

Financial Guidance for Service Personnel and Veterans

FORCES MoneyPlan

Handbook for Financial Advisers



Personal
Finance
Society
Standards. Professionalism. Trust.



Contents

1. Welcome: about this initiative	3
Background	3
Participants	3
The pro bono offering	3
The client journey	4
2. Roles, responsibilities and expectations of participating financial advisers	6
Basic requirements	6
Engagement and resignation	6
Induction	6
Definition of ‘generic financial advice’	6
What happens if the client needs regulated financial advice?	6
Case management	7
Monitoring and evaluation	7
3. Principles and policies	8
Confidentiality	8
Equal opportunities	8
Vulnerability	8
Capacity	8
Complaints	8
4. Pro bono volunteer agreement	9

1. Welcome: about this initiative

Thank you for volunteering to provide generic financial advice for service personnel and veterans; a pro bono initiative known as 'Forces MoneyPlan'. We appreciate the unique and valuable contribution your expertise will bring.

Background

Following greater active engagement of our armed forces in recent years many involved have been in receipt of substantial sums of money as a result of either payments from the Armed Forces Compensation Scheme or Insurance based payouts. In many cases, the amounts involved are of a level that the individual has never had to contemplate or manage in the past, placing them in a position of vulnerability, ranging from inappropriate advice that doesn't have their best long-term interests at its centre, sub-optimal advice that does not maximise financial benefits, through to more blatant fraudulent activity and financial scams.

This pro bono initiative was established by The Personal Finance Society to enable armed forces personnel and veterans, whether in receipt of related compensation payments or not, to benefit from free financial guidance from a fully qualified and regulated financial adviser and member of the Personal Finance Society and latterly the Society of Mortgage Professionals. This may or may not lead to the delivery of fee-based regulated financial advice with a personal recommendation as to a course of action and/or product transaction.

Participants

The Personal Finance Society

is the largest professional body for the financial advisory profession in the UK, with over 40,000 members of which 7,100 are Chartered Financial Planners. The Society is part of the CII Group and therefore shares the CII mission and Royal Charter to secure and justify public confidence and trust in its members and the sector more broadly.

In 2020 Forces MoneyPlan welcomed members of the Society of Mortgage Professionals, a professional body dedicated to those working within the mortgage arena. The Society is also part of the CII group and therefore also aligns itself with the CII's mission and Royal Charter.

On Course Foundation

Forces MoneyPlan was established in July 2017 with the support and help of the On Course Foundation. This leading charity helps armed forces veterans who suffer from physical and mental injuries, by introducing them to golf and encourage them to attend their 'Golf Skills & Employment Events' (which explores how golf can help them on the road to recovery and how the golf industry can provide employment such as golf course management, green keeping, marketing etc).

Blesma – The Limbless Veterans

In July 2018 Forces MoneyPlan was extended to Blesma, a military charity for limbless veterans which was founded in the aftermath of the First World War. Blesma helps all serving and ex-service personnel who have lost the use of limbs or eyes to rebuild their lives by providing rehabilitation activities and welfare support.

Forces Pension Society

In November 2018 Forces MoneyPlan expanded to include members of the Forces Pension Society (regardless of their health or injuries) which is an independent, not-for-profit organisation that acts as the pension watchdog for the whole military community.

Veterans Gateway

In September 2019, Forces MoneyPlan was accepted onto the 'Veterans' Gateway' an online advice facility putting veterans and their families in touch with organisations best placed to help with the information, advice and support they need from – healthcare and housing to employability, finances, personal relationships and more.

Cobseo

At the end of 2019 Forces MoneyPlan was accepted as an affiliate member of Cobseo (the Confederation of Service Charities). This affiliation will help us promote ForcesMoneyPlan to their membership that includes the majority of armed forces charities, ultimately increasing the number of organisations referring forces personnel and veterans into ForcesMoneyPlan.

The pro bono offering

Armed forces personnel and veterans (regardless of health or injury) referred into this initiative will benefit from your expertise in respect of the following:

1. A pro bono guidance consultation with a financial adviser who is a member of the Personal Finance Society /Society of Mortgage Professionals (minimum 45 minutes)
2. The completion of a basic fact-find to help inform 3 below
3. The receipt of an 'options and priorities' report (based on a standardised template)
4. Signposting to a regulated financial adviser (member of the Personal Finance Society/Society of Mortgage Professionals) via the '[YourMoney](#)' adviser register should the forces personnel, hereafter known as 'the client' for the purposes of this document, require such a service but not wish to engage the original pro bono adviser.

about this initiative continued

The client journey

Step 1

Client matched
with PFS
volunteer

Step 1 – the client will be able to request a consultation by leaving contact details via telephone, post or an external facing web page supported by the Personal Finance Society who will match the client to a local adviser (wherever possible). Where there is no local adviser, the nearest adviser geographically will be allocated. A link will also be made available to the On Course Foundation, Blesma, the Forces Pension Society, Cobseo and other relevant third parties.

