel Islands wealth managers continues to be one of cautious optimism. But unlike 2024, some managers are now very optimistic.

### Confidence levels

#### Outlook on Channel Islands' wealth management industry



Source: Channel Islands wealth management survey 2025

Wealth managers' confidence in their prospects is strongest for the coming 12 months. This positive sentiment possibly reflects the buoyant performance of asset prices despite the economic and political turbulence that have marked much of 2025.

Yet, the optimism begins to dip as wealth managers look to 2030 and beyond. The trepidation is understandable. But there could be as many opportunities as challenges as [tech-powered innovation and business model reinvention](#)<sup>2</sup> gather pace. Steering through uncertainty and capitalising on the openings ahead are likely to require a rethink of longstanding strategic assumptions and step-up in the pace of operational transformation.

<sup>2</sup> Embracing Reinvention: Channel Islands CEO Survey 2025, PwC, 7 March 2025



## Targets for expansion

Our 2024 survey highlighted the opportunities for local businesses to expand internationally, compensating for slower growth at home. International clients have higher average levels of investable wealth than local counterparts and therefore offer a significant boost to AuM and returns.

Last year's survey identified the Middle East as a key region for growth. The enduring stability of the Channel Islands could prove especially attractive to clients in the Middle East at a time of heightened political risk in their region. When we asked the wealth managers in our survey which Middle Eastern markets offer the greatest growth potential, Dubai is out in front. Next in line are the other emirates in the United Arab Emirates (UAE) and Saudi Arabia in third.

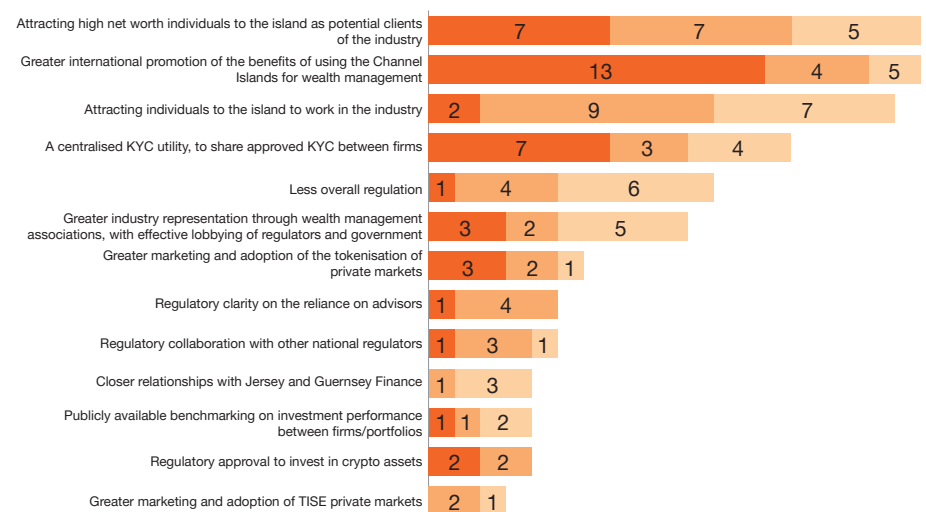
Are Channel Islands wealth managers doing enough to seize the opportunities opening up in the Gulf and wider Middle East? Progress is slow. Our analysis reveals no discernible increase in either fund levels or the number of clients from the Middle East. One in five of the wealth managers we surveyed are establishing offices on the ground. A significant proportion are visiting the region with varying frequency. But a third aren't actively targeting the Middle East.

Other growth opportunities include attracting high net worth (HNW) investors leaving the UK following the changes to non-domicile tax rules. While the wealth managers in our survey report some success in attracting this movement in wealth, they believe that the Middle East has been the main beneficiary. These investors could be a key target market if they appreciate the benefit of managing some of their wealth through a neutral jurisdiction.

## Promoting the Channel Islands

What would improve the international competitiveness of the Channel Islands? Wealth managers' top two priorities are promoting the benefits of Jersey and Guernsey to international investors and attracting HNW clients to the Channel Islands.

