

Can You Avoid Fees in Financial Services?

It's a question many people ask.

In a world where costs are visible and comparison is easy, it's natural to wonder whether financial planning fees can be reduced — or avoided altogether.

The short answer is: sometimes, yes.

The more important question is: **what are you taking on in exchange?**

You're Always Investing Something

When it comes to financial planning, you're typically choosing how to allocate three things:

- **Money** (professional fees, whether legal, medical or mechanical)
- **Time** (research, administration and ongoing monitoring)
- **Risk** (the potential cost of getting decisions wrong)

Reducing one usually means increasing one of the others.

Where Do Fees Typically Arise?

Using pensions and ISAs as examples, costs usually fall into three areas:

1. The Product Provider

Regulated institutions administer tax-efficient structures and ensure compliance with UK legislation. Charges cover administration, custody and reporting.

2. Investment Management

If you invest in funds, professional managers research and manage portfolios on your behalf. Costs vary depending on the strategy and level of active involvement.

3. Financial Advice

Where advice is taken, advisers assess suitability, structure planning efficiently and help adjust strategy as circumstances change.

This includes assessing risk tolerance, tax positioning, long-term sustainability and behavioural considerations.

Can You Do It Yourself?

Many people choose to manage their own investments. In doing so, they may reduce certain fees.

However, DIY investing means you are responsible for:

- Constructing and maintaining appropriate asset allocation
- Managing risk and diversification
- Monitoring tax allowances and legislation changes
- Making decisions during periods of market volatility
- Adjusting strategy as life circumstances change

For some individuals, this level of involvement is both manageable and rewarding. For others, it can be time-consuming or stressful.

The Value Question

The real consideration is not simply cost — it is **value**.

Professional advice does not guarantee higher returns. What it can provide is:

- Structure and discipline
- A long-term plan
- Risk management oversight
- Accountability during volatile periods
- Time saved on administration and monitoring

For many clients, the value lies in clarity, confidence and continuity rather than performance alone.

Finding the Right Balance

There is no single correct approach.

Some people prefer complete control and are comfortable dedicating significant time to financial management. Others prefer structured support so they can focus on career, family or business interests.

In some cases, a hybrid approach may be appropriate — managing certain elements personally while seeking advice for more complex areas.

The Key Question

Ultimately, the decision comes down to this:

Is your most valuable resource time, cost or risk tolerance?

Understanding your own priorities helps determine the right balance.

Important Information

This article is provided for general information purposes only and does not constitute personal financial advice.

The value of investments can fall as well as rise and you may get back less than you invest. Tax treatment depends on individual circumstances and may change in future.

If you would like to discuss whether professional advice could add value to your financial planning, please contact us to arrange a consultation.