Step 2

PFS Volunteer makes
contact with client to
agree meeting/time

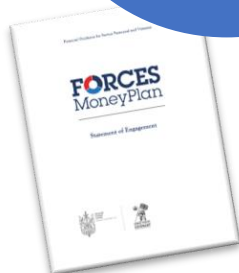
Step 2 – the adviser will contact the client, make reference to Forces MoneyPlan and arrange a mutually convenient appointment. If necessary the meeting can take place on the telephone or online (e.g. via Skype), for example where there is no local adviser. The client should not be charged travel or other expenses as the initial pro bono consultation in its entirety should be free.

Step 3

PFS Volunteer issues
Statement of Engagement
(including any pre-
meeting requirements)

Step 3 – the client will be issued with a pre-formatted 'Statement of Engagement' (e-mail or letter) by the pro bono adviser within 24 hours of initial contact making clear the following:

- The nature of the consultation (length of meeting, what to expect, any preparation needed, guidance not a personal recommendation etc)
- That the consultation is free
- That the consultation will result in an 'options and priorities' report to be sent to the client (hard copy or e-mail) within seven days of the meeting
- That the client is under no obligation whatsoever to continue dealings with the pro bono adviser after the initial free consultation, unless they choose to do so, at which point the pro bono adviser will make clear all and any subsequent charges involved in writing and BEFORE any are incurred. Alternatively should the client wish to speak with another financial adviser they can source a regulated adviser via the ['Your Money'](#) adviser register



about this initiative continued

Step 4

Consultation takes place (by phone, Skype or face to face)

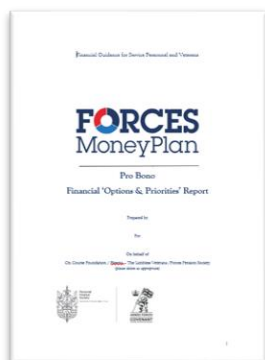
Step 4 – the client receives a free consultation delivering only generic financial guidance (as defined on page 6). During the consultation (or before if previously arranged) the adviser will action a basic fact find to inform discussions.

Step 5

PFS volunteer issues 'Options & Priorities' report (within 7 days)

Step 5 – the client will receive an 'options and priorities' report together with a feedback form in a prescribed format within 7 days of the pro bono consultation. The report will be in a prescribed format built around five sections:

1. Generic principles/rules of thumb underpinning financial wellbeing
2. Things to consider following our meeting
3. Further sources of reliable financial information
4. Things to be aware of
5. Next steps (including the role and value of independent financial advice regulated by the Financial Conduct Authority).



Both the report and any accompanying letter will confirm that the pro bono adviser will have no further proactive contact with the client unless the client (and adviser) wishes otherwise. The report format also contains information on the value and likely cost of regulated financial advice as well as how the client can find an alternative adviser if they are not entirely comfortable with the pro bono adviser or the pro bono adviser doesn't want to offer any advice/personal recommendation going forward. At this point it will be up to the client to take any further action in respect of their financial needs.

Step 6

Client provides basic satisfaction feedback

Step 6 – the client will send back a completed feedback form direct to the Personal Finance Society.

2. Roles, responsibilities and expectations of participating financial advisers

Basic requirements

Personal Finance Society:

A participating financial adviser must be a practising member or an affiliated member of the Society, have a minimum of a level 4 qualification in Financial Services – Diploma in Personal Financial Planning (DipPFS) – and have an up to date Statement of Professional Standing issued by the Personal Finance Society.

Society of Mortgage Professionals:

A participating financial adviser must be a practising member or an affiliated member of the Society, have a minimum of a level 4 mortgage qualification - CeMAP or Cert CII (MP).

Engagement and Resignation

Participating financial advisers will be able to sign up to the scheme through an agreed on-boarding process run by the Personal Finance Society. The Personal Finance Society have built a panel of participating advisers within each of the Society's 26 regions.