### Top 3 factors which would improve international competitiveness of CI firms



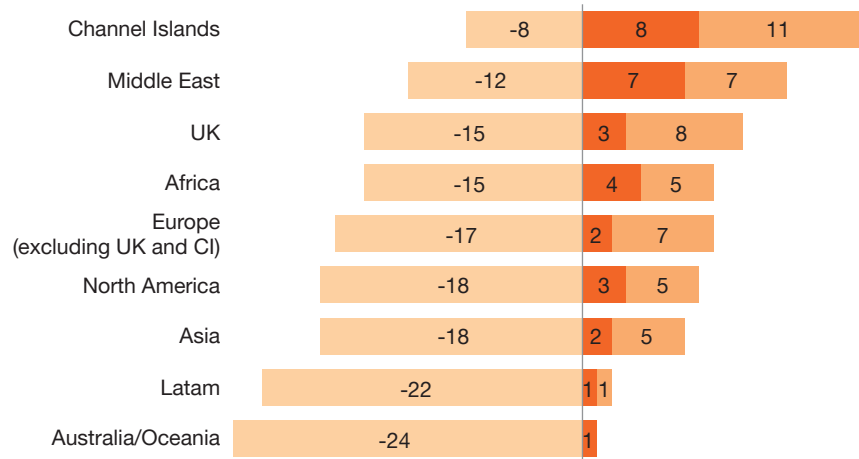
Source: Channel Islands wealth management survey 2025

Building on their already strong support for trusts and fund managers, regulators, policymakers and industry groups have a key role to play. Their contribution includes creating an environment in which wealth managers can thrive and marketing the advantages of the Channel Islands to international investors.

## Shoring up the home market

Channel Islands wealth managers still see their home market as the number one target for growth. In this year's survey, we homed in on where they see the greatest potential. Most see private investors based in the Channel Islands and the Middle East as the most promising segment. This would suggest that they're looking for greater diversification as they seek to move away from too much reliance on trusts.

### Market offering greatest growth in the next 12 months



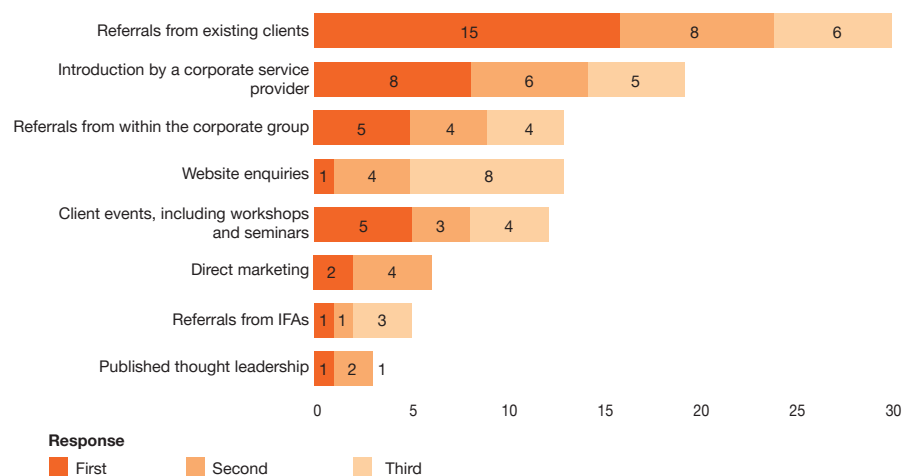
#### Response



Source: Channel Islands wealth management survey 2025

The wealth managers in our survey see referrals from existing clients as the best way to bring in new business. Wealth management is a relationship-driven sector. However, wealth managers need to reach out beyond their existing client base and contacts as they look to attract a new generation of investors. We would therefore expect to see more focus on digital engagement, referrals from independent financial advisers and direct marketing to attract private clients in the years ahead. Further opportunities to acquire new clients include closer collaboration with corporate service providers given their importance in bringing in overseas trusts.

### Routes generating most business (AUM)



#### Response



Source: Channel Islands wealth management survey 2025

Targeting talent

The drive to strengthen market share has triggered a flurry of acquisitions in recent years. A lot of the scale deals have already been completed, leaving fewer businesses with attractive book sizes coming up for sale. However, our survey suggests that buyers will continue to target opportunities to acquire valuable new skills in areas such as financial planning.

Business acquisitions and alliances

Are you considering making, or are you open to being the target of, a business acquisition or strategic alliance in the future?



Source: Channel Islands wealth management survey 2025





### 3 Priming your portfolio: The race to meet shifting investor expectations

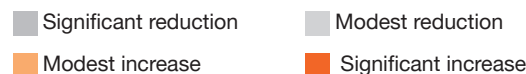
Investors want greater diversification and yield. These expectations are fuelling a growing interest in alternative assets, including private markets investments.

