

# Life & Pensions Awards 2008: The Winners



## THE LIFE & PENSIONS AWARDS 2008 WINNERS

Category	First	Second	Third
Life Assurance Provider of the Year	Legal & General	Norwich Union	Scottish Provident
Pensions Provider of the Year	Scottish Widows	Standard Life	Aegon Scottish Equitable
Group Pension Provider of the Year	Standard Life	Scottish Widows	Aegon Scottish Equitable
Individual Pension Provider of the Year	Scottish Widows	Standard Life	Skandia
Sipp/Ssas Provider of the Year	Standard Life	James Hay	PAL Partnership
Income Drawdown Provider of the Year	Standard Life	Winterthur Life	Hartford Life
Annuity Provider of the Year	Prudential	Just Retirement	Legal & General
ASP provider of the Year	Standard Life	Prudential	Winterthur Life/Axa (joint third)
Health Insurance Provider of the Year	Bupa	Standard Life	Norwich Union
Term Assurance Provider of the Year	Legal & General	Norwich Union	Aegon Scottish Equitable
Critical Illness and Income Replacement Provider of the Year	Scottish Provident	Legal & General	Bupa
Protection Provider of the Year	Legal & General	Norwich Union	Scottish Provident
Small Life and Pensions IFA/whole of market firm of the year	Need an Adviser	Baigrie Davies	Central Financial Planning
Large Life and Pensions IFA/whole of market firm of the year	Helm Godfrey	Buckles Investment Services	PI Financial Dixon Sutcliffe
Protection Adviser of the year	Kevin Carr, LifeSearch	Richard Lishman, money4dentists	
Newly qualified life and pensions IFA/whole of market adviser	Sarah Waring, Buckles Investment Services	Paul Barry, Bradbury Hamilton	
Individual pensions/Sipp IFA/whole of market adviser	Ian Smith, Central Financial Planning		
Group pensions IFA/whole of market adviser	Mitch Hopkinson, M2 Financial		
Online life and pensions IFA/whole of market adviser	<a href="http://www.bestinvest.co.uk">www.bestinvest.co.uk</a>	<a href="http://www.needanadviser.com">www.needanadviser.com</a>	

## The good, the bad and the very poor

Gavin Tisshaw and Mike Morrison



**Newly Qualified Life & Pensions IFA of the Year** The short-listed candidates for this category were invited to meet the judges after having 30 minutes to digest the contents of a case study prepared for them. The idea was then to treat the judges as the client - asking for clarification on any issues they wished - before giving verbal recommendations and answering any technical questions.

The case study was designed to give candidates many and varied advice opportunities and clearly stated the clients' objectives. The judges were looking for the ability to address each of these areas, show a general understanding of relevant issues and give - and justify - brief recommendations.

Marks were given out of 10 for technical knowledge, Presentation skills and actual recommendations. The winning candidate scored a commendable 21 out of 30, which breaks down to seven for each category.

The judges were, however, shocked at the lack of ability of one candidate from a well known IFA practice who scored 6 in total and should not in their view be allowed to advise the public. We would urge firms in future to check the calibre of their advisers before putting them forward.

The winner, however, richly deserved to win and demonstrated an above average ability which should ensure a successful long term career in financial services.

**Protection Adviser of the Year** As in the Newly Qualified category, candidates were invited to meet the judges after having considered a case study. The case study here was designed for those specialising in this advice market enabling them to demonstrate their above average knowledge in this field.

The winner was head and shoulders above the other entrants in this category and clearly understands this market.

However, within this category the general levels of technical knowledge and lack of awareness of some very standard protection issues were disappointing. There are some excellent protection specialists in the market and it would be good to see some serious competition for this year's winner next time round.

**Small Life and Pensions IFA Firm of the Year** This category was dealt with remotely and short-listed candidates were sent a case study on which they were expected to prepare and submit a report. The case study was based around real-life clients - although names and employments were changed to protect their identity - and it was particularly interesting to see the ways in which they were dealt with and the range of differing advice they were given.

The judges did not necessarily agree with every aspect of advice given by any of the finalists but do appreciate that financial planning is not always an exact science.

