

# Professional Paraplanner

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## Starting from scratch

Rebecca Tuck moved from a large financial company to a new launch, five-person financial planning firm. She tells us about the transition, challenges and rewards

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# STARTING FROM SCRATCH

*Rebecca Tuck moved from large financial company to a new launch, five-person financial planning firm. We talked to her about the transition, the challenges and the rewards, what she's involved in and how she runs her day*





***“Being at Magenta is the first time I’ve been in a position where I feel I can add value to the client outcomes, and seeing those outcomes is the most rewarding part of the job for me”***

**I**t’s been exciting and very rewarding,” says Rebecca Tuck, paraplanner with Magenta Financial Planning, talking about her role in helping build the five-person financial planning firm from the ground up. The firm, based in Bridgend, Wales, was established in September 2016 and consists of two financial planners, Julie Lord and Gretchen Betts, Rebecca, office manager Mandy Whitburn and administrator, Valerie Binding.

The firm has around 150 clients, those that Julie and Gretchen brought with them and new clients, “which have generally been a bit younger than our existing client bank,” says Rebecca. “We’re engaging with people earlier on. So we’re attracting people in their 40s, as well as business owners and, as an all women firm, divorcees who have not had to plan on their own before.”

Also, Magenta is not focussed just on HNW clients but serves the ‘squeezed middle’ as Rebecca puts it. “It’s people who have the money to do what they want to do, but they may not know it, or know how to most effectively manage their resources without guidance. “That’s where we can perhaps make most difference,” she says. “Being at Magenta is the first time I’ve been in a position where I feel I can add value to the client outcomes, and seeing those outcomes is the most rewarding part of the job for me.”

Rebecca studied Marine Biology at Plymouth University. She had known Julie since undertaking summer work experience at Julie’s company Cavendish Financial Management when at school and before going to University. When she approached her for a reference Julie suggested she work for her as a trainee paraplanner at Bluefin Personal Consulting, the AXA-owned company that had bought Cavendish. “The company was in need of people with

analytical skills who could undertake the paraplanning roles and pretty much learn on their feet,” Rebecca says. “It was a baptism of fire but a really good learning experience.”

However, shortly after she joined the company in 2013, it was bought by national IFA company Towry. “They had a policy of not taking on trainees and at the time I had no qualifications, so although I stayed on at the company I was really restricted in what I could do. I was told I couldn’t continue writing reports for Julie. It was disheartening that as a big firm all they really looked at was qualifications and the letters after your name and didn’t take into account your skills and your potential.”

While she was at Towry she worked to attain her diploma and in late 2015 started looking around for another role as she was feeling very undervalued. By this time Julie and Gretchen had left Towry and had become part of Broadway Financial Planning, run by Keri Carter. Rebecca joined this combined team in November 2015 and then, when Julie and Gretchen set up Magenta, she moved with them. Broadway was Rebecca’s first taste of working for a smaller firm. “It was a useful experience as it gave me a good insight into how a smaller company worked – and also what extra responsibilities would be coming my way,” she laughs.

#### ***Starting in a new business***

Being involved at the start of Magenta meant Rebecca was able to be involved in how the company’s processes and reports should look. “There was a lot of preparation before Magenta was launched. But because we started from scratch we could set everything up just as we wanted it, which meant we could take a step back and look at how we might approach things in a different, more modern way.”

### ***Working for a small firm***



Rebecca gives this advice to any paraplanner going to work for a small firm.

- Don’t be afraid to share your ideas.
- Be prepared to step outside your comfort zone and to think outside the box.
- Be confident in your abilities and what value you can add to the business.
- Keep in touch with other paraplanners.
- Ask to go to conferences where they will add value to your role.
- Look for online resources where you can learn without leaving the office.
- Ensure you are organised – write a To Do list and stick with it as best you can.
- Try not to be distracted by emails and questions.
- Research qualifications and put forward a case for what you feel will be most beneficial for you and the business – in a small firm you are likely to have more freedom to follow your own route, so see what’s out there!



## Paraplanner profile

One of the hardest elements of that was unlearning what she'd learnt before, she says. "We really did look at it with new eyes, from both how we wanted things to be done and how the client would want things to be done. I was lucky to have input into that process and I am still fully involved in what we look like as a business. Everyone's ideas are welcomed and it's a lovely open and encouraging environment."

One of her biggest tasks before the firm launched was to undertake a blank sheet review of the suitability report templates. "That was a good process because we stood back and really looked at things from scratch; we went to independent sources to look at what actually needs to be in the reports, as opposed to what we had done before. "We looked to make the reports more engaging, so there are more charts and the reports are shorter but I feel they say a lot more to the client. Actually they are less a template and more a framework with titles and an order as

to how we want things to flow, but after that it's very much client specific."

Having an almost bespoke way of working is an advantage she sees of working for a small, dynamic firm. "Working in a bigger company things can be very prescriptive and you end up following a template for each report and filling in the gaps, without being able to add any bespoke elements. This really restricts how you can relay any empathy, interest or care across to the client," she says.

Being in a small team has enabled her to become involved in the investment decisions as well. Rebecca sits on the Investment Committee, which meets half-yearly and collaborates with Broadway. "As companies we have our own investment philosophies but since our firms are of similar size and with a similar ethos, we felt that sharing best practice

and research was going to be beneficial for both firms," she explains.