The private markets' potential is reflected in [PwC projections](#)<sup>3</sup>. Globally, we expect AuM in alternatives to grow much faster than overall AuM to top USD27 trillion by 2028. Individual investors offer significant, but still largely untapped potential, with private markets' funds actively targeting this segment.

#### Within the broader alternatives market, which categories do you expect to see the greatest growth?



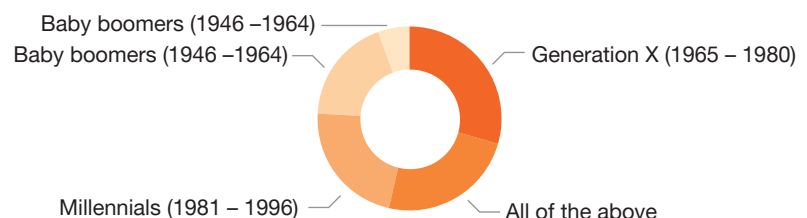
#### Response



Source: Channel Islands wealth management survey 2025

The wealth managers in our survey believe that digital assets offer the greatest growth potential within the alternatives market. Access to cryptocurrency and other digital assets could be especially useful in attracting the new generations of investors coming into the market. Many are currently bypassing wealth managers to invest directly in these assets.

#### General focus areas for growth



Source: Channel Islands wealth management survey 2025

<sup>3</sup> Asset and wealth management revolution 2024: Unleashing the transformative power of disruptive technology, PwC, 19 November 2024

## Portfolio potential

Are Channel Islands wealth managers meeting the growing demands for portfolio diversification? For now at least, most wealth managers are sticking with more traditional asset classes – our 2024 survey revealed that 95% of assets were invested in listed equities and listed bonds, either directly or through funds.

Newly revealed market data from Enhance indicates that managers with greater allocations to equities have performed better on average. With alternatives coming into these measures, we may see how the historically strong potential returns in private equity boost yields. However, performance varies across the private equity market, demonstrating the importance of asset selection. Technology can prove useful here by analysing and evaluating broader ranges of firms and their performance.

## Early mover advantage

The fact that few wealth managers currently offer alternative investment is an opportunity to get ahead of the pack. Opening up portfolios will attract new customers. It's also an opportunity to increase the wallet share from existing private clients who might otherwise use digital platforms to invest in assets such as cryptocurrency or private markets ETFs, or trusts who invest directly into alternative assets.

For slower movers, failure to keep pace with investor expectations risks losing clients to competitors. The wealth management sector could even find itself bypassed altogether as tech-savvy investors opt to buy and sell direct.

## Valuable head start

When competing for business internationally, Channel Islands wealth managers can build on Jersey and Guernsey's position as leading centres of private markets fund management. There could also be opportunities for collaborations between wealth and fund managers.



## Boosting access to private markets

Barriers to entry into private markets used to include the operational friction and costs for wealth managers. In turn, their clients have been put off by the high capital outlay and illiquidity of these asset classes.

Now, a combination of regulatory changes, more liquid structures and easy low-cost platform access are opening up the market. Tokenised 'fractional ownership' allows investors to buy small stakes in investments ranging from equities to alternative assets and even luxury properties or fine art. Investors can also buy and sell the tokens in the same way as other digital assets. Evergreen funds offer comparable accessibility and liquidity by allowing investors to buy a share in an open-ended private markets fund. Investors gain access to deployed capital, with periodic redemptions and no fixed end date.

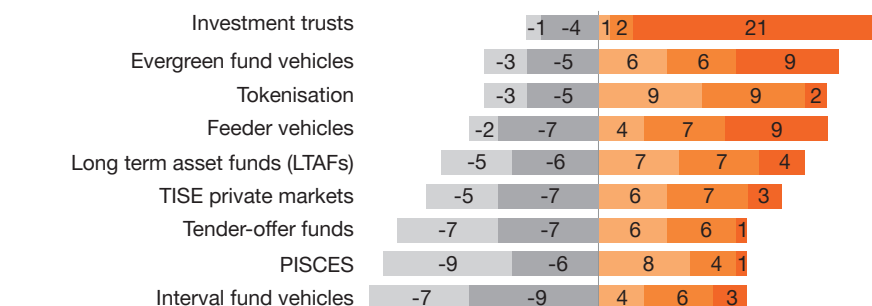
For wealth managers who are new to private markets, a growing range of private markets ETFs offer flexibility, transparency and relatively low fees. Further developments include platforms that help to take care of private markets transactions.