Should you become a participating adviser and then decide to resign your services, we request you fulfil any agreed consultations where possible and advise the Personal Finance Society at the earliest opportunity.

Induction

All participating advisers will need to complete a slide based bespoke CPD induction training session created by the Personal Finance Society, designed to provide specialist knowledge that might be required when dealing with armed forces personnel or veterans and those in receipt of compensation payments. Completion will be required BEFORE any pro bono client consultations take place.

Definition of 'generic financial guidance'

Generic financial advice is defined as impartial, unregulated guidance that helps individuals identify and understand their financial needs and priorities based on their circumstances. It aims to help people make informed decisions about their options and to show them how to plan their finances. It is not about giving recommendations about specific products or services. It's crucial that financial advisers involved in this initiative adhere strictly to The Personal Financial Society's interpretation of generic guidance.

As such, this initiative seeks to provide financial information, rules of thumb and guidance in respect of possible options the individual may wish to consider (i.e. what they 'could' do), based on an understanding of his/her current circumstances, needs and priorities. It also provides guidance on how to go on to access regulated financial advice if a personal recommendation is required (i.e. what they 'should do').

What happens if the client subsequently needs regulated financial advice

Although the guidance presented is not regulated financial advice, it is possible it may lead the client to seek specific regulated financial advice. It is important that the client is under no pressure whatsoever during the pro bono consultation to subsequently take chargeable regulated financial advice. Indeed, the report is designed to act as a break point, placing control in the hands of the client.

Section 5 of the report includes the following paragraphs:

'What you have received is information and guidance (generic advice). If you wish to receive advice in the form of a personal recommendation as to what course of action you should take based on a more detailed analysis of your personal circumstances, needs and wishes, you should consider taking regulated financial advice. Or you may simply find it helpful to speak to a regulated financial adviser if you are not sure what you need to do or are feeling confused about the options available to you including any aspect of this report.'

Please note there will be a charge for any subsequent financial advice you ask for, although these charges will be fully explained BEFORE any cost is incurred by you so you can decide whether to proceed or not. This advice can be provided by me (the financial adviser with whom you have had your free consultation meeting) or another financial adviser/firm should you prefer. If you wish to identify another financial adviser/firm you will be able to find one through the Personal Finance Society, the Professional Body for Financial Advisers, via their website www.thepfs.org/yourmoney/ and using your post code.'

Roles, responsibilities and expectations of participating financial advisers continued

Case management

Keeping a record of meetings, serves to protect both you and the client. It provides a comprehensive record of the services offered, makes clear any further actions that you or the client needs to take and provides evidence in the event of a complaint being made against you.

At, or after, the meeting you need to record the following:

- a brief overview of the client and type of information and generic guidance given – to form the basis of section 2 within the report
- any referral for further specific advice
- details of any follow up needed and who by
- any deadlines (with dates)
- whether the client left the consultation satisfied and confident from the meeting or otherwise.

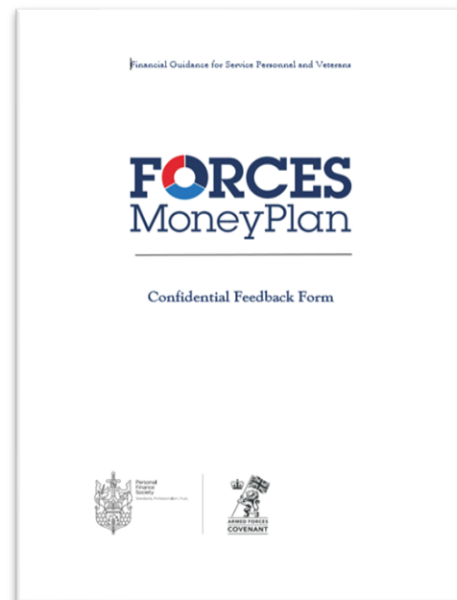
Monitoring and evaluation

It is very important for us to gather client feedback about the effectiveness of this initiative. A feedback questionnaire must be given to all clients who have used the service alongside the report when issued.

We use this to try to understand:

- the helpfulness of the advice given
- the client's overall experience of the meeting
- what the client did next

The client should be encouraged to send this form back to The Personal Finance Society as soon as is convenient.



