

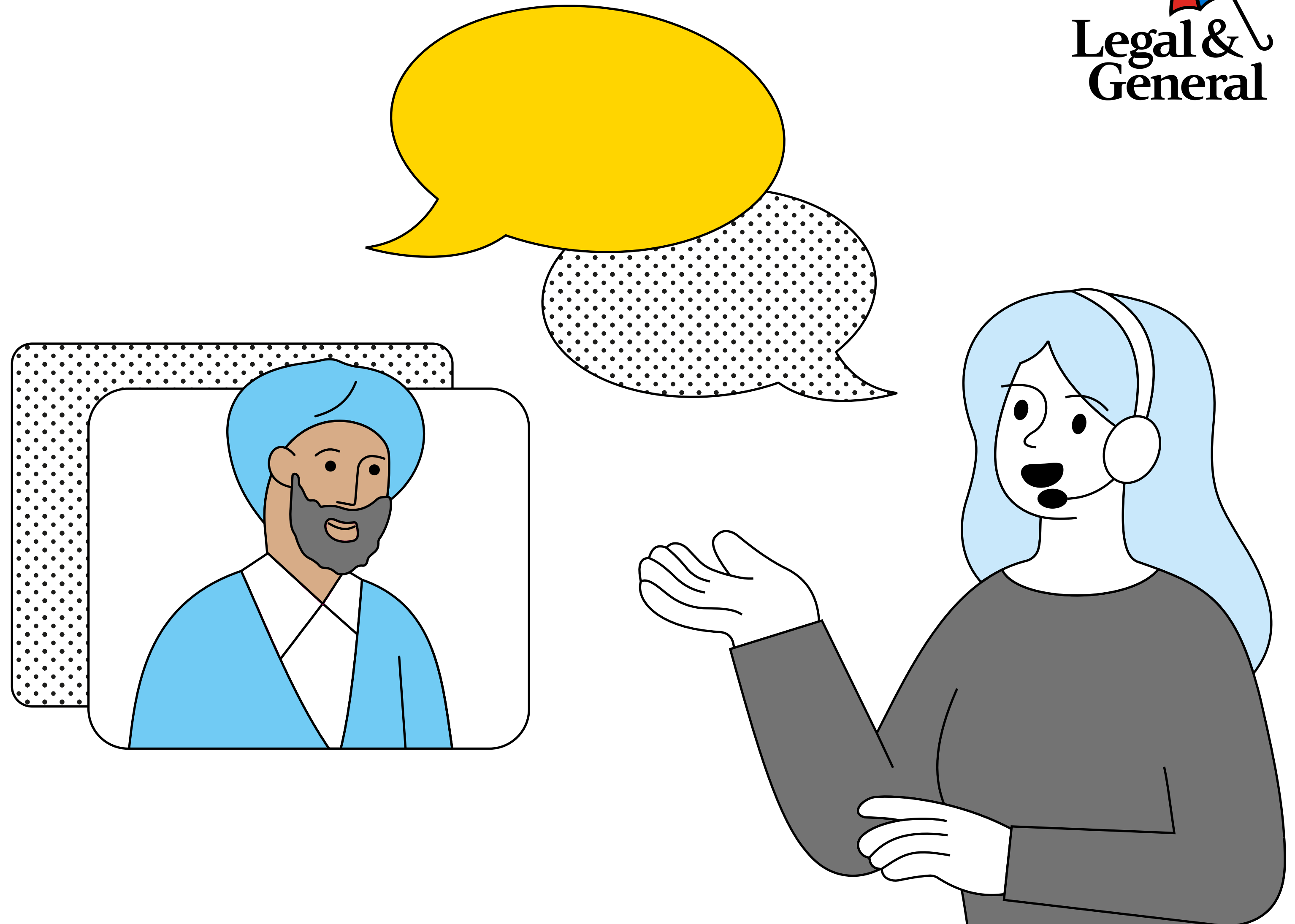
# The Link

December 2024

The Legal & General magazine  
for intermediaries

- **Why selling protection is just the start**  
How to build lasting client-adviser relationships. [Page 3](#)
- **What do the happiest retirements look like – and how much do they cost?**  
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# Welcome to 2024's final issue of The Link



As another year draws to a close, it's always an opportunity for reflection. So, our final issue of The Link in 2024 is packed full of plenty of reflections on the value of the work we do. And crucially, what we're doing to improve our services, for you and your clients, as we enter the coming year.