Access to funds has always been an important factor in whether or not to recommend certain investments. But wealth managers can adopt a more nuanced assessment for different client demographics. Do they need all of their portfolio to be liquid or just a proportion of it, for example?

## Take-up of new solutions

Our survey highlights the importance of education and awareness in encouraging take-up of these new solutions. Just as important is educating clients about the opportunities, the risks and the investment process.

### How educated do you consider your teams to be on potential solutions to increase investor access to private markets?



#### Response

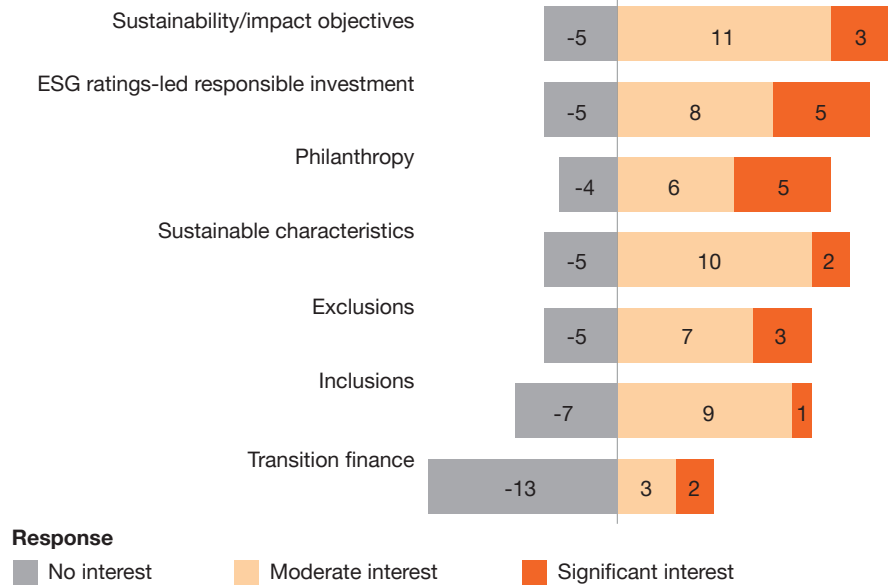
N/A - I don't consider this to be a potential solution
  No understanding
  A little understanding
  Moderate understanding
  Full understanding

Looking ahead, policymakers and regulators in Jersey and Guernsey are keen to position their islands as centres of innovation in areas such as tokenisation and blockchain technology. This includes guidance on how tokenised structures would be treated from a regulatory perspective.

## Balancing sustainability and return

Demand for sustainable investments has dipped since our survey in 2024. But around a third of wealth managers still highlight the importance of an environmental, social and governance (ESG) focus. ESG may continue to be a differentiator. But the wealth managers out in front will be able to offer sustainability without compromising yield.

### Level of current client interest in sustainability topics



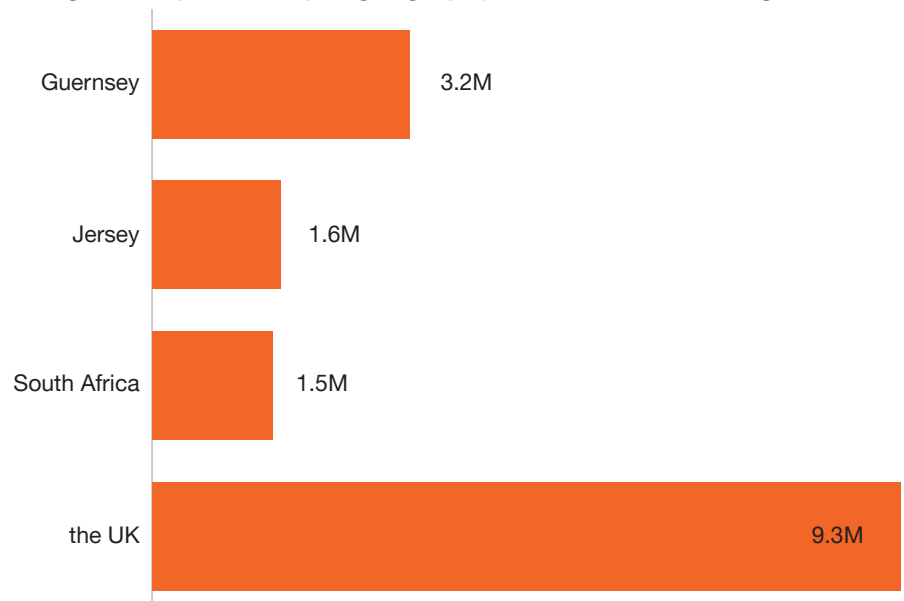
Source: Channel Islands wealth management survey 2025

## How best to invest

Building on last year's findings, our latest survey looked in more detail at how wealth managers manage their investments.

