investing insiders

✨ Guides

Beyond DIY: How to know when it's time to get advice

Managing your own money can be empowering. You choose where to invest and what to invest in - and avoid paying adviser fees.

But as your finances become more complicated, you might start to wonder whether you're making the right decisions or missing important opportunities. And whether it's time to seek professional advice.

When could financial advice be beneficial?

There doesn't have to be a specific reason to seek professional advice, but there are certain times when it can be particularly helpful.

1. When your finances have become more complicated

- ❓ Has your investment portfolio grown over time and become more difficult to manage?
- ❓ Have you started or sold a business?
- ❓ Inherited money?
- ❓ Or separated from a spouse or partner?

If your financial picture is no longer straightforward, professional advice can help you review your priorities, adjust your plans and decide what to do next.

2. When you're facing a major life decision

Big life decisions often have big financial implications.

If you've found yourself at a crossroads, professional advice could help you identify which direction to take, and draw a roadmap to guide you on your way.

The kind of big life moments that often initiate financial advice include:

- ✅ Marriage
- ✅ Starting a family
- ✅ Deciding whether to give your children a private education
- ✅ Divorce or separation
- ✅ Bereavement
- ✅ Starting a business
- ✅ Selling a business or home
- ✅ Deciding when and how to retire
- ✅ Receiving an inheritance
- ✅ Wanting to help children financially as they enter adulthood
- ✅ Deciding how to pass on wealth

You may be able to research the options yourself. But advice could help you understand the full implications of each decision, and ensure you don't overlook something that could be important.

3. When you're wondering if you can afford to retire

Could you confidently answer all of these questions:

- How much do you currently have saved and/or invested for your retirement?
- How much will your pension pots be worth at retirement?
- How much will your desired retirement lifestyle cost?
- How much could later life care cost you?
- What is the most tax-efficient way to draw down your retirement income?
- How much will taxes and inflation eat into your retirement income?

Calculating how much you will need to retire and when you will have enough to stop working is not an easy task. And getting it wrong can lead to disappointment.

A skilled financial adviser will help you work out whether your current arrangements are likely to fund your retirement dreams, and identify alternative arrangements if there's a shortfall. They may be able to spot potential problems, and offer solutions when you can't see a way forward to achieving your goals.

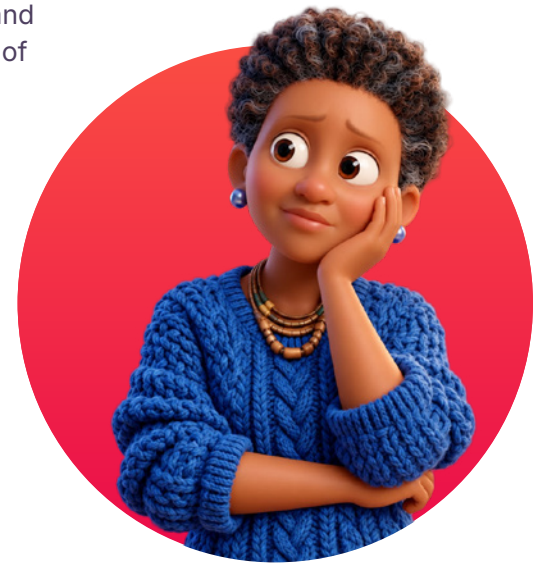
If you're already retired, advice may help you decide how much you can afford to withdraw from your savings now without the risk of running out of money further down the road.

4. When you're worrying about making an expensive mistake

Perhaps you're unsure whether to move your pension, change your investment strategy, or take a large amount of money out of your savings. You might have read conflicting advice online, or be concerned that a decision could trigger an unexpected tax bill.

Some mistakes can be difficult or costly to reverse.

An experienced independent financial adviser can help you understand and avoid the potential pitfalls, and identify the most suitable course of action for your needs and goals.



5. When managing your money takes too much of your time

Keeping track of investments, checking pension performance, reviewing charges and researching financial products can become a job in itself.

If you enjoy doing this, there's no reason to stop. But if it has become stressful or you're struggling to keep up, professional support could take some of the pressure off.

That doesn't mean you have to hand over every decision. You decide what you want to manage yourself and where you'd like help.

6. When a second opinion would give you peace of mind

You don't need to have a problem to benefit from advice.

Perhaps you're already saving regularly, investing sensibly and planning ahead, but you'd like an independent professional to check whether your arrangements make sense.

Peace of mind is valuable.

If you're simply seeking security, a professional adviser could review your overall position, alert you to any gaps in your planning, and help you understand whether you're on track to meet your goals.

Sometimes, that may mean recommending changes. In other cases, it may simply give you greater confidence in the decisions you've already made.

"Financial advice is only for the ultra-wealthy. That's not me."

People often assume that financial advice is only for those with sky-high incomes.

That's not true.

You don't need to have millions in the bank, or a six-figure salary to benefit from financial advice.

You might simply want to know whether you're saving enough for retirement, whether your investments are right for you, or how to make your money last. These aren't problems exclusive to wealthy people, and you don't need to be rich to benefit from getting them right.

Financial advice isn't just about managing large sums of money. It can help you avoid costly mistakes, whatever your starting point.



How much will advice cost me?

Adviser fees vary. Some charge by the hour, others charge a fixed fee for a particular piece of work, while some charge a percentage of the money they manage for you.

For pension or investment advice, a typical initial fee is 1%–3% of the amount you invest. Ongoing advice typically costs 0.5%–1% a year of the money being managed for you. These are indicative ranges, not standard rates, and the amount you pay will depend on the adviser and the service you need.

Fees may be determined by:

- ✅ the type of work you're asking the adviser to do
- ✅ the size of your investment pot
- ✅ the complexity of your financial situation
- ✅ whether you want a single question answered or ongoing advice.

What all advisers should have in common is that they provide you with clear, transparent information on what they charge upfront. You should always have that information before you're asked to commit, and you should never feel pressured to proceed if you're not happy.



How do I know if an adviser is good?



Take your time choosing an adviser.

Always:

- Check they're authorised. In the UK, a financial adviser providing regulated advice should be authorised by the Financial Conduct Authority (FCA). You can check them on the FCA's Financial Services Register.
- Find out if they have experience relevant to your needs. If you need help with retirement, for example, ask whether they regularly advise people approaching retirement or already drawing an income from their pensions.
- Understand if they offer independent or 'restricted' advice. An independent financial adviser (IFA) can consider and recommend products across the whole market. A restricted adviser is limited in some way.
- Ask questions. Find out what you'll pay and what the service includes.

Our Find an IFA service only recommends Independent Financial Advisers who are authorised and regulated by the FCA. As we are also an FCA-authorised service provider, we adhere to strict regulatory requirements on who we work with.

We know talking to someone about your finances can be nerve-wracking. You'll be sharing details about your finances and future plans, so it's important to feel comfortable and find someone you trust.

Find an IFA