

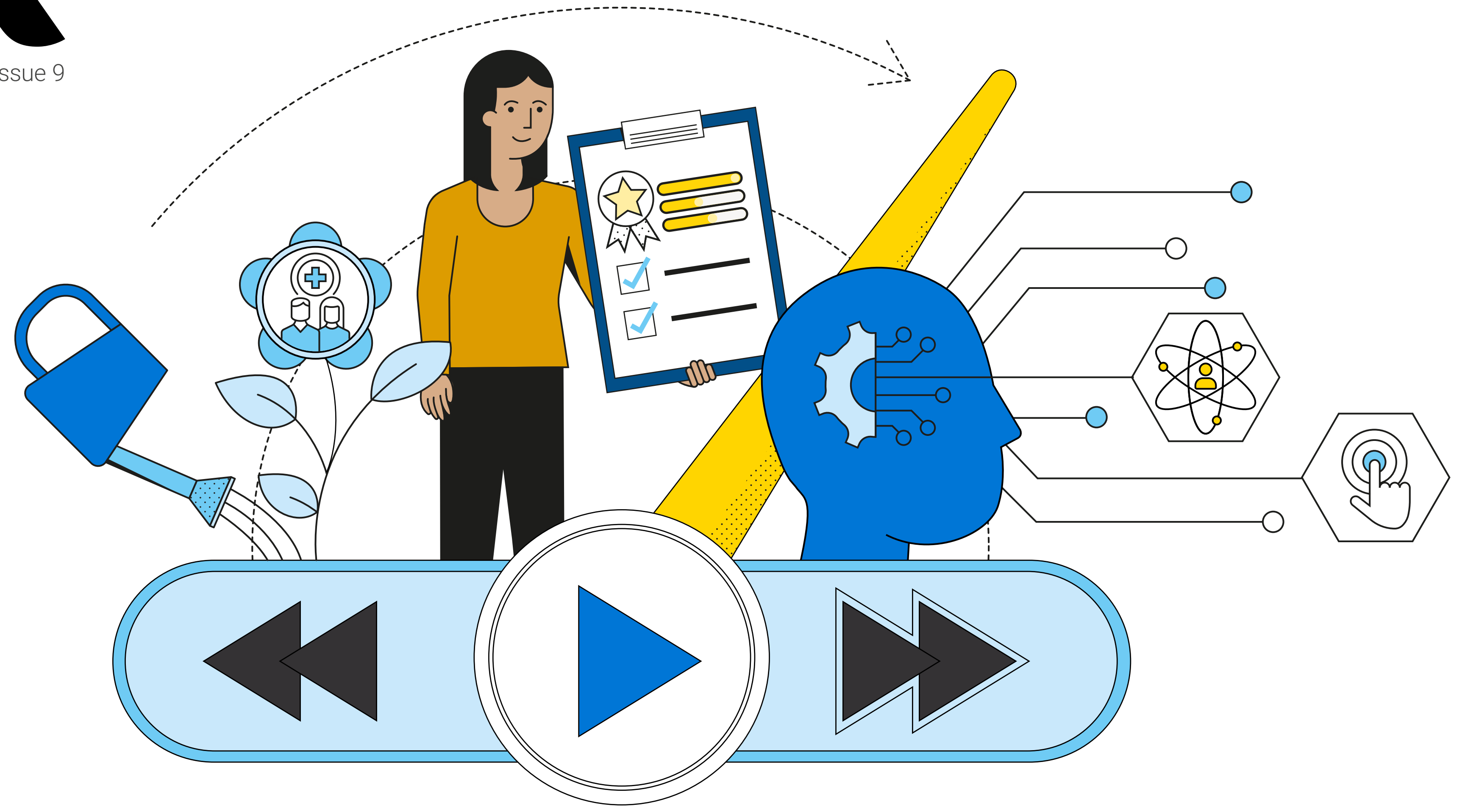
The Link

Issue 9



Your Legal & General magazine,
designed for Intermediaries

- ➔ **Welcome and contents**
Introduction from Julie Godley
and contents at a glance
- ➔ **Consumer Duty:**
A game changer, a journey,
a partnership



For Adviser use only

Welcome to issue nine of The Link – your magazine, tailor-made for advisers

For the summer issue of The Link, we're exploring two exciting poles of our industry – where we've come from, and where we're going. From a look back at the birth of CIC and the growth and evolution of our Business Quality Awards, to the industry-changing influence of Consumer Duty. There's no doubt that ours is an industry that keeps us on our toes.

