

Good afternoon

Thank you for the opportunity to participate in the Roundtable Meeting last week – it was so good to feel heard. As we didn't get a chance to finish our feedback regarding the Quality of Advice Review document, I have summarised a few points :

1. **Provider Advice.** Certainly the “acquire, dispose and alter” restrictions should go some way to help consumers understand that they are not obtaining financial planning advice but a limited service only. That is important as in the past we have seen many clients who thought they were getting financial planning advice (ie through institutions like QInvest, the planning arm of QSuper) but were only getting product advice and the outcome is poor as it has tended to ignore other issues such as taxation and Centrelink.
2. **Sole Purpose Test.** This disenfranchises many Australians from getting advice, even if the cost of that advice reduces. In my view (and experience) everything we do is inevitably focussed on retirement, whether that be paying off their mortgage, protecting themselves against unforeseen events or recommending a regular saving discipline (which may be outside super due to age). Research has backed up the value of advice so why not make this accessible to more people (particularly young people). If we do this right it will save the Australian taxpayer in the long run. It will also save cost due to complexity of the current system (super funds will often request advice documents to ensure compliance).
3. **Tax Deductibility of Financial Planning Fees.** This is another option which could work in association with the above again on the basis that good advice will benefit not only the client but also the Australian economy in the long run.
4. **Ongoing Fee Arrangements.** I propose that this be a rolling 2 year contract rather than a yearly application. Whilst you have reduced the current complexity, the reality is that life does not fit neatly into a 12 month timespan. Many advisers have found themselves chasing clients down overseas or even worse, during chemo treatment, to get the forms signed. Having a rolling 2 year renewal period will increase our capacity to see people and add to business stability but most importantly, take the pressure off clients (eg it can be 14 months until a meeting is able to be mutually arranged but in the meantime we still have to get the fee consent forms in within the 12 months or cut off our income). Please understand that financial planning is not just a formal review. There is constant contact in between – emails and phone calls from clients and information going out.
5. **Access to ATO portal.** Currently, for instance, we are doing carry forward super contribution calculations “by hand” or relying on accountants or clients to supply information which is inefficient and costly to all concerned.

Again, I thank you for the opportunity to discuss these issues with you.

We are all hoping for an outcome that enhances the value of financial planning for all concerned.

Yours sincerely



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