On page three, our very own Mike Pritchard explores how he set about tackling his personal resolution for 2024, and the exciting new ways of working that have emerged from this year-long journey. Page six, we invite Ross McKune from First Mortgage to tell us a bit about his projections for the next 12 months.

And elsewhere, we have Rob Betts, Market Development Manager setting out some helpful starting points for improving your long-term client impacts in the new year – as well as much, much more.

Hopefully, some of these fascinating insights will help form some of your own professional resolutions. But between now and our next edition, we hope you all have a wonderful holiday, and we look forward to continuing our hard work with you in 2025. Thanks again for all your support, we'll see you next year!

**Julie Godley**

Director of Intermediary, Legal & General Retail

## What's inside

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# Why selling protection is just the start

Protection makes a real difference to people's lives. Just in 2023, we supported nearly **18,700** clients and their families who made claims. Their benefits totalled **£921 million**.

Yet, these customers are a minority compared to the many who didn't claim or, probably, even think about their cover that year.

## No more gathering dust

But policies don't have to sit in a drawer until the day they're eligible. This is a missed opportunity to offer long-term value and build meaningful, trusted relationships with clients. Without ongoing post-sale support, some might never recognise the full value of their products or their benefits.

From day one, many policies actually offer value-added benefits that can be easily overlooked. They're sometimes even available to the life assured's spouse or children. For example, they might be able to access support from a dedicated nurse or assistance with understanding the adult social care system. And though some claims aren't often made until years after a policy is secured, keeping in contact makes sure clients know who to contact and what to do. So just by helping clients feel more confident and connected with their provider, makes it easier for them to manage if the worst happens.

## Continuing support after the sale

I was recently listening to Reassured Director of Corporate Strategy, Phil Jaynes, talking on our Just Covered podcast. When, suddenly diagnosed with cancer in 2023, he needed to make a claim:

***"My insurer had never written to me in the two plus decades I'd been paying my direct debit. Were I not quite organised and in the industry, it's unlikely I'd have been able to put my hands on the paperwork. And it would have been difficult to know where to contact. At the very least, brokers should contact customers annually to remind them of their cover and benefits and to ensure their needs haven't changed."***

Phil's right. As an industry, we should all be going one step further than the 'contact us, when you're eligible' approach. So, what steps can we take to actively maintain relationships, keeping clients engaged and updated years after getting them on risk?

## Meaningful relationships start with a simple call

Some advisers still like to deliver policy documents in person. But even a simple welcome call can be enough to spark a connection.

**You can start building a rapport by calling about:**

1. A follow-up check-in or recap, covering their plan and its importance for them. Such as, if they've got their first or dream home, how the policy keeps them in it.
2. When important payments are made.
3. When they're eligible for a claim, or not, to manage expectations.
4. Any additional benefits and how to access them.
5. Key dates their plan is reviewed. Like if circumstances change or their employee benefits and earnings change.
6. Finally, and most importantly, agreeing on regular reviews. So that every year or two, you can check through all the above and make sure everything's still fit for purpose or whether updated cover is needed.

## Ongoing communication benefits both parties

These are really just a starting point. But no doubt, both parties benefit when advisers recognise that selling protection is just the start of the journey.



Taking this long-term view of protection and seeking to nurture customer relationships will lead to improved loyalty, retention and satisfaction. In turn, this will likely convert into referrals.

What's more, regular communication about your client's situation will help you tailor advice as their situation evolves and meet their needs more effectively.

**Dave Butler, Market Development Manager, Legal & General**

If you'd like to find out more, you can listen to Phil's fascinating story and advice on post-sale communications [here >](#).

