Personal Finance Society

Standards. Professionalism. Trust.

EFPA UNITED KINGDOM

European Financial Planning Association

The Future of Financial Planning Managing Relationships in a New Digital World!

Keith Richards

Chief Executive Officer

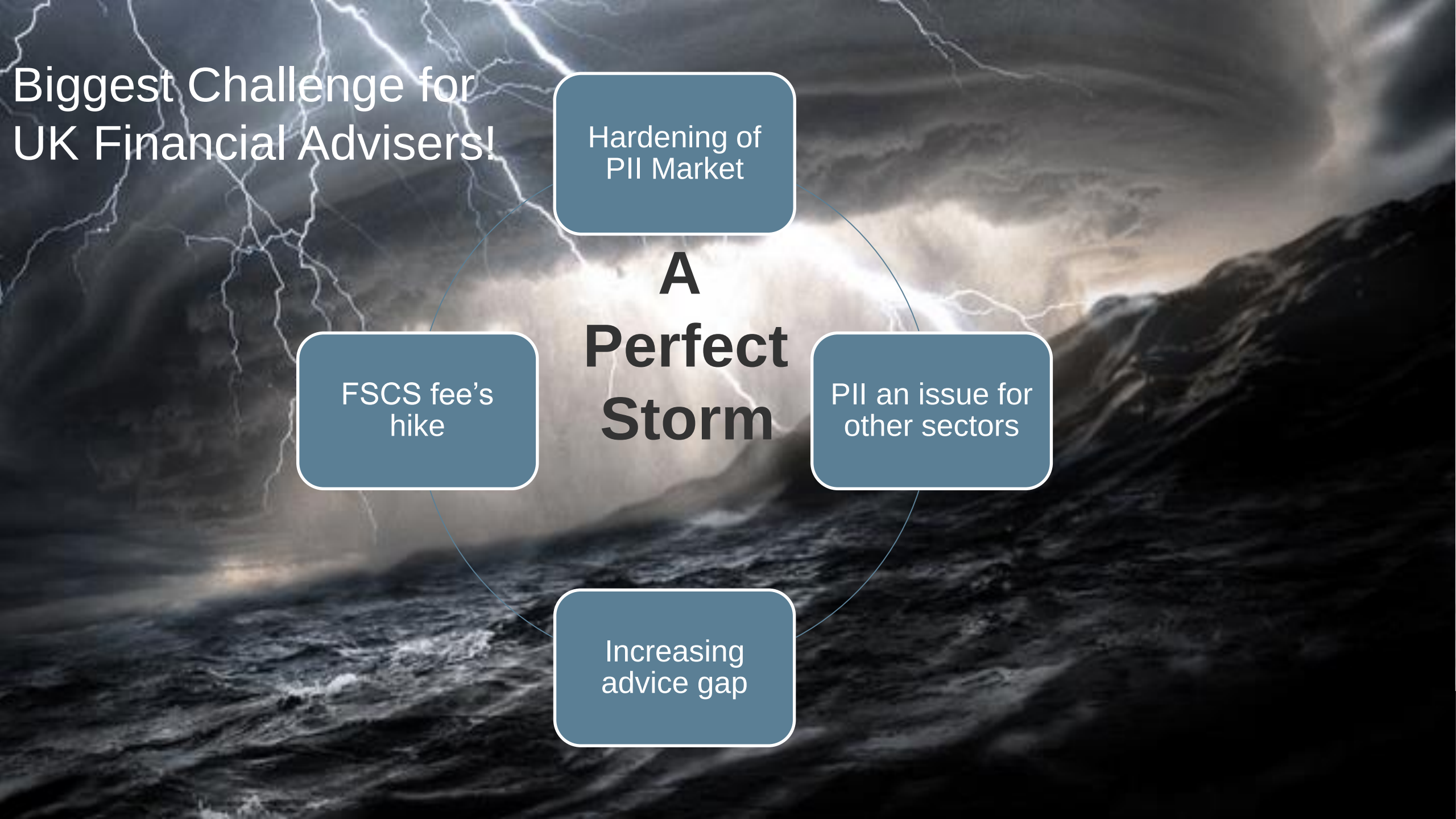
Patron: Her Majesty The Queen

Response to COVID-19 Lockdown:

- Majority of advisers were able to maintain continuity within 24hrs but rely heavily on technology – workflow, client portals and video conferencing
- Clients more receptive to remote interaction than expected
- Regulatory requirements temporarily relaxed – MIFID 10% reporting and key deadlines extended…**regulators care about consumer impact**
- Service-based advice models more resilient than transactional
- Integration of new technology accelerating at pace and majority believe that COVID-19 is a future ‘game changer’!

“We wont be going back to the way we did things pre-lockdown”

Biggest Challenge for UK Financial Advisers!



What Can Advisers Do?