Overall, around 32% of AuM is managed in the UK. However, the bulk of this UK managed AuM is made up of a small number of large mandates. Smaller mandates tend to be managed locally.

### Average AUM per client per geography of investment management



Source: Channel Islands wealth management survey 2025

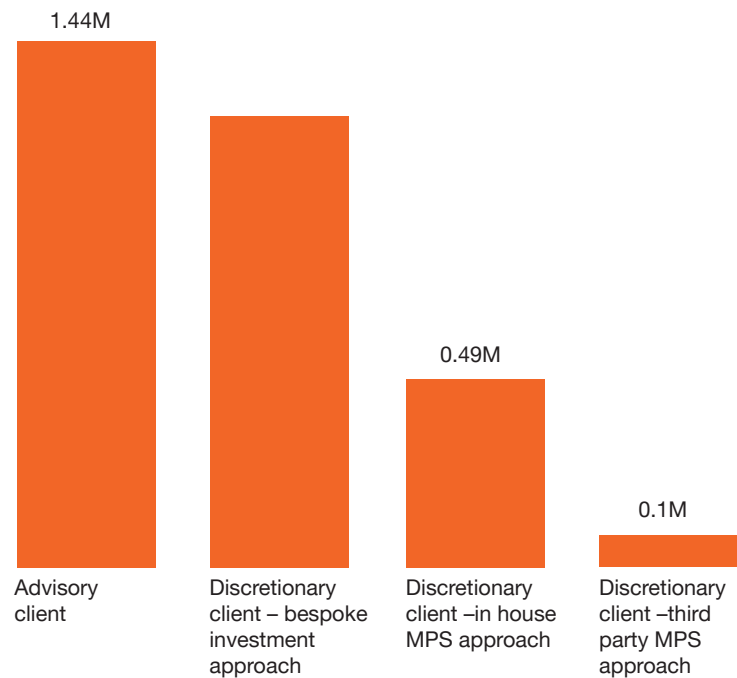




In-house MPS is used by to manage around half of survey participants' assets and bespoke investment covers around a third. Wealth managers using in-house MPS for their discretionary clients are able to operate at a much lower average breakeven mandate (£490,000) than those offering bespoke management (£1.17 million) or third-party MPS (£100,000). Serving advisory clients tends to be slightly more expensive at an average of £1.44 million.

### Operating effectiveness

Approximate breakeven mandate size (£)



Source: Channel Islands wealth management survey 2025

Our survey reveals that growth in in-house MPS is likely to continue, reflecting what many wealth managers see as a good balance between differentiated performance and cost.



## How tokenisation works: A practical guide for wealth managers by Tokeny

Wealth managers have faced high operational friction and fragmented distribution, which have limited their ability to deliver alternative products to individual clients at scale. Tokenisation can help to address these challenges and open up these investments by offering fractional ownership, automated operations and global distribution. So how does tokenisation work in practice?



## Market growth

From a standing start at the beginning of 2021, tokenised assets<sup>4</sup> grew to USD15 billion globally at the end of 2024 (excluding stablecoins), and have already doubled to USD30 billion in the first eight months of 2025, with private debt being the largest asset class. There's a further USD285 billion of tokenised stablecoins.

The take-off of tokenisation reflects the growing interest from asset managers, institutional investors and fintech companies seeking to harness the latest developments in blockchain technology to improve efficiency and accessibility. The scope of assets being tokenised is expanding beyond private debt to include commodities, equities, collectibles and even carbon credits, providing new investment opportunities and diversifying portfolios.

Policymakers and regulators in Jersey and Guernsey are playing their part in development as they look to position the islands as centres of innovation in areas such as tokenisation and blockchain technology.

## How does tokenisation work?

Tokenisation converts assets into tokens that can be traded on the blockchain. Tokenisation doesn't change the nature of the asset. Rather, it changes how it's accessed, managed and distributed. With the right partners, tokenisation becomes a fast, compliant and seamless process.

Tokenisation starts with structuring – working with legal and fund experts to define what is being tokenised, why and under which jurisdiction. Once legal documents and investor terms are ready, issuers choose a blockchain (like Ethereum) and a token smart contract standard such as ERC-3643, which ensures only eligible investors can hold or trade the token.