Plus, we have a number of retention sales aids for helping improve your post-sales communications. [Take a look here >](#)





**Mike Pritchard**  
DQM Programme Manager

# Joint Compliance Visits: Taking partner collaboration to the next level

For 2024, I set myself a challenge. I wanted to see if we could improve our reach and insight into who we trade with. And, see if we could better understand how Consumer Duty was being met by them. To tackle this, I turned to our Distribution Quality Management (DQM) Audit team, led by Rhian Stacey. A team, in my opinion, with some of the insurance industry's best expertise.

The term 'audit' is often seen as a challenging concept. But when done right, it can be a valuable chance to really gauge the effectiveness of your processes, services and outputs. Something any proud business owner should welcome. But our goals extended far beyond our organisation, so where could we even start?

## Joint Compliance Visits: A new way of working

We already knew there were some great people and programs out in the distribution field. So, we created a brand-new collaboration programme called 'Joint Compliance Visits (JCVs)'. This brought together our DQM Audit team with compliance teams across each of our network partners.

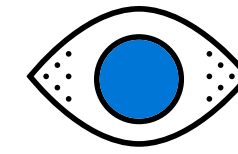
Through this, our expertise and experience could reach intermediaries never reached before, and we could share and learn as one.

The first half of the year, we developed a framework. By mid-year, we started meeting with network and service provider partners to agree scope and manage expectations. Open and clear dialogue was critical. It was key that all parties, not only the compliance team but also the intermediary, were on the same page, as business relationships were at stake. Finally, we held our first joint compliance visit in late summer.

## The benefits of closer collaboration

The results so far have been excellent. Not only are we now working together closely. But we've gained confidence there's great work and oversight taking place from our partners. From a governance viewpoint, it's also been able to provide us with an extension of supervision and requirements.

# The benefits felt so far:



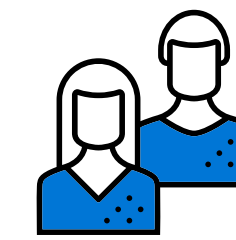
### Diverse perspectives

Different viewpoints and combined expertise have led to more innovative solutions and faster problem-solving.



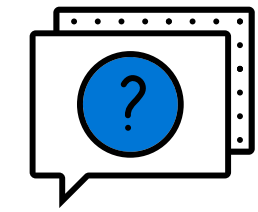
### Enhanced creativity

We build on each other's ideas and inspire new ways of thinking.



### Shared responsibility

Dividing tasks among JCV members means lighter workloads, and shared accountability.



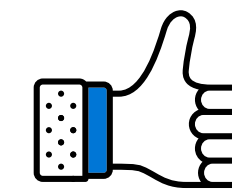
### Skill development

We learn from one another, gaining new skills and knowledge to enhance our own capabilities.



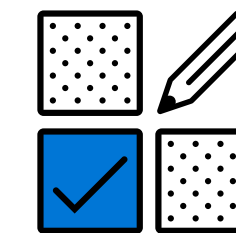
### Improved communication

Fostering open communication means better understanding and coordination among members.



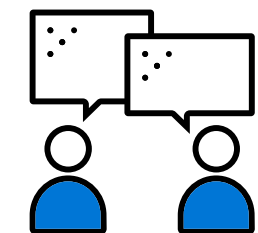
### Greater commitment

Together, we feel a greater sense of ownership and commitment to our outcomes.



### Faster problem-solving

The teams can tackle challenges more efficiently, leveraging their combined resources.



### Support and encouragement

We've created a positive environment that encourages resilience.

## JCVs are here to stay

This is now our new way of working. We move into 2025 with renewed confidence in the way we supervise our intermediary customers' outcome delivery. Next year, we'll be broadening the programme out to even more partners. Together, who knows what we might achieve.



# What do the happiest retirements look like – and how much do they cost?

We partnered with the world-leading Happiness Research Institute. It's an independent Danish think tank focusing on wellbeing, happiness and quality of life, led by its CEO Meik Wiking.