Marks out of 10 were given for presentation, content and overall solution and there was no weighting given to any particular element.

The range of scores was fairly close with a range of only five marks difference between the finalists. The winner scored a total of 25 out of 30. The elements from all the

entrants that were felt of particular interest are as follows:

- Cashflow forecasts projecting income and expenditure throughout life;
- Emergency fill preparation - drafts included;
- Income and expenditure summary;
- Alternative recommendations if sold or retained current "buy to let";
- Good descriptions on investment options;
- Event Risk analysis - death, disability, critical illness; and
- Ethical investment detailed explanations as to what entails

The winner, however, in the judges' view provided the most comprehensive range of advice within the report in a logical and well presented format.

**Large life and Pensions IFA Firm of the Year** This was a close race with the top two standing out above the others. Both produced detailed reports reflecting the requirements of the case study and covering the holistic needs of the client. In the end the decision was based on the style and personalisation of the information provided. This was a very close call.

**Online IFA of the Year** Entrants were judged on the basis of layout, ease of navigability and information given. Even in the entrants to this competition there is a great variance in types of website: how you navigate, what information is available and whether you can transact any business.

Some of the entrants sites were clearly only about providing the smallest of windows and trying to lead you to an enquiry without providing any useful information. Others gave heaps of useful generic information enabling the 'shopper' to educate themselves further before enquiring.

On the negative side of things, several sites were factually out of date and thus providing misleading information to consumers. On the positive side, there was some excellent and comprehensive information available.

The winning site was clear and uncluttered, with up-to-date useful information, some particularly interesting touches were "fund managers on the move", "five annuity factors" and an explanation of "mortality drag".

**Individual Pensions/Sipp IFA of the Year** A detailed question required a detailed answer and the winner of this category comprehensively covered the questions and issues raised in a confident and informative manner. These included issues of Sipp suitability the interaction with SSAS and a wide range of other issues. It was disappointing that there were not more entries in what is one of the most relevant categories.

**Group Pensions IFA of the Year** Not a classic year for this category. The winner stood head and shoulders above the other entrants, demonstrating a knowledge of some complicated and topical issues. A challenging question was answered confidentially and showed a real knowledge of what is a complex market.

**Gavin Tisshaw is chairman of Executive Advisory Services and a chartered and certified financial planner. Mike Morrison is pensions strategy manager of Winterthur Life**



## Large IFA Firm of the Year

### Helm Godfrey



Helm Godfrey's evolution from a smaller-sized, private IFA practice in 1999 to one which grossed £744,000 in profit last year has been built on quality advice and employee development.

Bruce Wilson, managing director of Helm Godfrey (pictured), said that expansion through acquisition and recruitment – from 10 advisers to 40, plus 65 support staff in less than 10 years – provides a strong model for aspiring small IFA firms.

He said that after the management buy-out of the firm at the end of 1999, “the first thing we established was the importance of being profitable and to do that we had to focus on our client proposition: giving clients a service that they wanted. We are focused on giving the highest standards possible of financial advice to our clients. We also focused on education and training, aiming to have some of the most qualified and experienced advisers working for us.”

The company has no external shareholders, which Mr Wilson said aligns the interests of its employees, and has expanded rapidly without any use of external funding – an impressive feat considering that it moved offices from Finchley to beside the Bank of England in the City and increased turnover from £1m to £6.67m.

Helm Godfrey has also opened within two accountancy practices and was a founding member and remains the largest IFA within the Nucleus wrap, and has held an Investors in People accreditation since 2000.

On receiving the award, Mr Wilson said: “It is hugely important for us in terms of internal morale and validation for clients, especially as Financial Adviser is well recognised in its own right. It is great external acknowledgement for all of the hard work we have put in. For good IFAs there is a wonderful future for us, such is the demand for our services.”