3. Principles and policies

Confidentiality

The Personal Finance Society Forces MoneyPlan initiative is to be delivered as a confidential service. This means:

- interviews with clients should be held in private
- clients are not required to talk about their situation in front of others
- clients must be aware of and consent to any referrals
- information about a client should not be passed on to a third party without the client's permission. However, there are exceptions to this policy, for example where there is evidence that:
 - a client or someone else is in danger
 - disclosure of information is required by law e.g. Proceeds of Crime Act 2002
 - a potential conflict of interest exists.

Equal Opportunities

The Personal Finance Society Forces MoneyPlan initiative operates regardless of race, gender, disability, sexual orientation, nationality, religion or age. In all aspects of its work, the service and those involved in its delivery recognise the positive value of diversity, promote equality, and challenge discrimination.

Vulnerability

Inexperience in handling compensation payments, dealing with financial matters or receiving guidance and/or advice from professional financial advisers will mean that many 'clients' who wish to take advantage of this initiative may be deemed 'vulnerable'. It is important that generic advice is delivered taking into account good practice when dealing with vulnerable clients, for example ensuring the client understands they can be accompanied to the pro bono meeting if they wish to be. Further good practice will be highlighted within the induction session.

Overseas Territories

When Forces MoneyPlan was originally set up it was done so in respect of injured service personnel and veterans, almost all of whom could be expected to be UK based. Since then the scheme has been opened up to all serving personnel and veterans as part of our commitment to the Armed Forces Covenant and this has raised a couple of issues in respect of personnel serving abroad. We suggest that where possible any generic guidance given under the Forces MoneyPlan banner is deferred

until such time as the intended recipient is back in the UK. Whilst Armed Forces personnel posted abroad are treated as Crown Servants, with salary and allowances continuing to be taxed in the UK as normal, taxation of some other income and capital gains received can be dependent upon things such as where it arises, UK tax residence status and the existence of double taxation agreements. Such complexities complicate generic guidance beyond the scope of a one-off pro bono offering.

Where an adviser is comfortable giving generic guidance on options for forces personnel abroad, we recommend where subject to compliance due diligence from a Principal in all cases they first gain regulatory approval from their Compliance team.

Members of the armed forces living overseas can contact HMRC on the Crown Servants Helpline to discuss income tax or capital gains tax queries (tel +44 135 535 9022)

[The Service Insurance and Investment Advisory Panel](#). SIIAP is an advisory panel of regulated insurance, investment and mortgage companies, recognised by the Ministry of Defence, and specialising in providing advice and information to members of HM Forces.

Capacity

It is important that participating advisers have an understanding of the Mental Capacity Act. Whilst the initial generic advice session will not involve participating advisers in making decisions for the client, an appreciation of the principles should underpin the pro bono meeting. These will be highlighted within the induction session.

Legal Advice

Should a client's need for legal representation be identified, we suggest members of the Royal British Legion Solicitors Group may be a good starting point to refer the client to. Further details are available via the slide-based CPD induction training.

Complaints

We hope that anything a client is unhappy about can be sorted out locally on an informal basis but if a client would like to make a formal complaint then it will need to be handled through your existing client complaints process.

4. Pro bono volunteer agreement

In respect of the Personal Finance Society initiative Forces MoneyPlan I agree to:

- undertake the CPD induction via online Forces MoneyPlan slides/notes before I provide a pro bono consultation with a client
- offer unregulated 'generic financial advice' only during the pro bono consultation
- place the client under no pressure to take chargeable regulated financial advice
- issue Forces MoneyPlan 'Statement of Engagement' to the client before the pro bono consultation as specified
- use the pre-formatted structure and content of the Forces MoneyPlan 'pro bono Financial Options and Priorities Report' as provided and issue it after the pro bono consultation within agreed timescales
- maintain notes of client meetings, content and outcomes and make available to Forces MoneyPlan if and when required
- facilitate direct feedback to Forces MoneyPlan via issue of 'Feedback Form' to the client
- work co-operatively and in partnership with staff at the Personal Finance Society/Forces MoneyPlan
- abide by the principles of confidentiality (including maintaining client confidentiality and ensure client data is protected), equal opportunities and complaints as detailed within section 3 of the Forces MoneyPlan Adviser Handbook
- declare any conflict of interest or any issues or problems that may arise

Personal Finance Society PIN or
Society of Mortgage Professionals PIN

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Full name (print):

Postcode/area covered:

Any restrictions regarding timings/travel etc:

Please list your specialisms i.e. investments etc.

Any restrictions regarding type of guidance i.e. not mortgage etc.

Name of company:

Telephone:

Email:

Date:

Signature:

Once signed please return to forcesmoneyplan@thepfs.org