



The Value of Financial Planning - the Angel on your Shoulder

by Charlene Coulbeck APFS

As Financial Planners, a question we often get asked is “What is the cost of your advice?” however we less often get asked “What is the value of your advice?”

Like any product or service, cost is relative to the value it brings the customer, and the value of genuine financial planning is being recognised more and more. On a surface level, those engaging with advice may at first think this is simply a case of us choosing a better performing investment – and whilst we do of course take the investment management seriously, financial planning is a much bigger picture than investment performance.

Have you ever been at the brink of making a decision in life, and wish you had someone there to guide or steer against a potential bad decision? Financial Planners aim to be that ‘angel on your shoulder’ through financial decisions, that can affect you and family for many years to come – sometimes the rest of your life.

This financial education should not be overlooked, and a few personal examples that spring to mind from previous clients are:

Mrs A’s son, after graduating university with a law degree, had got a job with a local law firm but had immediately opted out of the pension scheme. As part of our family review, he realised the benefit of receiving the pension contributions from his employer that will serve to provide a retirement pot in many years’ time.



Mr B's father was placed in a care home after a rapid onset of dementia. The family were funding the care fees fully due to him having assets over the 'threshold' from local authority care. However, after a referral to a care fees specialist because of severity of the father's condition, they were able to claim NHS Continuing Healthcare which paid for the fees in full.

During the initial weeks of the Covid Pandemic, stock markets took a considerable fall and naturally many clients were disturbed and uncertain about what to do. After discussions with a number of clients who were initially wanting to encash as a knee-jerk reaction, they held off and were reminded of the long term nature of investing. Within just a few months, most diversified portfolios had recovered their position, which would have been lost if they had encashed without the benefit of advice.

Royal London completed a study which backed up what we in the industry try to explain every day, and found that those receiving financial advice have (on average) a boost to their wealth of £47,000 in 10 years after receiving advice (Royal London 2020). They also surveyed 4,000 customers, and found that 34% felt "having access to financial expertise makes me more confident in my financial plans"; another 34% that "receiving professional financial advice helps me feel in control of my finances"; and finally that 32% said "having contact with a financial adviser gives me peace of mind" (Royal London 2023).

Here at Nugenis we pride ourselves on helping our clients achieve a truly holistic financial plan, which we believe provides value now and for many years to come.

If you would like to get in touch, please contact us at justask@nugenisfp.co.uk or call on 029 2050 8000.

References

Royal London (2020) 'Feeling the benefit of financial advice'

Royal London (2023) '<https://www.royallondon.com/about-us/media/media-centre/good-with-your-money-guides/is-financial-advice-the-secret-to-feeling-good-about-your-money-and-yourself/>'

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