The tokenisation platform brings it all together: smart contracts, compliance logic, wallet connection and distributor access, all in one place. Issuers can set up a token in a few clicks, configure compliance rules (e.g. eligible investor types, jurisdictions, transfer restrictions) and launch in just a few minutes.

## Why the Channel Islands?

Regulatory frameworks continue to evolve as regulators in Jersey<sup>5</sup> and Guernsey<sup>6</sup> seek to provide guidance for compliance and ensure market stability and investor protection. As tokenisation becomes more prevalent, there is a growing emphasis on educating consumers and investors about the benefits, risks and mechanisms involved in digital asset investments.

These trends indicate that tokenisation has the potential to significantly reshape the future of asset management and investment, with implications for market dynamics, democratisation of finance and the global economy.



<sup>4</sup> [app.rwa.xyz/](https://app.rwa.xyz/)

<sup>5</sup> Asset tokenisation and initial coin/token offerings guidance – Jersey Financial Services Commission, 28 August 2024

<sup>6</sup> Policy Statement – Approach to Fund Tokenisation, Guernsey Financial Services Commission, 14 May 2024

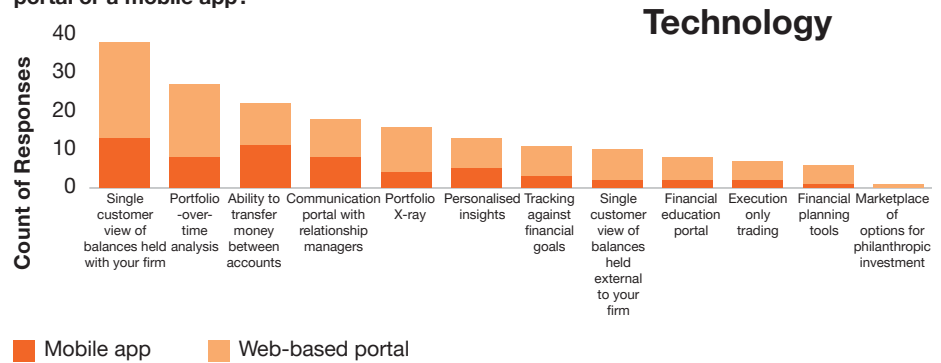
## 4 The capabilities needed to succeed: Talent optimisation and tech-powered innovation

Tech advances can not only boost efficiency, but also drive innovation, enhance client service and strengthen portfolio performance. How can wealth managers harness the potential?

Clients are coming to expect tech-enhanced capabilities in areas ranging from 24/7 visibility and interaction to portfolio personalisation and data-enabled insight. The wealth managers in our survey recognise that market-leading technology could be especially important in attracting the new generation of clients.

### Technology functionality

What functionality have you made available to your clients across either a web-based portal or a mobile app?



Source: Channel Islands wealth management survey 2025

The most common functionality currently available to clients are single customer views of client balances and portfolio over-time analysis. Far fewer wealth managers offer capabilities such as financial planning and tracking against goals.

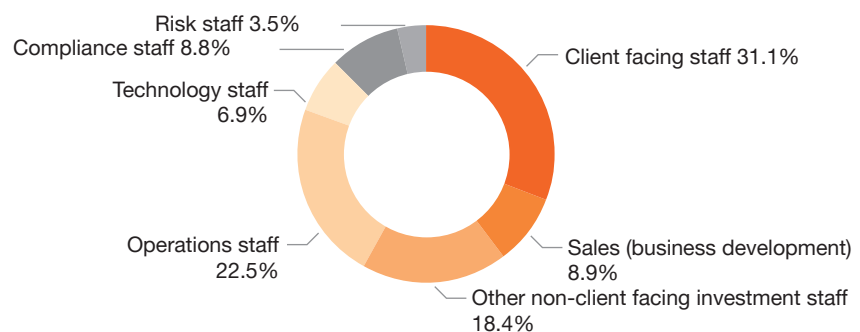
## Making the most of your talent

In a relationship-driven sector, it's important to spend as much time as possible in front of clients. Yet, last year's survey revealed that only around a quarter of the staff working for wealth managers are client-facing. Compare this to many of the other relationship-driven sectors we work with and the split of client-facing and support staff would be reversed.

In this year's survey, we wanted to find out where the non client-facing support staff are engaged. Operations and investment staff top the list, followed by compliance. These are all areas where outsourcing, automation and AI can take on much of the routine work. The fact that recruiting skilled and experienced personnel was the number one resourcing challenge in last year's survey further underlines the need to make more effective use of existing talent.