## Together we found out:

- What makes people happiest in retirement
- How much and what sort of retirement income can best fund that

So first of all, what does a happy retirement look like? Well, it turns out that the happiest retirees enjoy good health and satisfying close relationships. They value their independence and enjoy filling their time with meaningful activities.

One consistently key factor to financial wellbeing is financial status. Lorna Shah, L&G's Retail Retirement MD, noted that:

'The study shows having a predictable income is key to unlocking the other elements of life that make us happy'.

Our research showed that, in practice, that means having a stable after-tax monthly income of £1,700 (at current cost-of-living levels). It's for individual retirees, not couples.

We also found that the boost higher incomes bring begins to level off once you've got more than about £2,000 a month.

All that's based on responses from 3,000 retirees, specially chosen to represent the UK's later life population.

## Why does financial stability matter so much?

Retirement looks different for everyone. Some people are full-time retirees, living entirely off their retirement income. Others still work part or even full time, but enjoy top ups from their pensions. And of course, what they all choose to do with their time varies hugely.

But over the past three years, there are two experiences that every single retiree has shared. They've all had to deal with:

- High inflation levels
- The cost-of-living crisis

As a result, many retirees are concerned about their financial security. Our research showed that more than one in four of them (27%) say their finances are often or sometimes unpredictable and difficult to keep track of.

One in five (22%) live on less than £1,000 a month. That's not just well below the ideal income levels we identified. It's also less than the Pensions & Lifetime Savings Association's recommended minimum monthly income of £1,200.

And some positive developments are causing unintended negative consequences. For example, we're all living longer. That's great! But it also means that retirement incomes need to stretch further to cover those longer lifespans.

In short, money's a key factor in later life happiness. As Meik Wiking commented:

***"The study shows that money does indeed matter for happiness. In fact, money plays a crucial role. Being without sufficient resources to make ends meet causes worry and stress and a lower quality of life for people in the UK. That is especially the case for people in retirement. The good news is that there are ways we can improve happiness levels by planning and saving for retirement."***

So, the best way of supporting your clients' happiness is securing the highest possible, longest-lasting retirement incomes for them.

The planning conversations and calculations you have with your clients need to address that.



## What sort of pension portfolio best supports happiness?

A blended retirement portfolio can help solve many of these challenges. It combines:

- The security of a guaranteed annuity income
- The flexibility of other sources of retirement income

The guaranteed annuity income takes away uncertainty. Supporting it with effective, ongoing retirement planning will help manage risks like:

- Poor pension investment returns
- Taking out too much pension cash too soon
- Periods of high inflation

With your help, your clients can build their later life on a robust retirement strategy. They'll be confident that their income will cover their essential expenses for the rest of their lives. And that boosts happiness regardless of their income level.

Less affluent clients will be reassured that they'll always be able to cover their basic expenses. More affluent ones won't really worry about that, but they'll still appreciate having that guaranteed income to plan around. They'll enjoy knowing that they'll always be able to afford life's little luxuries, and perhaps some larger ones too.

At this point we should mention our own annuity products, carefully designed to meet your clients' needs. They can choose between a guaranteed income that lasts:

- For life, with our Pension Annuity
- For between three and forty years, with our Fixed Term Retirement Plan and Cash-Out Retirement Plan (our fixed-term annuities)

They're a foundation for happiness in retirement. And as our research shows, that the happiest retirees have an average guaranteed income of about £1,700 a month.

So now it's over to you to help your clients achieve that in a secure, stable way. It'll be great for them – and of course, few things help a business thrive more than truly happy clients!

[Explore annuities today >](#)







# The adviser interview

For more than 15 years, Ross McKune has been working in financial services across various roles, including sales coaching, development and leadership positions, all largely within insurance. Today, he's now at First Mortgage as a Protection Sales Manager, specialising in personal protection. His most frequently sold product is Income Protection.

## 1. How do you tailor your advice to individual clients?

Usually, it's a combination of having a strong framework and matching products to the person. We take time to ask the right questions, listen and put ourselves in their world to make sure advice is completely bespoke to them. At First Mortgage, we always focus on income sources as priority. So, we'd lead with this.