- Engage with your Insurer/Broker early
- Check policy cover, exclusions and excesses carefully
- Ensure sufficient capital adequacy to bridge exposure
- Engage the support of your MP – raise awareness of the impact on your clients, their constituents
- PFS has offered a potential solution to address PII and FSCS and is calling for a FAMR II

Boris Johnson to insist lockdown is time limited as Tory backbench rebellion grows!

Businesses are not prepared for Brexit. How could they be?

HM Treasury proposes financial promotions approval 'gateway'

Fears Covid could scupper EU trade deal talks

International standards and regulations

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United Financial Planning Profession

COVID – intergenerational technology equaliser…

…grandparents using same tech as grandchildren!

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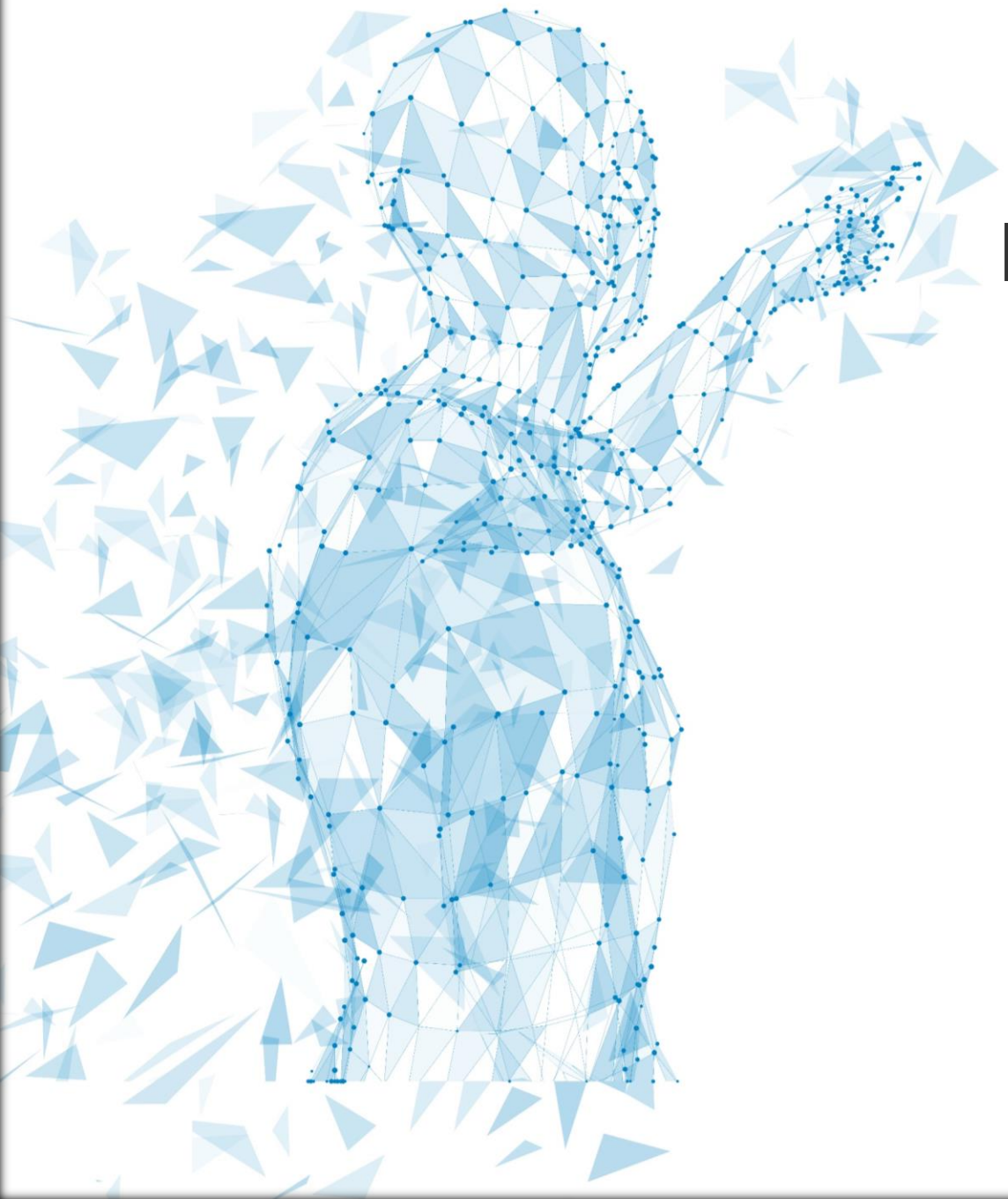
FUTUREPROOF

SAFEGUARDING YOUR CLIENTS AND YOUR BUSINESS



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Fintech – Opportunity or Threat?