### Staff mix

How many staff do you have located within the Channel Islands within the following areas?



Source: Channel Islands wealth management survey 2025

If we look at client-facing staff, 70% of wealth managers operate with a named relationship manager. This personal touch can help to cement engagement. But there's a risk that clients could be lost if this relationship manager leaves. We may see an increase in engagement through customer service teams rather than one-to-one, albeit this approach needs to be targeted at those client segments which are more digitally enabled, rather than those who prefer a personal relationship.

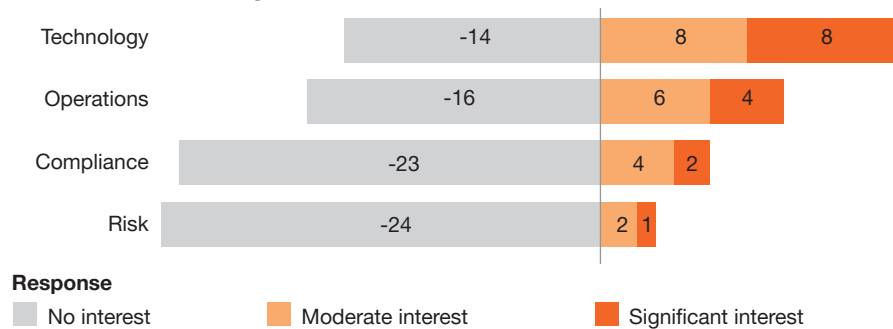
In 60% of wealth managers, the relationship manager is also the investment manager. Most of these dual-role managers are based in the Channel Islands. Dedicated investment managers tend to focus on large mandates and are located outside the Channel Islands, primarily the UK (average size of UK-managed mandates is £9.3 million).

## In-house or outsourced?

Around 55% of wealth managers have offshored at least one function, often to a group service centre.

However, third-party outsourcing is still limited. There is more appetite for outsourcing in technology and operations than compliance and risk.

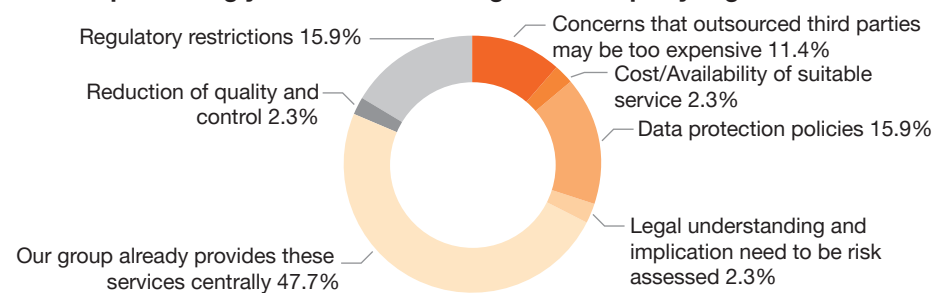
### What is your appetite for outsourcing to a third-party organisation in any of the following functions?



Source: Channel Islands wealth management survey 2025

When we asked wealth managers why they're reluctant to outsource key functions, regulatory and data protection concerns are at the fore. This would explain why so few wealth managers either outsource or offshore risk and compliance in particular. But even in these functions, there are significant opportunities to outsource more of the administrative tasks.

### What is preventing you from outsourcing to a third-party organisation?



Outsourcing can cut costs and increase access to specialist talent. It also offers a fast and effective way to secure market-leading technology without the time and expense of developing it in-house. The onus is very much on third-party providers to assure clients about compliance and data protection. There is also room for providers who can not only bridge gaps in talent and technology, but also help to accelerate operational transformation. This is why we're seeing growing interest in broader industries in a new generation of managed services models.



# The case for outsourcing by BNY Pershing

Outsourcing solutions for wealth managers now cover a comprehensive suite of services, including execution, custody, reporting and fully disclosed record-keeping, along with a variety of digital applications for managers, advisers and investors. Outsourcing these functions to experienced specialists with proven capacity, scale, and an investment commitment presents a compelling case.

The advantages include converting fixed overheads into variable operating expenses, with reduced legacy system upgrades and maintenance, and the ability to realise scale-driven savings.

From a compliance and risk mitigation perspective, outsourcing to a specialist provider offers automated workflows, daily reconciliations and audit-ready records. The benefits include alignment with evolving regulatory requirements for data privacy, record-keeping and regulatory reporting. The secure management of data flows can also reduce information security risks.

