Every individual and every organisation is facing challenges and, while at the time of writing there does seem to be some light at the end of the tunnel, it’s clear that life won’t return to any semblance of normality for quite some time recognising that this normality will ultimately be different than before.

If one can take any positives it is that this crisis is forcing us all to look more closely at how we live, operate, do business and how we equip our employees and customers to do their best work. Many businesses are innovating and taking a survive, digitise and thrive approach which involves adapting to the challenges of the present in order to succeed in the future. Our view, like many others, is that one key implication of COVID-19 is that it will accelerate changes that have already been predicted to impact the insurance industry.

At iPipeline, we are continuing to drive digitisation in the insurance industry and are committed to developing technology that will help our clients succeed in the “new normal”. I read recently that ‘if China offer us any lessons, digital laggards will be substantially disadvantaged during the recovery’. An example of technology which is particularly relevant in today’s more remote world is our AlphaTrust e-Sign and document process automation software, and we are delighted that a number of new clients have adopted it in recent weeks enabling them to thrive.

Our overall aim remains to grow the UK protection market and we believe we can continue to do this by creating innovative solutions that meet customers’ needs now and in the future. 2020 is so different from how we all imagined it to be, but I am confident there are better times ahead. In the meantime, I hope you all stay safe and well.
When I started my career in the pensions industry many years ago (after a short period managing post-punk bands which left me with a hefty overdraft), I had the pleasure to work for and progress under John Page, a great pensions’ expert and mentor who helped me reach the position of Pensions Technical Manager.

Amid the myriad complex retirement planning exercises we undertook – often for high profile people - John instilled in me the importance of research and showing ‘my working out’ when recommending a retirement strategy. This took me back to my school days when I was forever berated for not doing this in maths classes, although this time I listened.

I have since forgotten most of what I learnt in my pension days, but I have retained the habit of documenting and explaining how I have come to identify and recommend a strategy. These ‘working outs’ help my ‘clients’ on the Board understand the options they have open to them and enables us to agree on a way forward. It also helps us review and tweak or even pivot as circumstances change.

This brings me to the often overlooked and unloved subject of annuity. Don’t worry, I am not here to push annuity sales. I am no longer qualified (literally) to do this, nor do I have any vested interest in doing so. But I am going to implore everyone to ensure they do the research, document the options and talk these through with clients. I know that most do this well, but there are three areas I would like to specifically point out that I believe require focus:

1. In April, the Financial Ombudsman Service ordered an IFA to pay compensation to a client after the firm gave unsuitable advice about an annuity which resulted in the client’s beneficiary missing out on payments when they died three years later. This was due to the IFA not having evidence that it quantified the income for a 10-year guarantee option versus a five-year one. It wasn’t because the firm hadn’t discussed it – it was because there was NO evidence of the ‘working out’.

2. Correctly, the above case was written to an enhanced annuity. It is important that we take account of the client’s health when advising on annuities. But, more than this, we should be taking account of it when discussing drawdown versus annuity. Quantify and evidence the income from the appropriate annuity when comparing against income from a drawdown.

3. Retirement used to be a one-off decision for most clients - it was what type of annuity with which options and guarantees. Today, for those who opt to draw down (or delay vesting), it is a continual process that requires reviewing, tweaking and potentially pivoting. As such, it is important to ensure you are regularly showing and evidencing the options your client has (including annuities), especially as their health and income needs change.

Hopefully, these recommendations will not only help you ensure your clients continue to fully understand their options, but also help you show ‘teacher’ that you did a great job...if required.

To find out more, please register for our Enhanced Annuities webinar to learn how to:
- Produce quotations through Assureweb
- Use the Medical Information and Lifestyle Details area
- Complete the Data Capture Form

Our annuity offering can deliver a guaranteed income to your clients, whether or not they have an existing pension with Scottish Widows.

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- 5 star service*
- over 200 years of experience and expertise from one of the UK’s leading pension providers
- competitive rates.