We've included several business updates for you too, including a summary of our latest claims statistics and how we're adding value to your clients throughout their claims experience. We're also sharing some recent business changes that'll make your experience with us smoother. These changes have been made after we received helpful feedback from advisers like you, which we always welcome.

We're passionate about regularly engaging with advisers because there's always something new to learn. So be sure to read Nisha Price's Q&A, and catch up on what we've been covering in the latest episodes of Just Covered. Now we're six months in, there's plenty of incredible insights from our expert and talented range of guests for you to catch up on and bring into your own practice.

As with every issue, our focus is about giving you expert insights to make sure you're better informed and supported in your role. Thanks for your continued commitment to our industry.

Julie Godley,
Director of Intermediary, Legal & General Retail

Take a look at the expert views and news we've brought together for you in this issue:

→ Making it easier to talk to us

→ One of the best Business Quality Awards yet

→ Critical illness at 40: Four decades of financial peace of mind

→ There for your clients when they need us most

→ Questions & Advisers

→ The latest from Just Covered

→ The people behind the numbers

→ Consumer Duty: A game changer, a journey, a partnership



Making it easier to talk to us

Find out how we've been streamlining our services so it's easier for you to get in touch and do business with us.

Removal of automated verification process

Now it's easier for you to talk to us about your new business. Following your feedback, we've removed our automated verification process to give you direct access to your service teams and deal with your queries more quickly. From now on, all you'll need to tell them is your name and your daily passcode.

Before you call us, we suggest you log in to OLP Connect to view your daily passcode. You'll find it by clicking on the 'Passcode' button in the navigation bar. The passcode will change every day. This simple one-word daily passcode keeps our verification process more secure.

So whether you need help with progress reports, more risk information or to speak to one of our underwriters, we're looking forward to resolving your call quicker.

[Log in to OLP connect](#)

24/7 virtual assistant support

We know how important it is that you get the right support for your query, when it suits you. To help, we've made our virtual assistant available from the Adviser Centre Protection contact page. In just a few clicks, you'll be directed to the right place to resolve your query. And even if our offices aren't open, the virtual assistant will guide you through the best way to get in touch with us.

[Launch the virtual assistant](#)

Introducing structured forms

It's now easier to complete digital paperwork such as Letter of Authority or Transfer of Agency following the introduction of structured emails and online forms. Our forms also gather all the information we need to complete your request first time, so you get a quicker response for your client.

[Go to online forms](#)



There for your clients when they need us most

Our latest claims statistics show the importance of protection is as strong as ever – and an increasing need for wellbeing support services.

In 2022, we paid **£883m in claims** to **17,768 clients** and their families. That's **48 families** every day; **two families** every hour.



Supporting your clients and their families during life's most difficult moments is the real story behind our business. But in addition to financial support, there's been an increase in customer use of our wellbeing services.

Supporting your client's wellbeing

Your clients have access to additional support through Umbrella Benefits, a package of value-added services and optional benefits to supplement their NHS support whenever they need it.

The bespoke benefits of Wellbeing Support and the Rehabilitation Support Service are offered as standard, making tailored practical and emotional support for physical and mental health conditions readily available.

Something to smile about

Project Smile supports children going through a difficult diagnosis and aims to help make a difference to the whole family. For every claim relating to a child's illness paid, we send a gift to the child, helping bring a smile to their face. In 2022, we sent 87 gifts to children aged from under one year up to 19 years old.

We recognise that a child's illness affects the whole family, and Project Smile gives our claims assessors a unique opportunity to make a difference beyond just dealing with a claim.

Our dedicated client experience team

Our claims team ensures that client feedback is acted upon, and improvements are made. We're signed up to the Protection Distributors Group (PDG) Claim Charter, reinforcing our dedication to delivering the highest standards to customers throughout their claim experience.

