

Paterson Financial Planning



Founder Damien Paterson

AT A GLANCE PATERSON FINANCIAL PLANNING

- » Founder: Damien Paterson
- » Founded in 2004
- » Based in Glasgow
- » Services: Independent financial advice
- » No. of employees: 7
- » Wholly independent and directly authorised and regulated by the Financial Conduct Authority
- » Over £60 million assets under management
- » Client retention rate is more than 98 per cent
- » www.patersonfp.co.uk

Paterson Financial Planning are an intimate and dynamic financial planning firm, offering expert pension, investment and business planning with a focus on giving their clients the personal touch that a smaller firm can achieve. All of this, they say, stems from the more general belief that “small is beautiful”. The firm’s founder, Damien Paterson, offers a further description of the company, their areas of best practice, as well as their sector.

Our company’s ethos

Since the incorporation of the firm, we have maintained steady growth, even through the tough times of the financial crisis. This growth has, in the main, been from existing client referrals, and this is something we are very proud of. It is our intention to expand at a measured pace without taking significant risks, and this is reflected in the advice process we pass to our clients. We believe it’s important to set achievable objectives and to be able to chart a measured journey to achieve those plans.

Risks obviously goes hand in hand with growth, but it’s about managing that risk effectively through knowledge and understanding. As advisers, we seek to engage with the right kind of clients who share our ethos and can recognise what we can achieve for them by understanding their personal and business needs on a collaborative basis. Indeed, we’ve many clients for whom we’ve been there since the outset of their businesses and have helped them shape and plan the future of that business. We work closely with their other professional partners to ensure we are all focused on the same vision and plan.

It’s often said, and we agree, that you’re only as good as the sum of your parts. We strive to ensure that all staff reach their full potential, something accomplished through training and development. As employers, we strongly believe that if you provide a great working environment for staff where everyone is treated with respect, this will be replicated and reflected in the service that we provide to clients.

Later-life financial planning

Having recently moved to new larger offices in Blythswood Square, the financial epicentre of Glasgow, we are looking to expand our offering in a critical area of financial advice: the “later life” sector. We believe this is going to be hugely important to individuals and families over the coming years as studies show that people are living much longer than they ever have before due to medical advances, resulting in greater need for expert advice and financial planning in this area.

We all know someone who’s had to deal with an elderly family member or relative having to go into care in later life. This has posed many questions for such people, and inevitably they seek advice from friends, family and the internet. However, as is normally the case in such matters, the advice offered is often conflicted and flawed. With a large amount of experience and qualifications in this area, we felt it important that individuals and families get the correct advice, delivered with compassion and understanding at such a difficult time. We’re committed to offering a “gold standard” service in this area and are therefore going through the accreditation process with the Society of Later Life

Advisors, which will demonstrate our understanding of this technical area of advice and require the implementation of a strict code of practice.

Providing independent financial advice to people approaching their later years is a specialist skill. Not only does it require in-depth knowledge of the financial solutions available, it requires an ability to empathise and relate to the needs of each client. Our aim is to appreciate and understand all the financial issues these particular clients may face. The advice we offer is entirely jargon-free, and we actively encourage whole-family engagement throughout the financial planning process, while explaining solutions with total clarity. Our adviser will be qualified in areas including long-term care planning, equity release and estate planning.

There's a lot of information regarding funding for care that people need to get to grips with very quickly. This is where we believe financial advisers will be crucial, irrespective of funding status. Key issues in this area include families requiring knowledge of what to do with the home, how to invest (to provide for the cost of care) and having powers of attorney in place. Increasingly, clients will need advice on repaying debt or improving income through equity release schemes, with which we can also help.

It's frustrating that there aren't more innovative financial products available to help with this increasingly complicated area of advice. Currently, there are only a handful of advisers offering products such as immediate care needs annuities. The demographics of the UK insist that this is an area that requires addressing, both at a corporate and governmental level. Rising population and care costs are increasing at a rate greater than inflation, something we'll all need to confront soon.

Last year, the FCA published a paper calling on the government to act on the issue of long-term care advice and products to ensure people avoid sleepwalking into an overly harmful or vulnerable old age. They said the cost is likely to increase over time, and that without adequate financial planning or provision for long-term care, consumers



Our Blythswood Square Offices

may experience poor outcomes, harm or vulnerability. Lack of clarity and legislation in this domain have likely had a detrimental effect on product providers spending money on creating relevant financial products to help alleviate the burden. On average, across the UK, 41 per cent of care home residents are entirely self-funded, 37 per cent are funded by the public purse and others self-fund part of their care or receive other funding.

It's estimated that, where self-funders run out of money, this costs the state around £425 million. But the FCA said there is a common misconception that care is government-funded as part of the NHS, and there's evidence of a perception among older consumers that their families and homes will provide financial support for care they may need.

Without the correct input and planning, there's a real risk to vulnerable people and their families at a very challenging time in their lives. There are also significant differences across UK administrative regions as well, which makes obtaining the correct information even more difficult.

To ensure our staff are adequately equipped to deal with those clients with more specific needs, we will be looking at additional training, not in terms of just qualifications but also of courses such as the dementia care at home training and becoming Dementia Friends through Alzheimer's Society, which will help them deal with clients knowledgeably and compassionately.

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