## 2. What has been a highlight for you and your business in 2024?

It may sound like a cliché. But for me, genuinely, it's been increasing the number of households protected this year.

## 3. What are your thoughts on the impact of Consumer Duty? Has it added more time to the overall process? If so, how do you manage this?

It's had a really positive impact and made us even more accountable to our customers, removing the easy way out for some advisers. Though it's obviously not mandatory for customers to accept any recommendations, it's now mandatory to talk about foreseeable harm to every customer at every stage of their journey.

As a business, we've really improved the number of touch points with our customers to make sure there are more regular reviews. At various stages, we get the opportunity to give our customers fully informed decisions to make on all their areas of financial exposure.

## 4. What ongoing support do you provide to clients after the initial consultation?

These days, we don't just wait until the mortgage deal is coming up for review to assess protection needs. We have a dedicated team that focus on regular reviews with all our existing customers during the gap between taking out a new mortgage or re-mortgage and end dates.

Circumstances change all the time. So new enhancements to products, areas of exposure, health changes and more will be discussed during these reviews. Again, this links to the importance of tailored advice. As, what was right two years ago or even one year ago, might not be quite right now.

## 5. What more would you like to see from providers in 2025?

I think providers are getting better at supporting clients when it comes to making claims. But I still think there are improvements needed. Mainly, the time it takes for decisions to be made. I'd also like to see even more decisions made from an underwriting perspective without the need for GP reports. With more and more AI becoming available, is there an opportunity to make more calculated decisions?

## 6. What opportunities do you see for yourself and other advisers in 2025?

Next year, I'm really looking forward to the Financial Conduct Authority's review on how pure protection insurance products are sold. Anything that delivers better customer outcomes can only be a good thing. I'm confident it will cement what quality advice firms do on a daily basis. I believe it will only emphasise the need for quality advice even more and welcome new opportunities for us to be even better for the sake of our customers.





# Get to know Nicki Plews

## Head of Product and Propositions

13 years at Swiss Re in a variety of protection roles, six years as Product Manager. Six years at AIG as Head of Propositions and Head of Strategy, one year at Munich Re as Business Development Manager (maternity cover).

### What has been the most rewarding aspect of your career so far?

As Head of Propositions at AIG, the CEO approached me and asked if I'd be interested in a strategy role. At the time, to be honest, this was a completely new area for me but, with AIG's support, I attended an Executive Education Course at the London Business School. I had an excellent manager who was a Strategy Director who shared with me their wealth of knowledge and experience.

I loved this role and was very sad to leave it, however I feel that strategy plays an important part in every function, so it's definitely a set of skills that I have now brought with me to this proposition role. The most rewarding thing was that was able to learn a whole new set of skills in an area that I knew nothing about previously.

### Tell us about your new role and some of your goals for the next 12 months?

My new role is focused on Product and Proposition development for L&G. I'm keen to quickly develop a strategy for the function along with strategies for each product and in particular, Value-Added Service. Part of developing this strategy will be understanding more about what service advisers and customers value from insurers. I'm also very focused on the end-to-end proposition for our customer, ensuring that L&G are exceeding customer expectations at every step of the journey.

### How do you make sure our strategies remain customer-centric?

Although I've only been in the role for three months, I can already see how L&G puts the customer at the

heart of everything they do. We have to adhere to strict regulations around these areas, but there's also a human element.

Legal & General is an incredibly collaborative company and the whole business works together to make sure our customers are our focus. The diversity of thought that you gain from other teams, along with the insights we gain through our customer interactions, feedback and research ensure that we are market-leading in this respect.

### What do you see as some of the wider market challenges and opportunities over the next 12 months?

There is a clear spotlight from the regulator on the protection market at the moment. I really do believe that we need to embrace this and that it gives us the opportunity to continually challenge ourselves to produce the best outcomes for customers.

Whilst the market for IP has seen very impressive growth over the past few years, I still see this product line as an area for further development and somewhere we can help customers protect themselves further.