We also have over 45 Samaritan trained claims assessors, so every claim is handled with compassion.

A process you can trust

Creating brighter financial futures is at the heart of what we do. That's why we've improved our claims process further and put more support in place.

We've seen cases where clients have applied for new policies but our underwriting team has spotted they have existing cover in place. In some cases, there's potential to make a claim.

In several of these cases, we could pay-out for a valid claim and refund the premiums back to the date of diagnosis. Some have dated back as far as seven years.

Helping us pay more claims

Did you know, of the small percentage of claims not paid, eight in 10 were because of 'deliberate or reckless misrepresentation'? 30% were due to lifestyle and nearly 40% of misrepresented claims occur in the first two years.

We're in the business of paying claims and it's important that we work with you to ensure your clients stand the very best chance of having their claim accepted.

[Find out more](#)

Meeting the people behind the numbers

Our customer stories show the real-life value of protection. Not only can these stories show your clients the financial support protection offers, but the practical and emotional support it brings too.

[Read our latest protection claims statistics report and summary.](#)

The people behind the numbers

Claimant Barry Kellegher explains how a pay-out on his critical illness policy allowed him and his family to focus on what's important, after he suffered a subarachnoid brain haemorrhage.

It was day like any other for Barry Kellegher, 52. He was working from home when suddenly, he got a pain on each side of his neck. "I'd been to the gym early that day and I thought, is this what a trapped nerve feels like?" says Barry. "About 90 seconds later, it felt like someone was drilling a hole through my head. And I just didn't know what to do with myself."

Shortly afterwards, his arms went numb, but he was able to call and text his wife to ask her to come home from work.

Once Barry's wife came home, they called an ambulance and he was taken to A&E. He was told he had low blood pressure and his heart rate was low – a possible sign of a stroke. Then the doctors arranged a CT scan. "The surgeon came in and said, 'Really sorry, you've had a subarachnoid brain haemorrhage... and we're going to blue light you to London.'"

"In that minute, that's the only minute I thought I might die."

"I didn't have to worry about money. I knew my family were going to be okay. I could give all of my attention to just get better"

Barry already had his protection policies in place. "The first thing I said to [my wife] was, 'this is where the critical illness policies are. This is who you need to contact if anything happens'. In that moment, I got to think it's going to be alright."