Rebecca is also heavily involved in the firm's ethical offering. "For anyone with significant money that they want to invest in a specialised ethical portfolio we will consider outsourcing this to an ethical specialist, most recently we have used Rathbone Greenbank. But for someone who doesn't have the level of investment they require, we have developed an in-house ethical portfolio which looks at negative screening as well as positive impact

investing, providing a good range of ethical investment without being over complicated for people who maybe don't know too much about the various options. "We're also investing in areas where we think we can add value for people which they may not have thought about, such as EIS and AIM ISAs. I'm learning all the time," she says.



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While working for a start up business has benefits, it also has challenges, Rebecca adds. "There are a lot of jobs that you have to do in a small company that in a larger firm are done by someone else. We all have to chip in and take on things to get them done.

"In a larger company, for example, the investments are often prescribed and you don't have any input in what the solution looks like, but here we have to be much more hands on and ensure not only that we are happy with what we're offering clients but keep on top of everything too.

"So you need to be doing due diligence and reviewing things all the time, and you have to make sure that you are up to date with any professional changes, rather than having updates sent in a weekly email from somewhere else in the company.

"It's harder when you're working for a smaller company but it's a lot more rewarding - or at least it has been for me."

## Rebecca's typical working day

"If I'm being very good I'll start the day in the gym. Either way, I tend to get in to the office around 8.30am. Gretchen and I are usually first in and have a quick chat about our evening, whilst we make our morning cup of tea! Afterwards I'll check my emails to see if any queries have come in from clients overnight and I'll prioritise my workload for the day. We use the task lists in Prestwood, which lay everything out quite nicely. The bulk of my job is writing client recommendations and letters and we try to deal with everything in date order as we feel it's a lot fairer that way. I have a two week turnaround target which I try to keep to.

Most client meetings are held out of the Bridgend office, in London or Cardiff, which means I don't get to meet the clients, although clients know they are being supported by the whole team. I'm encouraged to speak to clients if I need further information and to help with any queries I can answer when they ring the office. Generally, for a brand new client, I'll be given a factfind, which will have the more factual information and a meeting note, which will tell me about the client and add colour to their objectives and goals. They will have also had their first planning meeting to discuss their lifetime cashflow forecast. Where the objectives are straightforward and it's clear the kind of solutions we're looking for then I'm given the freedom to do the research and come up with the right planning and outcome for the client. There will be discussion along the way with the client's planner, but it's not prescribed and the key goal is that we're all looking at the best outcome for the client and the most suitable way to get them to where they want to be."

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# PARAPLANNER POINTERS

*In this issue's pointers we hear how Rebecca Tuck approaches suitability report writing and Jamie Barnes flags a product provider calculator he finds useful*

IN ASSOCIATION WITH



**Rebecca Tuck**  
**Magenta Financial Planning**  
**How I approach a suitability report**

I am lucky because Magenta Financial Planning is new company, set up in 2016, and before we launched I had the opportunity to look at our report templates and review the process from scratch, truly from a blank sheet of paper. What we did as a team was look at independent sources to see what actually needs to be in the reports, as opposed to what we had always been told should be in reports. This meant we could look at ways to make the reports more engaging; we have far more charts now, for example, and a lot more colour!

The reports themselves are shorter too but, combined with that better engagement, I feel they say a lot more to the client than a 30-40 page report ever could.

Our reports are less a template and more a framework, with defined titles and an

order to the ways things flow, and because of this the content is very much client specific. When tackling a report, for me the most important starting point is the analysis – especially if it's a new client. To make sure our views and recommendations are based on all the facts, I want to ensure I have everything I need from the providers.

Where information is coming from more than one source – pensions, investments on and off platform, savings, etc – I'll collate the 'need to know' information on a spreadsheet. That way I have everything I know I have to cover in one place. This will include things like what it's worth, what it is invested in and the charges that apply.

It's about filtering things down. I had a document sent to me recently that was 30 pages long but all I needed was half a page from it, so stripping that out and putting it where I could easily see the relevant information was a big help and I didn't end up with a huge pile of paper on my desk. This process helps also to highlight any gaps in

the information. The last thing you want to do is get 90% of the way through a report and find there is a bit of information missing, particularly if that piece of information could affect the outcome of the advice.

I've designed our templates so they flow sensibly from introduction into risk profile, headline recommendations for each key area (this can include ISAs, pensions, income strategy etc.) through to the investment solutions.

I think it's good both for me and for the clients to have a degree of consistency in the way the report is approached.



**Jamie Barnes**  
**Headley's Financial Services**  
**Useful Annual Allowance Calculator**

I find a very useful calculator, especially towards tax year end, is the Prudential Annual Allowance calculator. It is a simple downloadable Excel spreadsheet that works out whether a client has any carry forward allowance available to use, and what the effect of making a further contribution will be.

More impressively it now has an additional tool to work out whether a client will be subject to the tapered annual allowance, and factors that into the ultimate calculation.

With the client's full income details, and a breakdown of their pension contributions for the past few years, you can quickly input the data and produce the results required to advise the client.

I tend to use it on a weekly basis between January and April and haven't found any calculator from other providers to even come close to the accuracy of it.

The only thing missing from it is the link between high earners losing their personal allowance and the tax saved with the pension contributions (if an employee).

