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NO WAITING ON THE PLATFORM

It would be interesting to know how many of those filing boxes from WH Smith and Ryman with sections marked 'banking', 'insurance', 'investments' and 'income tax' are lurking in homes across the country, not to mention share certificates and insurance policies in bank security boxes – and to know how many people regularly spend hours checking what they have, before finding the latest share and unit prices in the newspaper or online to calculate what their financial assets amount to.

Fast forward from the last century to 2013 and welcome to the successor to the personal filing box, a successor that does everything the box could do and a whole load more. Welcome to the platform. This form of online service offers the benefits of holding all your assets in one place, the means to manage your wealth and the ability to obtain rapid valuations, whilst still gaining the wisdom of your trusted financial adviser.

Briefly defined, a platform is a responsive online service designed to enable financial advisers to manage clients' investment portfolios, aggregating figures from various sources to create a combined picture of the client's investment holdings. The platform can be used as a means of selecting, purchasing and selling investments from a wide range of providers and then monitoring performance of the portfolio.

The platform is versatile

Platforms have become very flexible and versatile systems since first devised. They can embrace stock market investments,

life insurance policies, unit trusts and other collective investments, including those held in tax-sheltered form such as Individual Savings Accounts and Self Invested Personal Pensions. A platform can even hold investments from forgotten sections of the filing box marked 'TESSA' and 'PEP'. It is a good opportunity for a review of old assets to see if they need updating and indeed whether or not they match your current risk profile and investment aims.

The platform's capabilities can be readily applied to the assessment of longstanding investments. It can deploy smart analytical tools to identify a client's attitude to risk and assist with appropriate allocation of assets between the various classes such as UK equities, commercial property and gilts, taking account of existing holdings. There are other ways in which it can help with the structuring of investment portfolios, allowing access to a range of investment funds.

Talk to your adviser about the ways a platform can provide easy-to-view assessments of investment performance and your current net worth, in addition to flagging up important financial deadlines or policy renewal dates.



ASSETS HELD IN ONE PLACE

Welcome to the platform. This form of online service offers the benefits of holding all your assets in one place, the means to manage your wealth and the ability to obtain rapid valuations, whilst still gaining the wisdom of your trusted financial adviser. The platform can also deploy analytical tools.

COMPLETE PICTURE CREATED

This responsive online service enables financial advisers to manage clients' investment portfolios and combine figures from various sources to create a complete picture of the client's investment holdings. It can be used for selecting, purchasing and selling investments from various providers and then monitoring performance.

The value of the investment can go down as well as up and you may not get back as much as you put in.

COPING WITH CARE FEES

When a parent or other close relative reaches the point of needing long-term residential care, there may be a lot of stress involved. The need may perhaps follow the sudden loss of a partner who cared for them or a major setback in the health of a parent already widowed. On top of finding and arranging a suitable residential care home, a variety of distressing matters may arise.



Organisation and decision-making may fall to you, regardless of whether responsibility for financial and medical welfare has been formalised in a Lasting Power of Attorney (LPA). Forward thinking can be helpful, making sure that elderly parents' financial affairs are in good order, including a valid Will and LPA, as appropriate.

Care needs may be based upon advice from the parent's GP. Residential care homes vary not only in scope but also room sizes, comfort, quality and staff-to-resident ratios. Everyone wants the best for loved ones, so make the most of their hard-earned life savings and any state entitlement. Our experts can advise you on these vital matters.

State support is limited

Put briefly, anyone with assets over a certain amount receives no local authority funding (this varies in parts of the UK). Some authorities may, however, still contribute to care fees through a secured loan and the NHS may assist with nursing care costs in some cases. Self-funding residents keep their Attendance Allowance entitlement.

The situation is set to change, as the Chancellor's 2013 Budget confirmed plans for a cap on lifetime care fees and a higher permitted level of assets before requiring personal contribution to fees. The national lifetime care costs cap will be £72,000 and the assets threshold £118,000, but not until 2016.

For now, the big financial question remains: when self-funding, will personal investment and pension income continue meeting residential care fees for as long as necessary? Care fees are high and usually increase annually. Sometimes, it may be necessary for family to cover a shortfall or for the parent to move to somewhere less costly.

It is hard to judge whether there will be enough, when you do not know how long someone will live. A possible solution is lump-sum purchase of an immediate care annuity to cover fees for the rest of their life. Remaining assets are then unlikely to be used towards fees, thus forming part of the deceased's estate. Ask us first about care plans.