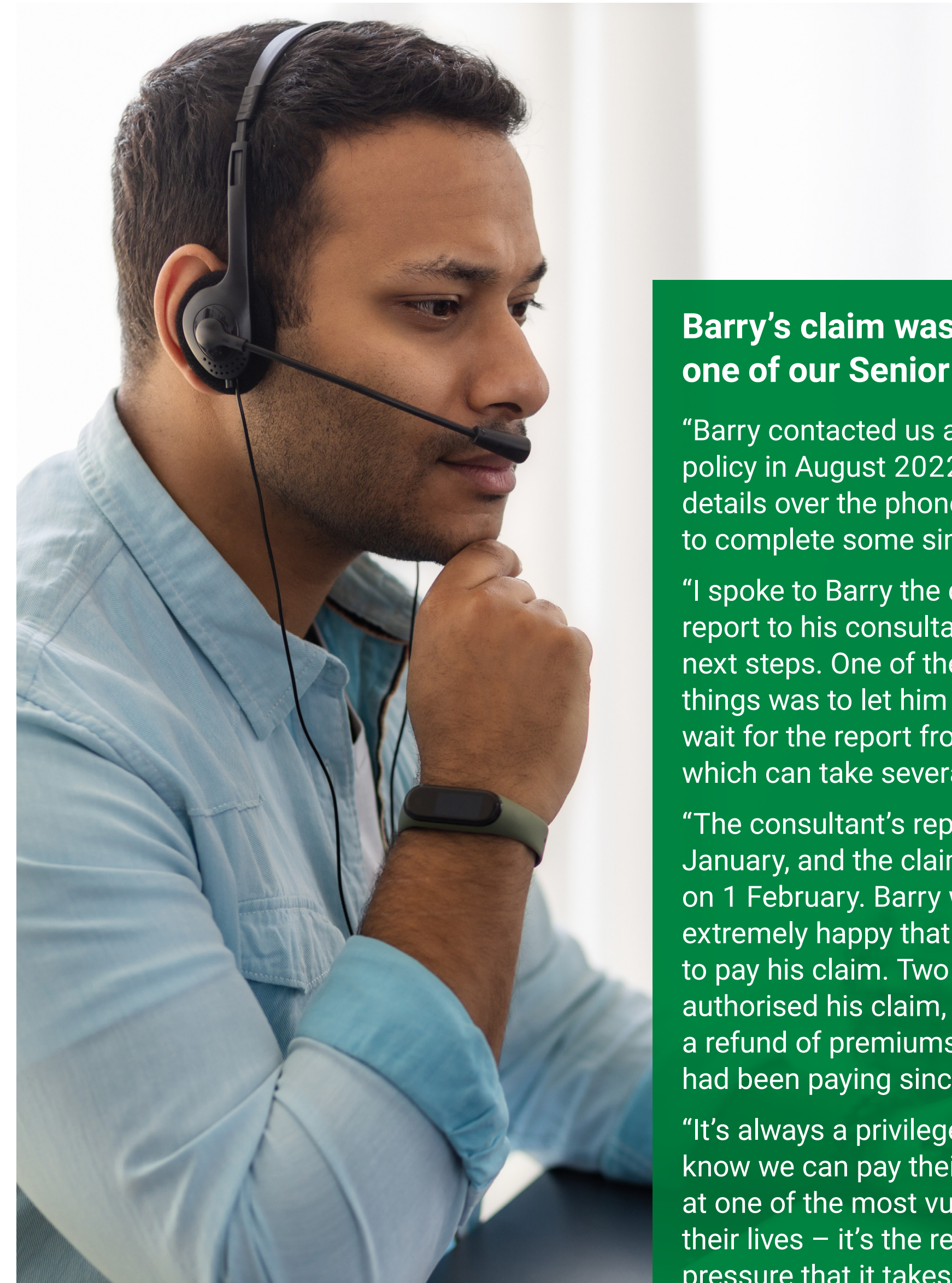
Having his policies in place gave Barry immediate peace of mind.

"That was important to me because I didn't have to worry about money. I knew my family were going to be okay. I could give all of my attention to just

get better and not worry about my family and their circumstances – just worry about the way they feel.

"I'm fortunate I can go back to the gym, I can start lifting weights again, I can get on a bike, I can walk along the woods with my daughter and not feel out of breath. It could happen to any of us at any time. But just make sure you're protected against that."

[Watch Barry's story](#)



Barry's claim was handled by Brett, one of our Senior Claims Assessors

"Barry contacted us about claiming on his policy in August 2022. We took most of the details over the phone, so he only needed to complete some simple paperwork.

"I spoke to Barry the day we sent his report to his consultant, to explain the next steps. One of the most important things was to let him know we'd need to wait for the report from his consultant, which can take several weeks.

"The consultant's report came back mid-January, and the claim was submitted on 1 February. Barry was obviously extremely happy that we were able to pay his claim. Two days later we authorised his claim, which included a refund of premiums and interest he had been paying since the diagnosis.

"It's always a privilege to let customers know we can pay their claim when they're at one of the most vulnerable stages in their lives – it's the relief they feel and the pressure that it takes off their shoulders."



One of the best Business Quality Awards yet



Mike Pritchard, Commercial Manager (Distribution Quality & Retention), recounts the 12th annual Business Quality Awards (BQAs) which took place on 17 May in Haberdashers' Hall, London.

With Haberdashers' Hall at full capacity, the great and good came to celebrate amazing outcomes and performances in the industry. We were brought together with our master of ceremonies Miles Jupp (comedian, actor and now in the Full Monty on Apple TV).

I remember when we first discussed setting up these awards in 2010.

There were no insurance industry awards for business quality and client outcomes. It felt like a natural extension of the Distribution Quality Management (DQM) team's work in helping intermediaries improve or support client lives and outcomes. As we had a raft of performance data, it was a natural fit to present this to the industry to highlight what great looks like.