LET’S TAKE ON THE FUTURE TOGETHER
www.scottishwidows.co.uk/annuities

*S 5 star service award at the Financial Adviser Service Awards 2019

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HEALTHWISE – HELPING TO EASE THE BURDEN ON THE NHS

BY STEVE BRYAN, DIRECTOR OF DISTRIBUTION AND MARKETING, THE EXETER

The breadth of additional support services offered by insurers is ever evolving. Developing a good understanding of each offering in the market can be difficult – as could explaining the real-life value that each service provides your clients.

With pressures on the NHS increasing, now is as good a time as any to remind your clients of the added extras included within their insurance policies.

HEALTHWISE REMOTE GP CONSULTATIONS

Q1 2020 has seen record usage of our remote GP service offered to members via HealthWise, our member benefits app. Available from 08:00 to 19:00 Monday to Friday and 09:00 – 13:00 on Saturdays, the service can be used by your client or their immediate family and includes:

- Access to a remote GP appointment at a time that suits them
- Access to fully trained medical professionals via telephone or video call
- The option to choose the gender of the practitioner they speak to
- Prescription medication if deemed appropriate by the treating practitioner

A SERVICE FOR ALL

The introduction of digital GP services through HealthWise has been a hit with our members:

- 81% of users accessed the service via the app
- 63% of users are male, 37% female
- 59% of users are aged between 19 & 50 with 23% aged over 71.

MORE THAN JUST A “NICE TO HAVE”

Given the breadth of conditions the service covers it is no surprise that remote GP services are the most frequently used service within HealthWise, supporting our members with a wide range of conditions including:

- Coughs, colds, infections and fevers
- Musculoskeletal problems including back, neck and hip pain
- Sinusitis, hay fever and headaches
- Children’s illness

VALUABLE SUPPORT FOR OUR MEMBERS

- 49% of members using the service have received expert advice on managing their condition
- 16% have been referred to their own GP for a physical examination following an assessment
- 11% have received an onward referral to a consultant
- 13% have been prescribed medication

DON’T TAKE OUR WORD FOR IT!

We’ve received the following feedback about HealthWise GP consultations further demonstrating the value the service provides:

“Excellent and prompt help from the GP” - September 2019.

“I got an appointment with the GP within 45 minutes of looking on the app. Great peace of mind to have this service” - January 2020

MAKE SURE YOUR CLIENTS GET HEALTHWISE

Reminding your clients of the availability of HealthWise and encouraging them to use the services provided could be invaluable in helping them proactively manage their physical and mental health and wellbeing.

To find out more, contact The Exeter sales team on 0300 123 3207 or email us at sales@the-exeter.com. HealthWise services are provided by Square Health.
AUTOMATING ADVICE – IMPROVING THE SALES EXPERIENCE
NEIL MCCARTHY, CHIEF COMMERCIAL OFFICER, LIFEQUOTE

Talking to my adviser, which of course these days is on Teams, helped me realise how much technology and automated reporting wealth managers use – before they even outsource the investment management! The initial tolerance to risk is played back to check my current understanding and position, and the cash flow modelling tool is an interactive part of the discussion. Its ability to change specific assumptions and parameters such as income, inflation, expected returns, Life Time Allowance rules etc really brings to life the cash and assets available. Sharing the screen and working on the assumptions in real time, from a behavioural and buy-in perspective, really added to the experience.

The speed and the complexity of the science behind the scenes didn’t detract from the advisers skills. If anything, confidence in the tools ability and output allowed their skill as a “Life-Planner” to come out, and their knowledge of other aspects that impact on financial wellbeing such as use of tax wrappers, impact of CGT and pension limits were able to be explained. It also allowed more time to focus on the softer skills in understanding what is really important and actions needed.

For most of these tools there is a “black swan” event, a metaphor that describes something that comes as a surprise, has a major effect and is often rationalised with the benefit of hindsight. For years it’s been a major crash in the investment market. At the recent meeting it was the scale and impact of COVID-19. They are often used to demonstrate the immediate loss of an income or death, and how that would financially affect your plans. It could be that the typical profile of a client is older, but wealth management advisers are frequently criticised for not selling enough protection, even with a tool that can easily demonstrate the validity of its requirements.

In the Protection market, there isn’t yet a commonly accepted tool that can move the adviser from fact find to advice in a really quick way that’s engaging to the client, allows the adviser to deliver the advice in the way they want to, and removes some of the steps that still make this process cumbersome.