## Small IFA Firm of the Year

### NeedAnAdviser



Staffordshire-based NeedAnAdviser is a powerhouse of innovation run by a husband and wife team. Ashley Clark and Joanne Roberts (pictured) said that the secret to their success as a family-run IFA is the bringing together of their individual expertise – Mr Clark as e-commerce expert, Ms Roberts in compliance, and both are highly qualified advisers – and the implementation of a ‘Fordist’ approach to their business model.

Ms Roberts said that the firm applies the Henry Ford model for car building to financial advice delivery. She said: “All tasks are broken down into simple segments, meaning that an inexperienced employee can add value on day one, simply by following procedures. Our model is simple. The adviser spends eight hours each day advising and zero hours administering. Each adviser is backed by a disproportionate number of administrators, all of whom are trained typists to work as cost effectively as possible on

their part of the assembly line, given that we are time-costed. Our documented procedures produce a rock solid audit trail for compliance, as well as the complete advice product at speed and at low cost for the client.”

The firm has a fee-only model, has updated the fourth edition of its comprehensive website, has launched a suite of compliance templates for fellow, smaller IFAs to purchase and is nimble enough to implement changes to its structural processes “within minutes, not months”.

For these reasons – and noting that Mr Clark achieved CII chartered insurer status 13 years ago – the duo are confident that their proposition is “streets ahead of most IFAs; ground-breaking in e-commerce and compliance”.

The pair see these awards as being “the Oscars of finance” and concluded: “The only things we can offer are our high level qualifications and the independent adjudication of our service and standards of advice through awards”

## Online IFA of the Year

### BestInvest



The comprehensive BestInvest website, which provides wrap-style functionality for consumers, is an integral part of the BestInvest business model, according to its business manager Hugo Shaw (pictured).

Mr Shaw said that the IFA firm and its website are so intertwined it is not clear whether the business is an extension of the firm or the other way around. He said this is a positive in that clients can review their financial plan and entire portfolio through the Client Centre shortly after a one-to-one meeting with one of BestInvest's advisers, which in turn helps foster trust and a strong two-way relationship.

Equally, the site is a great source of information, giving visitors access to original investment research into products and fund managers. Mr Shaw said: “We dedicate a big budget to the site and it is core to what we do. Proper original investment research backed up by competitive pricing

all at your fingertips. It gives us an economy of scale that would not be possible with a team of individual advisers speaking to clients.”

While detailed information is a definite pull for some clients keen to crunch the performance of their favourite fund managers and tinker with their own portfolios online, BestInvest is cautious not to over-load users with “reams of paperwork which is not useful, it is about being able to access relevant information quickly and easily that is important.”

Equally, Mr Shaw said, while it is important to keep the site appearing fresh – and there have been numerous updates and “face-lifts” in the last 12 months – it is important not to alienate users by changing where they can source information from one visit to the next.

He also said that receiving the award “is a great boost” and provides independent verification of the standard of service enjoyed by clients.

## Individual Pensions/Sipp Provider of the Year

### Ian Smith



Ian Smith, director of Worcestershire-based Central Financial Planning, entered into financial advice because he correctly spotted that it was a growth industry.

He revels in the technical challenges of selecting a correct route for clients to achieve their financial ambitions and then applying an investment strategy.

The constantly shifting sands of legislation governing individual pensions provide the biggest hurdle, he says, in terms of not only strategy but the products available.

One change that he has welcomed, however, is the advent of Sipp: “It has given a greater degree of flexibility,” Mr Smith said, “allowing more professional and institutional investment strategies and a more personalised approach.”

The secret of success for a financial adviser, he said,

lies in a solid grounding of knowledge and the ability to navigate through the market to find products and strategies that best achieve their goals and objectives.

While the credit crunch and ensuing souring consumer mood are pushing more prospective clients through the doors of financial advisers, Mr Smith said the largest hurdle for IFAs in the coming 12 months is to ensure the public understands the long-term picture and helping them see past the current doom and gloom sentiment which is being widely disseminated.

Perhaps in preparation for this battle, Mr Smith's hobbies will come in handy – he is a regular practitioner of Lau Gar Kung Fu and other fitness training, as well as a Goth Rock aficionado. Financial and retirement planning has never looked less grey, dreary and stuffy, as its detractors would have it.