Building the BQAs

From the very first BQAs in 2011, which was held at Legal & General's head office in Coleman Street, the programme has gone from strength to strength, becoming a bigger event with more awards and more attendees. Every year since, including through the two Covid pandemic years, we've managed to deliver an event that's fitting of the best of what we do.

The BQA delivery starts about nine months before the event date. We feature 14 different awards with a mixture of MI-based and submission-based categories. The submissions come from both intermediaries and our distribution managers who work closely with their firm to spotlight those that go above and beyond the call of duty for their clients.



What makes a winner

The common thread of a winning submission is case studies. A great case study can also be used by intermediaries for their own marketing. We see a lot of testimonies around claims – these can really set up a good submission for shortlisting and for the judging panel's review.

The BQAs attracts senior managers in Legal & General. Nigel Wilson, our outgoing Group CEO, has been a frequent attendee and speaker. We're also grateful to have had Bernie Hickman and Ali Crossley open and close the event. It gives us all an opportunity to hear their thought leadership.

This year we had an excellent presentation from a previous winner, Nicola McKenzie (Director at Dunham McCarthy), who explained how Artificial Intelligence is making inroads to improving her business and the lives of clients. Bernie had already set the scene for AI by demonstrating how it'll impact our business and the insurance market in the years to come. This year was also an opportunity to hear Dave Jones (Marketing Development Manager) and his cancer story, which was very powerful.

I'm proud that not only do we have an event that leads the industry, but one that provides a platform for promoting great intermediary performance. Not only do the BQAs support the Consumer Duty principles of putting the client first, it continues to set even higher standards for those who want to operate in this market.

Roll on May 2024 for BQA #13. We can't have an event without contributors – watch out for the submission window opening in October, with analysis and judging next February.

[See who was handed this year's trophy for exceptional business outcomes](#)



Questions & Advisers

Adviser name: Nisha Price

Job title: Client Manager/Pricing Actuary

Time in role: Three and a half years as a Client Manager, and eight years as a qualified actuary.

Background: I qualified in 2015 and took a role as a Pricing Actuary with Swiss Re in 2016 and became Client Manager in 2019. There I'm responsible for the relationship between Swiss Re and Legal & General. Along with my colleagues, we bring Legal & General's strategic goals to life, by working alongside product, underwriting and claims teams. As an Actuary, I support Legal & General on the actuarial side of product developments and advise on reinsurance terms for new products and partnerships.

1. What are your thoughts on protection?

I joined the protection industry after university. Before then, I knew nothing about life insurance, critical illness or income protection cover but after qualifying, I learnt more about why protection is so important.

Topics like death and serious illness seemed far away in my early 20s but the benefit of working at direct insurance companies like HSBC Life and AIG Life meant I saw how pay outs helped customers each day. This is a key reason why I still work in this industry, and why I love the job.

2. Have you had a pivotal moment that made you re-think protection?

There's been a couple. In 2020 I had my first child and bought my first house. Before this I didn't have any protection. I'd rented for years and thought if the worst should happen, we would be able to cover rent and bills. Having worked in the protection industry for almost 15 years, it was drilled into me that a mortgage goes together with life or critical illness insurance, so there was never any doubt about getting cover to protect myself, Alex and Aneurin.

I had to convince my husband about critical illness cover. Late last year, a close friend of mine was diagnosed with stage 2 breast cancer. Luckily the prognosis for my friend was good, but it did make us more aware there's a high chance we're going to claim on our CI policy at some point.

3. Any tips and advice for IFAs about the underwriting process?

Just stick with it. We know the application process can be long and there are a lot of questions. This is so that we can gather information about the policyholders, which helps you provide the appropriate level of cover at a price that's suitable for them.

My tip would be to advise your customers of the length of time needed to complete the application process. Then ask them for a suitable time to call them back to go through the forms. Encourage them to be prepared with a cup of tea and a couple of biscuits!

4. What's your opinion on market challenges?

The protection market is facing some of its toughest challenges. The cost-of-living crisis, combined with economic instability and political uncertainty has meant insurance products aren't a high priority. This is a shame as the pandemic raised awareness of health and protection products which saw a rise in protection sales in 2021. Now, customers are going to be more vulnerable, and we need to do a good job of ensuring policies aren't cancelled due to affordability.