Advisers “FactFind” in a variety of ways to help understand their clients’ current position, aspirations and shortfalls. This is complicated by the fact that providing a client and their family financial security is often a secondary sale to another product, such as a mortgage. An automated advice output could be built around the personal information collected in a FactFind, their attitude to risk, the likelihood of an event occurring and, some detailed, parameterised rules that deliver recommendations with live pricing to obtain product solutions.

Analysis of insurer product requirements. A suitability report, confirming the facts, the rationale for the decision and the ultimate model solution is where the adviser needs to get to quickly to have that valuable client conversation. Appropriate options to process the case and provide a full audit trail within a CRM shouldn’t be difficult.

This doesn’t detract from individual advice which is recommended by an adviser based on their interpretation of a FactFind, research, creation of a report, and ultimately ability to explain the recommendation and persuade the client to buy the solution. Automation helps make this quicker, more efficient and with the model advice being based on an agreed set of criteria, more consistent. Of course, the solution the client ends up with may not be the “model advice” but the ability to obtain this as a starting output in seconds and then adapt it shows the real value of a modern advice process.

Simplifying the initial sales process may be the kick-start Protection needs to gather some momentum, making selling the products easier for the adviser, and more accessible to the client.

If a wealth manager wanted to build a cash flow modelling tool from scratch in excel, I’m sure they could. But why would they, when they want to discuss the results. I think we can do the same in Protection. Lockdown might give us the time to deliver a range of automated advice tools that help advisers get to a client solution quicker.

To find out more about automating advice, contact Neil McCarthy on neil.mccarthy@directlife.co.uk or 07997 175758.
2019 was another strong year for Cirencester Friendly. We would like to thank our Advisers for your continued support and entrusting us to look after your clients, our Members.

Please visit our website to read our 130th Annual Report & Accounts www.cirencester-friendly.co.uk or simply scan the QR code below.

Decision making has never really been my strong point, but thanks to COVID-19 my life has become a frenzy of one guilt-ridden decision after the other.

Days are nonstop chaos, but when the laptop closes and the kids go to bed the mood eases and my partner and I are left with an abundance of... time.

Time to start sorting out some of the things we’ve been putting off, like catching up with old friends, tidying the garden and throwing out old clothes. For many people this is also a good opportunity to start paying more attention to their finances.

COVID-19 has severely impacted the mortgage market, with half a million home sales set to be ‘lost’ in 2020 from the fallout of the pandemic¹.

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Conversely, there are positive signs in the remortgage market. Online searches for the word remortgage were up 60 per cent in March compared to the monthly average, according to analysis of search terms by mortgage broker Private Finance². The record drop in the Bank of England base rate to 0.1% triggered mass mailings from banks to customers currently on the standard variable rate (SVR). This has inevitably prompted many to search for a new deal in a bid to reduce their monthly outgoings. Broker firms have also reported increased enquiries on remortgaging, product transfers and further advances as people look at ways to improve their financial position.

This surge in remortgages and product transfers provides the perfect opener for the protection conversation. There has never been a better time for brokers to demonstrate their value, so it is vital that advice covering the full suite of protection products is offered. Life, critical illness and income protection should all be discussed, with an explanation of their relative importance and the chances of worst-case scenarios occurring alongside the potential impact if they do. Risk reports can be used where available to help support and personalise these conversations.

Additionally, there is an increased focus from the industry on the quality of protection products. Most providers now offer a range of ancillary services such as access to virtual GPs, counselling services and children’s cover alongside standard cover. These services are extremely relevant in the current climate and should be used to help strengthen recommendations.

In the words of almost every politician out there, we are facing unprecedented times. Let’s use this opportunity to have as many protection conversations as we can and help people achieve the financial resilience they are so desperately seeking.

Here at the iPipeline Support desk we’ve been working hard to ensure it’s business as usual despite the challenges of the COVID-19 lockdown. I want to share some examples of what we have learned from our experience of getting a team that was entirely office-based ready to work from home.

