

INTERVIEW



How valuable can an IFA be to a client? *Professional Adviser* spoke to one adviser's longest-serving customer to find out



Mum-of-three Lynsey Haywood could not have foreseen how important her

IFA would be when they first met 12 years ago...

Pete Chadborn became my IFA in 1999, when I was 26. He had joined Barclays Life, while I was a personal banker with Barclays. Part of my job was recommending Barclays Life, so I knew there were areas I needed to address. I had children and a mortgage.

Peter is a friend, but it is so much more than that. For whatever financial crisis happens, I will always go to Pete. At that point I had

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Take a look at the image on the right. A woman's face? Or a butterfly among flowers?

Clearly, closer examination can reveal another side to the story. And that's the thinking behind Fidelity's Special Situations Fund. By taking a contrarian view, we see what others may miss – the underlying value of neglected UK stocks.

These might be companies whose share prices have tumbled, but which are fundamentally sound. Or ones which are turning around following changes of strategy. Or those with exciting growth units hidden within an otherwise dull business. Alternatively, they could be candidates for M&A. Over the three years Sanjeev Shah has managed

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THE WORLD'S INVEST

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just had my second son so he came to advise us on life cover. We needed a will and I could tell straight away he was not in this to earn commission. My husband started a business, so we went straight to Pete about what we needed to do.

He has never made me feel like I was wasting his time, or like there was nothing in it for him. I didn't feel like I had to go to him because I was giving him business. I would just run something by him and ask if we needed to see him. For example, I came out of a job, so we looked into death-in-service benefit. He made sure we had sufficient critical illness (CI) and life insurance.

My husband fell ill in 2002 with cancer and I immediately went to Pete. We were financially quite tight at the time because he had stopped working. I had to leave my job the following year because my husband was having a stem cell transplant in London, and I needed to be there. It involved three months of being in and out of hospital.

After the diagnosis, I went to Pete and he told us what we were entitled to. He dealt with the CI claim for us. He said: "Leave it to me", and that took a lot of worry away for me. I just did not know which way to turn.

My husband died in July 2003 and I can remember travelling back home. There were all these people who needed to be told. I was in such a state and, this may sound ridiculous, but I said to my Mum: "Ring that number and Pete will take care of everything. Tell him what has happened and he will take over," and he did.

Pete was superb. He kept me informed and told me what I needed to do. Even though we had become friends, he was a complete professional. He told me what I needed to do with the will and the funds, and how to make sure the children were catered for.

At the time, I was simply living day by day, but Pete helped me see the bigger picture. He said: "Look, your children are eight and five. They are not 18 yet, and it is

your job to get them there."

It is a shame everybody doesn't have a Pete. He is trustworthy and honest. Sometimes you think people are just giving you lip-service, whereas he will just say 'no'. He will tell me if something isn't right, and why, and I completely trust his judgement.

I don't understand why IFAs get the bad reputation they do, especially after the experience I have had with Pete. I feel like if I went to a bigger company, such as Barclays or Tesco, I wouldn't be a person, but a number.



Pete Chadborn is co-founder of Plan Money

Our relationship is a lesson, I think, for those advisers who tend to work more on a transactional basis. At our first meeting, Lynsey said she wanted to review her life and CI cover. I could have gone for the quick sale, next customer. But I encouraged her to take a more holistic view of her

protection planning needs, in case her circumstances changed. At the time, we had no idea how much they would change.

I would rather have a collection of clients where we have this kind of relationship than be constantly looking for new ones. When Lynsey needs something, she comes to me, rather than me going to her.

Firms that adopt this approach have been RDR-compliant before the letters RDR were even mentioned. From the outset, we said: "These are your investments, this is what we're going to do to review them, and this is what we will be getting for it."

Every client can be a potential Lynsey, but this is where it comes down to how you set the ground rules – I can't think of a better expression – from the outset. What do you want from us, Mrs Client? This is what we can do for you. Does it fit? But not every client wants this kind of relationship, and not every adviser wants to offer that kind of service.

I guess it is kind of a romanticised picture to view it as the firm saying: "These are the services we offer" and the client saying: "Perfect." Where it goes wrong is where one party does not feel they are getting value. It could be the customer.

Equally, the adviser might say: "I can't keep fielding calls from this client, because we're not seeing the right remuneration to deliver that service."

The sense of reward an adviser gets doing their job could be when you help someone buy their first house. But that pales into insignificance when compared to seeing a protection claim pay out on a policy you put in place.

I still get shivers down my spine when I remember the phone call from Lynsey to say her husband had been diagnosed. To see the protection policy I helped put in place secure the family financially was the best feeling I have ever had as an adviser.

Lynsey Haywood and Pete Chadborn were talking to Scott Sinclair

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what

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