



Financial services: a natural fit for our firm

Until around two years' ago we did not think financial services was something we should be offering clients. We are a well-established firm with a good reputation and we did not wish to jeopardise our position.

Our concern was partly because, unlike the other services we offer, none of the partners is an expert in financial planning. Then, a couple of years ago, during a strategic planning session that challenged our attitudes, we realised that not offering financial services meant that our clients were missing out on complete, integrated advice. Suddenly we were no longer frightened by financial services – it was simply a question of positioning the service correctly.

Finding the right business model

Having taken the decision to go ahead, we then needed to decide the best way of setting it up. None of us wanted to become an IFA, so that left us with the option of employing someone or outsourcing the function to a firm specialised in working with accountancy practices. We quickly decided against employing someone: finding the right person would be difficult given our lack of knowledge about financial services, plus we were nervous about committing to the rather open-ended costs of setting the service up and funding it until it became profitable. In addition there was the question of continuity – we would potentially have to start all over again if the employee left.

LighthouseCarrwood was recommended to us, and we had a good meeting with Mark Dallas. We felt far more comfortable with the business model he proposed, whereby LighthouseCarrwood provides and funds a suitable IFA. We were on the verge of going ahead when we realised we should benchmark this proposal and therefore met another firm with a similar offering. To us there seemed to be nothing to choose between the two. We appointed the other firm.

Things immediately started to go wrong. Our first adviser left more or less straight away. We were expecting

our IFA to live reasonably close by, have a desk in our office and get to know us and how we work with clients. However, our second IFA lived an hour and a half from the office, making it difficult for him to be part of the team. We did not seem to be his priority – he had clients elsewhere. On top of this, the support provided by his head office was clearly not up to scratch. We were not getting what we wanted but were conscious that things take a while to settle and may well require compromise.

Then our managerial contact, who we had trusted to provide the service, left the firm. We acted quickly, met Mark Dallas again, and started working with LighthouseCarrwood around 15 months ago. Richard, our IFA, came on board and works exactly as we envisaged, from his desk in our office. He is an easy-going gentleman who gets on well with clients, giving them clear answers to their questions without being pushy. They can tell that he has their best interests at heart.

How have we made it work?

We have put processes in place to manage client expectations. For instance, when carrying out pension reviews, we explain to clients that we need to obtain information from their providers and that this can take several weeks.

The partners' interest in financial services varies according to their specialist areas. I am the tax partner, so I work more closely with Richard than, say, the audit partner. Financial planning and tax are a natural fit. When I meet clients I have always got one eye on whether they should talk to Richard about their pension, investments or insurance. Most clients appreciate having this integrated approach to financial planning.



Matthew Tyson, Tax Director at Richard Place Dobson, explains how the firm finally got its financial services department up, running and profitable.

About Richard Place Dobson

Richard Place Dobson is a four partner firm of chartered accountants based in Crawley, near Gatwick Airport. It is a well-established firm, with roots going back 100 years. Clients cover a wide range of business sectors and not-for-profit organisations. They vary in size from privately owned companies and groups, as well as foreign-owned entities, to sole traders, partnerships and individuals whose only requirement is the completion of their self-assessment tax return.

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We are now confident that we have a sustainable model for our financial services department. We were able to get the service up and running with virtually no cost to the firm, except of course in terms of our time. Like many things, what you get back is in direct proportion to what you put in, but the benefits we derive from financial services, in terms of revenue and client retention and goodwill, far outweigh our input.

LighthouseCarrwood is one of the UK's leading providers of financial planning services to professional practices. To discuss how we could work with your firm in a way that suits you and benefits your business, please contact Mark Dallas, Managing Director, on 07899 981607
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Richard Beal, LighthouseCarrwood IFA based at Richard Place Dobson: "I am part of the team."

The partners and staff were keen to get the service up and running, especially after their false start. Some of the firm's clients had already received financial advice, either via informal arrangements the firm had had with local IFAs, or from the initial in-house IFA. We offered them an introductory meeting, while emphasising that if they were happy with their current service then that was fine. What tends to happen is that they come to me with a specific requirement, for instance a pension review, and then they increasingly turn to me for other advice.

I started off being in the office two or three days a week but now there is enough to keep me busy for four days. We offer clients an initial meeting at no cost or obligation and there is usually something I can help them with. Most of the issues I deal with are to do with pensions and investments, in particular extracting profit from a business ahead of retirement.

I really am part of the team, and happily help out by answering questions – generally tax-related – when I can. The other day I had the joy of explaining the implications of the anti-forestalling measures on high earners to one of the partners!