These capabilities are backed up by full transparency. Client assets are segregated on the custodian's balance sheet, with clear disclosure of sub-custodian relationships, fee schedules and operational processes.

In terms of resilience, outsourcing to a specialist provider can reduce single-point failures, strengthen disaster-recovery capabilities and ensure business continuity.

## Strategic benefits

In addition to the service benefits, outsourcing can deliver valuable strategic advantages in a fast-changing wealth management market.

Outsourcing back-office functions enables internal teams to reallocate resources to high-value activities – investment research, client acquisition and advice, and product innovation.

Businesses also gain the agility to expand into new markets, launch innovative products and deepen client relationships without incremental back-office complexity.

# Fortune favours the bold

Wealth management has reached a watershed. Access to potentially higher yield alternative markets is transforming investor expectations. It's also reshaping the strategies and capabilities wealth managers need to compete.

Drawing on the findings from our survey and work with wealth management clients, we've identified three ways to seize the moment:

## 1

### **Diversify your portfolio**

The time to diversify is now. Yes, there are challenges and risks as wealth managers move into unfamiliar territory. But getting ahead of the pack in offering private markets investment is an opportunity to boost differentiation, performance and growth.

## 2

### **Embrace innovation**

Harnessing tech-powered solutions such as tokenisation offers an easy, seamless and cost-efficient way to acquire and trade stakes in a range of asset classes, without requiring clients to lock-in their funds.

## 3

### **Take your clients with you**

Augmenting expertise with the latest tech tools can help to develop a deeper understanding of clients' objectives, understanding of complex asset classes and capacity for risk. Wealth managers can use these insights to develop personalised, adaptable and high performing wealth solutions.

## **Let's talk**

If you would like to discuss any of the issues raised in this report or would like us to compare your capabilities to your peers, please get in touch.



# How we can help

In addition to audit services, we can also support Channel Islands wealth managers in the following ways:



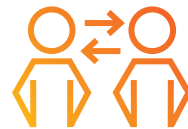
## Modernising tech capabilities and operating models

Equipping your business with the capabilities needed to strengthen efficiency, enhance client experience and drive growth. Our advisory and execution support includes digital transformation, data optimisation, performance improvement and cyber security.



## Workforce transformation

Unlocking the full potential of your workforce by aligning talent acquisition, skills development and organisational design with changing business objectives and talent demands.



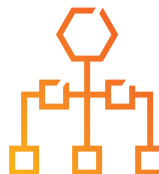
## Mergers and acquisitions

Advice and assistance throughout the M&A lifecycle including strategy development, due diligence, valuation, deal structuring, negotiation and execution.



## Tax

Providing a comprehensive suite of Channel Islands-focused tax services, including strategy, compliance, advisory and cross-border structuring, tailored to optimise tax efficiency for clients and wealth managers, and meet regulatory requirements.



## Execution managed services

Combining specialist talent and sector expertise with data-led insight and digital assets to provide end-to-end managed services for Channel Islands clients, from strategy to delivery.

## About this survey

In summer 2025, we surveyed executives from 31 Channel Islands wealth managers. The wealth managers we surveyed cover almost all of the wealth managers in the local market, with stronger coverage of the larger businesses.

70% of respondents were managing directors or equivalents. Around two-thirds of wealth managers taking part are international businesses and the remainder are locally based. Almost half are bank owned.

With thanks to the participants who provided us with insights into their business, including:

Butterfield Bank  
(Channel Islands) Limited

Henley Offshore  
Financial Services Limited

Investec Bank (CI) Ltd

Integritas Wealth Partners Limited

LGT Wealth Management  
Jersey Limited

Melville Douglas

Meridian Asset  
Management (C.I.) Ltd

Nedbank Private Wealth Limited,  
Jersey Branch

Peregrine Wealth

Oakglen Wealth

Quilter Cheviot International

RBSI t/a Coutts  
Crown Dependencies

Rocq Capital

Rossborough Financial  
Services Limited

Ruffer (Channel Islands) Limited

Santander International

Schroders (C.I.) Limited

Shard Capital Jersey

TMGA Wealth  
Management Limited

UBS AG Jersey Branch

Wealth Financial  
Planning Jersey Limited

Westminster Asset Management

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The information provided in this report is based on an aggregation of the survey responses and some limited data cleansing. We do not take any responsibility for the accuracy or completeness of the information provided.

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