Firstly, we are very lucky to have a superb IT team which has helped us ensure our telephone lines remained completely operational for our customers. We have kept all channels of communication open - live chat, phone and email - with no changes to our support hours. In the early days of homeworking our support hours were running smoothly, however, it is important to ensure everything is running smoothly, however, we’re very pleased to be maintaining our exceptional feedback scores.

We have also had to adapt to communicating with each other remotely. Fortunately, we enjoy each other’s company, which is part of what makes working on a support desk fun. Getting together daily (via Teams) is important to ensure everything is running smoothly, however, we’re looking forward to being reunited face-to-face.

Despite the challenging situation, we remain committed to maintaining our award-winning standards and ensuring you get the support you need during these unprecedented times.

Finally, an introduction to the team. Oli, the boss, loves a graph or two and getting things done to a very high standard. Kate, Team Leader, is passionate about delivering exceptional customer support. James is analytical and enjoys helping customers. Shaq is bubbly, super-friendly and aims to provide great customer service. Jordie is the newest member of our team. She loves to learn and is very efficient. Tom is professional, calm and never turns a challenge down.

To explore solutions that help increase productivity and improve customer service, especially when delivering remote advice, sales and servicing, visit uk.ipipeline.com/insights/wrsfc

When you are in month two of your first ever maternity leave and week six of lockdown, 4am is the time when your thoughts inevitably turn to insurance. It’s the obvious topic to contemplate during many (and I mean many) sleepless nights. This heady combination of having a newborn baby and experiencing a pandemic has really motivated me to consider my financial future, or more importantly the financial future of my daughter.

I already have some life cover in place. A decreasing term which will pay off the mortgage if either myself or my husband die. This initial purchase was driven purely by my own sense of self-preservation. I wanted to make sure I’m covered if something happens to my husband - I was less fussed if something happened to me. The idea of him being mortgage free with his second wife (assuming he remarried) didn’t massively appeal. But as of the 5th March this year there is a third addition to the family. A very demanding, shouty third person.

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So, at 4am when I look down at my tiny baby, I know it’s essential she’s not just provided for, but well provided for. While it’s natural for parents to want to protect their child and secure their future where possible, there is a limit to what we can control and the older they get the more difficult this becomes. However, a child’s financial future is something we can take very real steps to protect, yet not all parents do so. Why? If I’m being honest, it probably wouldn’t have occurred to me if I didn’t work in the industry.

The truth is, getting a protection quote does tend to drop off the priority list when sitting down for breakfast or showering before lunchtime constitutes your daily achievement.

We can see from Google Trends that life, critical illness and especially income protection searches have dropped at a time when concerns over health and wealth have never been greater. Why? We think it’s because the current situation makes it more challenging for advisers to be there to help people understand how to address their concerns and to secure their financial futures.

How then can we as an industry appeal to sleep-deprived parents and nudge them to make the right decision for their family? Points of contact are often restricted to the mortgage or re-mortgage, but this isn’t enough to ensure a policy grows with a family or that people are aware their changing lives mean a shift in their financial future. It is, however, still an opportunity to make someone aware of future considerations.

Now’s the time to go back through your client bank and help your clients put the right plans in place so they get the security and peace of mind that comes from great financial advice.

Remember, it’s not just about the core protection benefits either. Point out the importance of additional benefits such as children’s critical illness or virtual GP services that cover your child (as a first-time, paranoid parent I have of course already utilised this great feature on my policy). Protection can be reframed from a negative conversation about parents dying or being seriously ill to a more positive conversation about securing a child’s future.

...a more positive conversation about securing a child’s future.
A recent survey by Money Marketing found that 88% of advisers believe accepting digital signatures should be compulsory for providers. We’ve seen an increased demand for our e-Sign solution, AlphaTrust, from both provider and adviser firms, which shows that more companies are aiming to automate their business processes.

In April, we announced that The Cotswold Group, part of G4S, selected AlphaTrust e-Sign and document process automation software to digitise its insurance witness statements. The Exeter also adopted AlphaTrust e-Sign and document process automation software last October and has seen an acceleration in pay outs for its income protection claims compared to when it relied on paper-based workflows.

We’re running webinars covering a range of industry insights. Join us by registering here and to view our previous webinars.

We’ve created a resource hub to help providers and advisers use technology to assist clients in a remote-selling world. For more information click here.

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