KEY FACTS

- **Care homes vary in scope, room size, comfort, quality and staff-to-resident ratio**
- **Anyone with assets over a certain amount receives no local authority funding**
- **A cap on lifetime care fees has been promised, but will not come in before 2016**
- **Care fees are high and may rise annually; some families must meet a shortfall**

ADVICE ADDS VALUE FOR CLIENTS

PROVIDERS NEED FULL DETAILS

When you enquire about a mortgage, protection or general insurance, there are a whole range of factors that a product provider must take into account. Quotes via the internet are usually based on your answers to a limited selection of questions, so may not be ideal for your needs.

MORE THAN A FINANCIAL SATNAV

Input from a professional intermediary can help you steer the right course – though they are much more than a financial satnav, because their advice can fully reflect your unique requirements in a way that technology alone cannot match, which helps you get the right product and avoid over-paying.



The internet has transformed the way the public buys a range of consumer items. Comparing prices of specific branded products is easy online and what the purchaser gets should be the same (with some exceptions, such as through fraudulent websites) regardless of the online supplier chosen. Some things, though, are harder to compare by price on the internet, because they are not identical. Mortgages and insurance products fall into this category.

When you enquire about a mortgage, protection or general insurance, there are a whole range of factors that a product provider must take into account, from your credit and other financial history to the amount and duration of the loan or policy. Quotes via the internet are usually based on your answers to a limited selection of questions, so may not be ideal for your needs. Also, the products being accessed online will probably not have identical features, preventing proper comparison.

The mortgage market has become increasingly complex. There are fixed rate and variable rate, plus sub-species such as 'trackers'. With a fixed rate, you know how much the monthly interest will be until a specified future date; with a variable rate, the interest will change from time to time. You may also hope to benefit from one of the government schemes such as 'Help to Buy'; your adviser will know the rules about who can qualify and what kinds of property may be eligible.

Right product from well-chosen provider

Price comparison websites represent one of a number of mortgage and insurance marketing channels and some leading providers favour other ways of connecting with customers without handing their cash over to website operators. Prominent among those alternative channels are brokers and other intermediaries, who offer another key benefit – expert advice – to help find the right product for the job, from a well-chosen provider.

With insurance, as with mortgages, input from a professional intermediary can help you steer the right course – though they are much more than a financial satnav, because their advice can fully reflect your unique requirements in a way that technology alone cannot match, which may help you to avoid over-paying. They can also guide you on holding protection policies in trust so they are not part of your estate for Inheritance Tax purposes. So, to be sure about your mortgage and insurance decisions, talk to your adviser.

MORTGAGE CHOICE AS HOMES MARKET REVIVES



KEY FACTS

- First-time buyer numbers up 40% in a year, said Council of Mortgage Lenders
- Halifax reported that UK average house prices had risen 3.7% in 12 months
- Demand for homes supported by modest gains in employment - Nationwide
- Expert guidance on government schemes, rules and eligibility is vital

Much recent evidence suggests the housing market is gathering pace after the lull caused by the financial crisis five years ago. With some regional exceptions, prices have been firmer and mortgage volumes have risen, with the emphasis on first-time buyers, their numbers recently about 40% higher than a year earlier according to the Council of Mortgage Lenders. First-timers helped others move upmarket and the CML also noted increased remortgage activity.

Among the reasons for the market's reawakening is improvement in some key parts of the economy and increased confidence. Other factors have included government initiatives such as the Funding for Lending scheme to stimulate lending activity and Help to Buy, aimed at making mortgages more accessible, including for those with a reliable income but not enough capital for the deposit required.

On 23 July, after a meeting with the Chancellor, CML chief Paul Smee asserted: "The mortgage market is open for business, and it is clear that government support has helped to create more favourable market conditions for home-buyers. Lenders, whether they choose to participate in the [Help to Buy] guarantee scheme or stay outside, will continue to do their utmost to

meet households' needs for mortgages, but always in a way that is responsible."

Lenders confirm market confidence

Earlier in July, Halifax said average house prices had risen 3.7% in a year. Its chief economist Martin Ellis said: "Improved confidence in both the housing market and the economy, combined with a shortage of properties available for sale, appear to be pushing up house prices."

The Halifax findings confirmed a trend reported by Nationwide, whose chief economist Robert Gardner commented: "Demand for homes has been supported by further modest gains in employment, as well

as an improvement in the availability and a reduction in the cost of credit, partly as a result of policy measures."

Even homebuyers benefiting from new schemes need to know how much they can borrow and how much it will cost: simple questions often with complicated answers and lots of ifs, buts and maybes. That is why it makes sense to consult a professional mortgage adviser, who understands the marketplace and can explain all the options.

The interest rate you pay on a mortgage may depend on whether it is fixed rate or variable rate, or another variant such as a 'tracker'. Now the government schemes bring further variables to some mortgage calculations, so expert guidance on rules and eligibility is vital.

Your home may be repossessed if you do not keep up repayments on your mortgage.

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