### What do you enjoy doing outside of work to help work/life balance?

I enjoy a couple of voluntary roles outside of work. I am involved in my local am dram group and I'm a trustee and the treasurer of the charity. I am also very involved in parkrun and have been a volunteer and run director for the past three years.

In any spare time, I'm a regular theatre goer and love a pub quiz.



# Reflecting and planning for greater client impact in 2025



Consumer Duty has evolved advice practices and service propositions in just a couple of years. It's been a much-needed framework for firms to review their processes. Checking practices against its cross-cutting rules, like acting in good faith towards customers, avoiding foreseeable harm and enabling clients to pursue their financial objectives.

Today, firms must be proactive in delivering good customer outcomes. And, they must create the right culture and governance to do this. But it's not just about the client. If done right, better client outcomes create better business outcomes too. Yet, it's all very well having a robust advice framework. But what about after the sale? Post-advice, what's their plan for the client over the next six months or even beyond?

## Being with clients for the long run

This is where real long-term value comes in. Post-sale communications can add value to customers and their families, but this needs a robust framework too. You should ask yourself, what do your clients really know about your business and how it can help them?

Done well, follow-up engagement should focus on their needs. It should show an understanding of their lives and how services are geared to give them the best outcomes, long term. It's about transforming customer engagement from 'purely transactional' to 'satisfied', then to 'engaged and loyal'.

## Building a framework for longer-term client outcomes

Sometimes it can be daunting to know where to start. But doing nothing isn't really an option these days. To help build your framework, there are a few straightforward questions you can ask about the structure of your business:

1. Do we have the right people and skills for effective post-sale support?
2. Is our proposition geared towards building loyal customers?
3. Does the advice and back-office process support the cross-cutting rules of Consumer Duty?
4. Is their technology up-to-date and efficient?

After this, you should think about what you need to communicate, what discussions need to be had. Look for more opportunities for clients to engage with you. Where can you demonstrate more expertise and value to them?

Even simple actions can keep you front of mind, like good news stories about clients, personalised reports or reminders about the products and services they've bought. Social media posts can also showcase the work you do, explain market conditions or services you offer.

## Helping you deliver value into 2025 and beyond

As an organisation, we've been focussing hard on how we can help advisers deliver long-term value. And we're regularly creating resources to support you.

Our recent protection insights panel covered this exact topic. It brought together Roy McLoughlin (Cavendish Ware and founder of the Protection Distributors Group), with our own Nicola Giles and Robert Betts. Together, they discussed how Consumer Duty has changed client engagement, the need for regular reviews, adviser and insurer collaboration, and created new considerations around value. It's an insightful watch that should help with your strategy in the coming year: [Watch here](#)>

Also, our regular 'Just Covered' podcast, is always sharing unique insights into issues your clients might not be aware of. We've got a great schedule planned for 2025, so keep an eye out [here](#) >.



# Introducing our new cancellation functionality



For our final update of 2024, we've launched a brand-new cancellation feature that gives more control to Existing Business Agent Hub (EBAH) users.

We know customers' circumstances often change. But having to ask us every time you want to make adjustments is a delay you don't need. So instead, we've introduced a new cancellation feature that lets you fully manage client retention yourself. This follows other improvements to our EBAH, Manage App feature and Protection Dashboard, which we carried out earlier this year.

## No need to call anymore, just click

At any time during the term of the policy, you can now cancel on behalf of customers with ease, as far as six months ahead. Afterwards, you'll receive a letter, and all the relevant information stays stored online, including details of any potential premium refunds.

## Always enhancing and streamlining our services

We've also recently just launched a new **OLP Connect hub** on our adviser site. This now includes top tips, FAQs and key points to OLP Connect. Please take a look, and let your business development team know your thoughts. We'd love to know what you think about the changes.



## How to cancel a policy:

1. Log into OLP Connect and find your customers application
2. Click 'Action' in the top right on the navigation tab
3. Select 'Cancel the policy'
4. Follow the online journey.

You can also access our [full walk through video >](#)



# A step onto the property ladder:

## Why families need your advice

According to our research, Bank of Family support for first-time buyers has reached record levels.