5. What are your thoughts on Consumer Duty?

They are largely positive. Anything which ultimately benefits our policyholders is fantastic. There has been a lot of hard work put in to get ready, and I know Legal & General has supported its IFAs with training. Most partners I speak to are doing many elements of Consumer Duty. It formalises the great work you're already doing.

Consumer Duty

A game changer, a journey, a partnership



Wayne Holcombe, Account Director, shares how we've been preparing for the introduction of Consumer Duty so you have everything you need to succeed.



We're moving swiftly towards the FCA's introduction of Consumer Duty at the end of July. So far, it's been described as "a step change"; "a game changer"; "the biggest change since RDR"; "raising the bar", and even "TCF on steroids".

Consumer Duty will revitalise the ways intermediaries, providers and others in financial services work. But never before have we had a regulatory "opportunity" as closely aligned with our hugely important quest to protect as many of our customers' financial futures as possible.

Over the last year we've all been re-looking at processes, completing gap analyses and subsequent improvements as we view these through the lens of the three cross-cutting rules to: act in good faith; avoid causing foreseeable harm; and to enable customers to pursue their financial objectives.

It's a sizeable task but one we're delivering with vigour, tenacity and a commitment to the deadline. But also, just as importantly, for the long haul as we pursue that north star consumer principle to deliver good outcomes for all customers.

How we're preparing

So what else have we done? Well, a huge amount, including reviewing our products and propositions as part of our fair value framework – an ongoing piece of work which stemmed from the previous FCA policy statement. This was completed ahead of the 30 April deadline and means that you, our partner firms and networks can complete your own assessments with access to the information you need. The Consumer Duty is a mutual responsibility, and we're keen to work with partners on this, with many favourable interactions already.

We've also been reviewing our communications and implementing comprehensive training for our operational teams on vulnerable customers. It's re-shaping ways

of working to optimise the information we provide, and signposting key information and specialised partners who are best placed to support customers in their time of need.

MI is also a key focus. Consumer Duty requires proactivity and to be able to evidence this by demonstrating appropriate governance, highlighting potential issues and providing reassurance we're on track.

A customer outcome-based culture is paramount, so everyone needs to be engaged in putting good outcomes at the centre of what we all do, and pass the "show me" test in terms of how we do it.

More tools to help you

We help intermediaries evidence this with various tools as part of the customer journey. These include our [What are the chances? calculator](#) and the [Plan ahead existing cover and state benefits leaflet](#).

Our Putting Life into Protection and Business Protection [workshops](#) focus on the skills and technical aptitude needed to ensure good customer understanding, advice and informed decision making. And our [Just Covered podcast](#) showcases the passion and commitment of advisers who share their best hints and tips in ensuring customers understand the true importance of protection.

We all have a real opportunity to be proactive and show the great things we're doing now and in future, to ensure families are financially protected at their time of need. It's also an important journey that we're on together. So if you need support with the protection conversation, processes, quality metrics, or even a general sales development chat, give your BDM a call. It may be the best decision you ever made.

[Read our product governance and fair value assessment](#)

Critical illness at 40

Four decades of financial peace of mind

It's 40 years since South African surgeon Dr Marius Bernard brought the first critical illness policies to market. Dr Bernard introduced the cover when he saw first-hand the financial hardship his patients faced after they'd received a serious diagnosis. With its powerful proposition, the policy has become a major feature of financial advice in the UK since being launched here in the 1980s.

“As a medical doctor, I can repair a person physically, but only an insurer can repair a person’s finances.” – Dr Marius Bernard ¹

Highly evolved

Since its inception, critical illness insurance has dramatically evolved to help families with the financial strain of illness. When it was first launched in the UK it was known as ‘Dread Disease Cover’ and was limited to just a few conditions including heart attack, cancer, stroke, and coronary artery surgery. Fortunately, today’s policies cover a much broader range of illnesses such as Multiple Sclerosis, Parkinson’s disease, and organ failure.

