



PORTFOLIO STRATEGY

What to do if that financial plan you paid thousands for disappoints

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PUBLISHED APRIL 8, 2022

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The rise of financial planning done transparently for a flat or hourly fee is one of the most positive developments in the world of money over the past decade.

But providing financial plans is a service like accounting or providing legal advice, and sometimes the customer isn't satisfied with what they get for the \$1,500 to \$5,000 cost of a plan. What then?

Answering this question leads back to a primary bit of advice when choosing a planner: Make sure your planner is properly accredited. There are three major planning designations and each looks into complaints against individuals holding their credentials, with disciplinary action possible.

But those are worst-case outcomes. First steps are to contact your planner, explain why you're unhappy with their work and talk about it. If that doesn't have the desired effect, try the planner's boss.

"Don't keep to yourself how you're feeling," said Rona Birenbaum, a veteran certified financial planner (CFP) who leads a busy nine-person team of fee-for-service planners. "No service provider wants an unhappy customer, whether it's an accountant or a lawyer or anyone."

Ms. Birenbaum said she wasn't surprised when I contacted her to ask about complaints. Demand for fee-for-service planning has risen a lot, which means more customers and more outcomes that are both good and not so good. Plus, some planning companies are

struggling to meet demand. This increases the chances of a busy planner making errors, missing details or not meeting expectations.

“The delivery of a plan is not a black and white exercise,” Ms. Birenbaum said. “There are a lot of different ways you can get the end result, and some processes are more aligned with what the client would expect than others.”

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A reader of the [Carrick on Money e-mail newsletter](#) recently asked what someone should do if they are not satisfied with a financial plan received from a fee-for-service planner. That’s a first. I’ve been writing about this kind of planning for more than a decade, but only now has an unsatisfied client spoken up.

I invited people in my [Twitter](#) community to comment on this reader question and ended hearing a few more complaints from planner clients. A sampling of issues: A financial plan that did nothing more than package the basic information supplied by the client in a slick folder, a planner who “forgot” that a client was in a defined benefit pension and another planner who used incorrect calculations that were caught by the client.

If you’re talking to a planner or a planning company about your dissatisfaction with a plan, be specific about the shortcomings and ask what can be done to fix them. Planners use software to produce plans and a better outcome may be possible by simply tweaking the data or assumptions used.

A next step in complaining is to contact the organization that oversees your planner’s credentials. For CFPs, go to [FP Canada](#); for registered financial planners (RFPs), go to the [Institute of Advanced Financial Planners](#); for personal finance planners (PFPs), try the [Canadian Securities Institute](#), which oversees the PFP and many investing designations.

In the most recent FP Canada annual report, for 2020, the top five complaint allegations against planners related to diligence (asking appropriate questions, for example), integrity, forgery/falsification, putting client interests first and personal conduct. If a matter goes to a

hearing, FP Canada has the power to issue a letter of reprimand, suspend a planner's certification or revoke it.

FP Canada gets about 100 complaints a year and roughly 20 per cent typically go to a hearing, said Damienne Lebrun-Reid, the organization's executive director of standards and certification. Other cases may be resolved by getting the planner and client to work things out.

"I would encourage people who have a complaint to come to us," Ms. Lebrun-Reid said. "We understand the nature of complaints, and we can interact with the public to help support them through the process."

Ms. Lebrun-Reid said FP Canada accepts complaints of all types, including those related to pure planning and those connected to investing matters involving planners licensed to sell securities. However, she said clients with investing-related complaints might also want to contact organizations regulating advisers, like the Investment Industry Regulatory Organization of Canada, the Mutual Fund Dealers Association and provincial securities commissions.

Dissatisfaction with a financial plan is something that can develop over time. A suggestion for ensuring your plan stays relevant is to inform your planner about changes in your personal situation and, where relevant, suggest a review of the plan and its assumptions.

"No plan is going to play out the way it's modelled, for sure," Ms. Birenbaum said. "There are way too many variables that can take a plan in a different direction from all of the assumptions."

One more step in fostering a good experience with a planner is to make sure you're dealing with someone reputable. New legislation in Ontario will require planners to have approved accreditation, which will help. You can do a background check on CFPs by checking their background on the FP Canada website's [Find A Planner](https://www.fpcanada.ca/findaplanner) page (fpcanada.ca/findaplanner). Profiles for each CFP show whether they are in good standing, and whether they have a disciplinary history.

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