In 2024, parents, grandparents and other family members helped with 335,300 property purchases. And 52% said they wouldn't have been able to buy their home at all without this kind of helping hand.

It shows there's a genuine need for the Bank of Family, and that financial gifts are not just a 'nice to have'. They help ensure that much-needed deposit to attract better rates and broaden buying options.



## A snapshot of the unsupported

Comprehensive financial advice is crucial. Yet, in our survey, only one in four Bank of Family lenders sought advice before helping a loved one take a step onto the property ladder.

Of those who did seek support, the most common source was a professional such as their mortgage broker or financial adviser. This was the case for 13% of our sample as a whole.

We also found almost a quarter used their property wealth to help their loved ones. That includes through equity release but also through down-sizing, re-mortgaging, or passing on an inheritance early.

## Whole-of-family advice is crucial

As their mortgage broker or independent financial adviser, it's crucial that you're ready to support the whole family. Given the rising cost of living and today's mortgage-rate pressures, both giver and receiver should understand what their decisions might mean before they take them.

- Talk younger family members through the advantages of Bank of Family gifting, such as better interest rates and early inheritance.
- Explain to older family members the range of products available to help them release the equity in their home, including over 50s lifetime mortgages and retirement interest-only mortgages. Some of which they might not be

aware of and which could be relevant when rates are changing frequently.

- Guide everyone through some of the things they should know, such as the fact that financial gifts may be subject to inheritance tax down the line.

## Building family relationships

Being able to provide comprehensive professional advice like this for the whole family will connect you to clients in genuine need – such as the 74% in our survey who didn't get support before making significant financial decisions. And it will make you a trusted resource for future financial advice, too.

A lifetime mortgage is a loan secured against your client's home and is a way for your clients to release some of the equity in their home. They can use the money released to help family members put together a deposit for their first home. Or they might choose to help them cover other expenses like solicitor costs, moving expenses or furnishing a new property.

For many homeowners, particularly those aged over 50, their property is their most significant asset.

So it's no surprise that many might consider using it to help loved ones onto the property ladder.

Get started by reading and sharing our [Guide to Gifting PDF](#) with clients.



# What's been Just Covered?

Never afraid to get stuck right in, Just Covered is our adviser-focussed podcast series. Hosted by our very own Hazel and Wayne, dedicated to engaging prominent and leading figures across financial services and inviting them for a personable chat about their formative experiences and career-spanning reflections on the industry. Here are just some of the most recent, insightful and informative discussions we've been having...

## Episode 20

### Seeing the world differently:

#### Using life-altering events to bring advice to life

Barry Kellegher has a unique perspective on customer protection. Unlike many in the industry, he's been on both sides of the fence. Following an extremely challenging health crisis, he now has a renewed sense of purpose in his work at Legal & General and a clear understanding about the best ways to genuinely and empathetically support clients through their own personal challenges. It's important and thoughtful listening for any adviser.

[Listen here >](#)

## Episode 21

### Shifting attitudes towards protection:

#### The importance of long-term, post-sale customer care

Phil Jeynes's world came to a halt when he was diagnosed with cancer in 2023. With an impressive two-decade career in financial services, he certainly already knew a thing or two about the industry. But his time out of work has given him the opportunity to reflect on his career and just how much the culture has changed. Now in recovery, he talks in detail about his experiences, and how they've shaped his beliefs on the importance of post-sale protection support from advisers.

[Listen here >](#)

## Episode 22

### Putting people first:

#### How to build genuine client relationships

Fraser Kerr's people-first approach to financial advice and planning is inspiring. Sitting down with Hazel and Wayne, he kindly shares his story and the fundamental lessons he now teaches his staff as a Regional Director at abrdn. These include valuable points about the client-adviser relationship and the best, most-empathetic route to offering tailored advice. Plus, how to use cashflow modelling and a range of other techniques to bring financial conversations to life for your clients.

[Listen here >](#)



All of these great shows and more are available to listen to on our [Just Covered page](#).

We've got plenty of exciting guests in the new year.





# Here to help, if you need us

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