Nowadays, insurers go further to improve cover and add more value to policies. For instance, our Critical Illness policies give clients access to Wellbeing Support provided by RedArc Assured Limited. From day one of the policy families can contact a registered RedArc nurse if they need personalised physical and emotional support. Optional benefits can be added for an extra cost when taking out cover, including to help speed up a diagnosis for certain illnesses or cover against the cost of certain fractures

More valuable than ever

With survival rates increasing year-on-year, the need for critical illness insurance is enduring. Being diagnosed isn't only worrying and stressful, it can be costly due to additional expenses like increased travel and loss of earnings.

A cash pay-out removes the worry of maintaining normal day to day living costs, so taking cover should be an easy decision. Yet Mintel’s UK Critical Illness 2022 report estimates that only 12% of UK adults have cover in place. This means there’s still a huge number of people who are yet to see the value in critical illness policies, or be given the opportunity to consider it.

“People need insurance not only because they are going to die but because they are going to live.” – Dr Marius Bernard ²

This is where mortgage and financial advisers can step up and raise awareness, with the backing of the latest Consumer Duty changes. By simply talking about the value of critical illness cover with clients, you’ll address the duty of care cross-cutting rules of:

- acting in good faith
- avoiding foreseeable harm
- enabling clients to pursue their financial objectives.

After all, it’s about giving your clients the opportunity to have enough money to keep a roof over their heads, pay the bills and keep life on track.

The critical illness concept has come a long way since 1983, and in 40 years has become more comprehensive, flexible and accessible than ever before. Here’s to the next 40 years.

We support you to meet your duty of care responsibilities with a series of protection-focussed webinars, including critical illness cover.

[Find out more about our range of webinars](#)



¹Health Insurance - https://web.archive.org/web/20071015022642/http://www.ofc.gov.uk/shared_ofc/reports/financial_products/ofc168.pdf
²https://web.archive.org/web/20110719150446/http://db.riskwaters.com/data/cover/pdf/cover_supp_1007.pdf

The latest from Just Covered

It's been six months since we launched our protection podcast

Have you been listening to Just Covered, our podcast by advisers, for advisers? When we launched six months ago, it was our mission to explore the topics that matter to advisers like you. It was important to give advisers a voice, straight from the industry, to share knowledge, insights and viewpoints that we can all learn from and take into our day-to-day business practices.

So far the response to the series has been really positive, and we look forward to bringing you more episodes that peek behind the curtain of financial services, protection and mortgage advice.

Catch up on the latest episodes

Episode 5

Diversifying your own business strategy – how often do you consider it?

We often talk to clients about diversifying their investments, but how often do we consider diversifying our own business strategy? Nicola McKenzie, co-founder of Dunham McCarthy, DM Mortgages and MyLastWill.co.uk, shares how she has done just that.

A true motivator in the industry, Nicola talks about how passion and process are two essentials for success and growth within financial services and doing the right thing for your clients.

[Listen here](#)

Episode 6

Advice: It's all about confidence in your product

Natalie Wilcox and Charlotte Bates of Bates Wilcox share how they've taken the new build mortgage world by storm. They talk about their passion for creating a sustainable work life balance for both themselves as business owners and their team, whilst maintaining an exemplar level of service to their clients and stakeholders within the new build world.

[Listen here](#)

Episode 7

How to quickly generate client trust and loyalty

Hazel and Wayne are joined by Neil Bohan, Principle and adviser at Personal Touch Kent. This episode is bursting at the seams with superb one-liners which can quickly generate client trust and loyalty when it comes to building rapport and advising on products. Neil shares with us some of his best kept sales secrets and gives such an honest insight in to why he feels protection is a must-have conversation when it comes to financial planning and mortgage advice. He also talks about how he overcomes assumptions and why he feels every single client needs to be giving the opportunity to take out protection.

[Listen here](#)

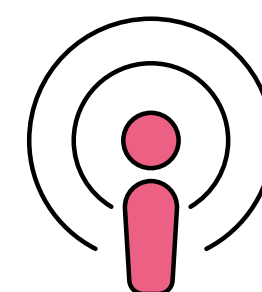


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