Pension Dashboard February 1, 2017

Pension dashboard could cut advice cost by 25%

See comments (3)

By James Fernyhough

Financial Adviser

A comprehensive pension dashboard could cut the cost of financial advice by up to 25 per cent by freeing advisers from the time-consuming business of tracking down all their clients' pension pots.

"One of the most ambitious IT projects ever undertaken in financial services"

The Guardian

FT ADVISER

Home Pensions Investments Mortgages Protection Regulation Your Industry CPD

Pension Dashboard January 22, 2018

Pension dashboard could cut cost of advice by £400

Regulators and Governments encouraging innovation!

Collectively we can raise the profile of professional financial advice but technology will play a key role

ITN Consumer Documentary
'Financial Wellbeing'

Overcoming Barriers to Attract New Clients

- Trust is the single biggest barrier – develop referral strategy
- Uncertainty of the cost of advice – it's not commission v's fees
- Poor Marketing – invest in a consumer marketing strategy

…."its not about how good you are but how you can help clients"

- Improved technical competence creates business opportunity

…."otherwise you might only know a bit more than your Clients and won't know what you don't know!"

A future full of need!

- **Over 6 million UK consumers need advice but don't access it, impacting a savings and protection-gap**
- **£40 billion withdrawn under pension freedoms**
- **£400 billion will be passed between generations over next 10 years**
- **Long-term care costs – to hit £38 billion by 2025**

"Opportunity and need to build 'diversity' to match consumer needs and different generations"

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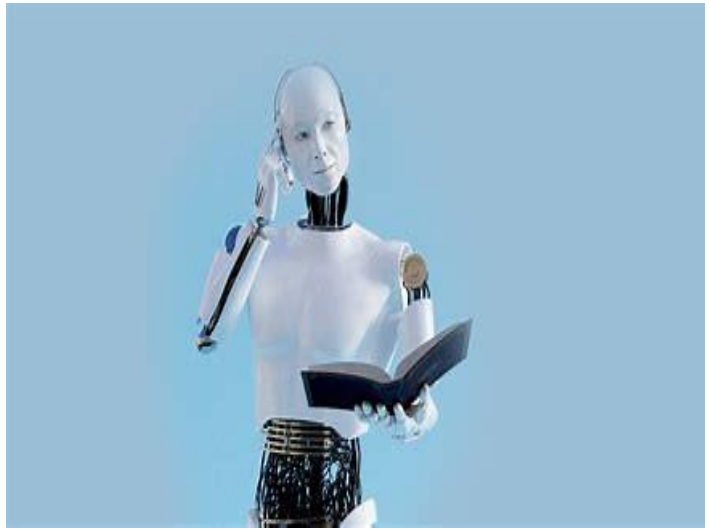
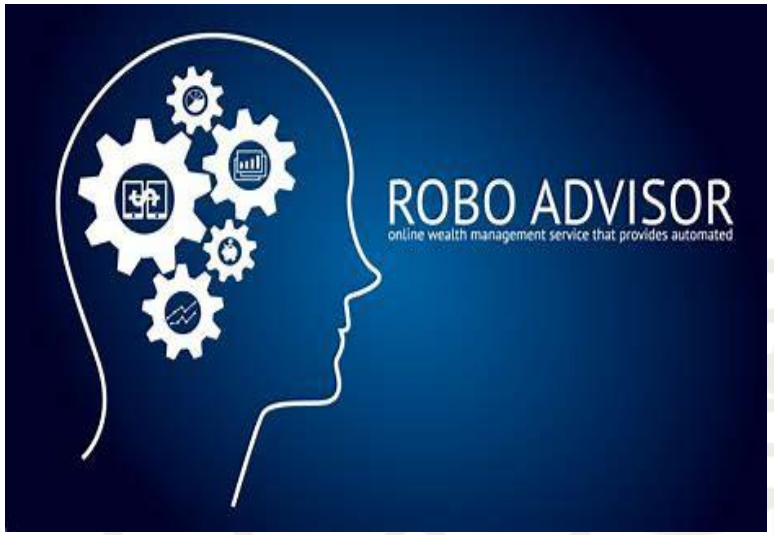
LET THE FORCES GUIDE YOU

A blend - a professional Financial Planner and technology is a powerful solution!

- Investment platforms, provider portals, back office tech stacks
- Planning and cashflow modelling tools
- E-signatures and client access to fact find and personal data
- Allow technology and more tech savvy clients to reduce the admin burden and interact more effectively
- Self-serve solutions with or without light-touch help can attract a wider client base
- Choice and technology doesn’t necessarily translate into a reduction for adviser interaction…it can often increase it!





“We are all a little robo…don’t fight it…embrace it and succeed!”

Keith Richards
(EFPA-UK)

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"As individuals we can make a difference…as a united profession, we can influence the future direction of travel"

Keith Richards
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