

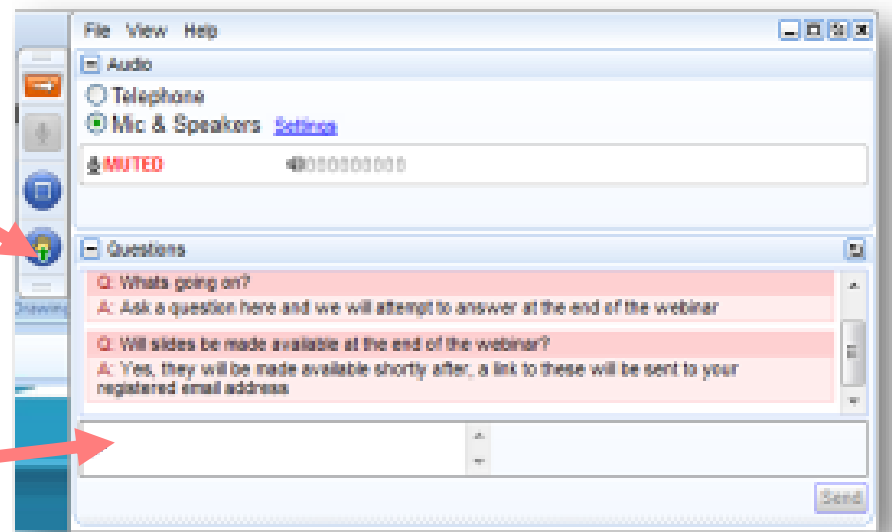
JUST.

Later Life – Why Refer?

WELCOME

To raise your hand
in the webinar, click
here

To ask a question, please
type here. We will
respond during the
webinar or shortly
afterwards



LEARNING OBJECTIVES

By attending this session, advisers will be able to:

- Understand the key topical regulatory themes around providing retirement and later life advice
- Understand financial intermediaries' options for accessing the retirement and later life advice markets
- Consider whether to outsource some retirement and later life advice
- Identify how you can enhance your client proposition with outsourcing

THE NUMBER OF OLDER PEOPLE IS GROWING!

In UK in 2016, there were:

11.6 million

people aged
over 65

1.5 million

people aged
over 85

14,450

people aged
over 100

The projections

In next 17 years,

16 million

people aged
over 65

In next 23 years,

4.3 million

people aged
over 85

1 in 5

will live to see their
100th birthday



Fastest growth is the **post 85 age** cohort

CHANGE IN LIFE EXPECTANCY OVER THE YEARS!

- Female age 86 – born in 1931
- Life expectancy of a female in 1931 was 62.9 years
- Life expectancy now at age 86 = just under 7 years
- Takes her to 93
- 30 years more than when she was born!

Source: www.ons.gov.uk/how-has-life-expectancy-changed-over-time

www.ons.gov.uk/peoplepopulationandcommunity/births

[deathsandmarriages/lifeexpectancies/datasets/expectationoflifeprincipalprojectionunitedkingdom](http://www.ons.gov.uk/peoplepopulationandcommunity/birthsdeathsandmarriages/lifeexpectancies/datasets/expectationoflifeprincipalprojectionunitedkingdom)

THE LONGEVITY CHALLENGE – THE LONGER WE LIVE.....

Age:

85



90



95

Male:

+6.6 years = 91.6

Female:

+7.6 years = 92.6

+4.4 yrs = 94.4

+5.0 yrs = 95.0

+2.9 yrs = 97.9

+3.3 yrs = 98.3

Source: Office for National Statistics. Projected expectations of life from the 2014-based national population projections, principal projection for the UK; cohort life expectancy, for males and females, at the ages shown in 2017; published 11 December 2015.

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RISKS TO OBJECTIVES – OLDER CONSUMERS



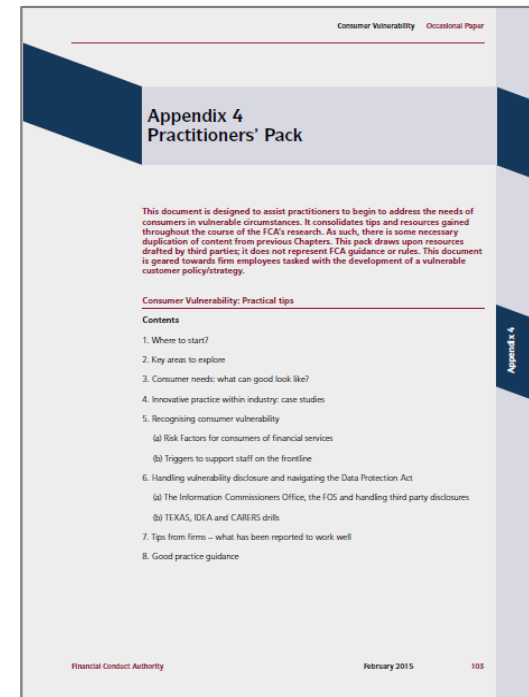
- Quality of advice around retirement income
- Difficulties in comparing products and services
- Potential exclusion through increased use of digital services
- Susceptibility to scams and fraud

Potential limited product availability and advice if firms fail to evolve to meet the **changing needs of an ageing population**

Source: FCA Business Plan 2017/18

VULNERABILITY - DEFINITION

A vulnerable person is someone who, due to their personal circumstances, **is especially susceptible to detriment**, particularly when a firm is **not acting with appropriate levels of care**.

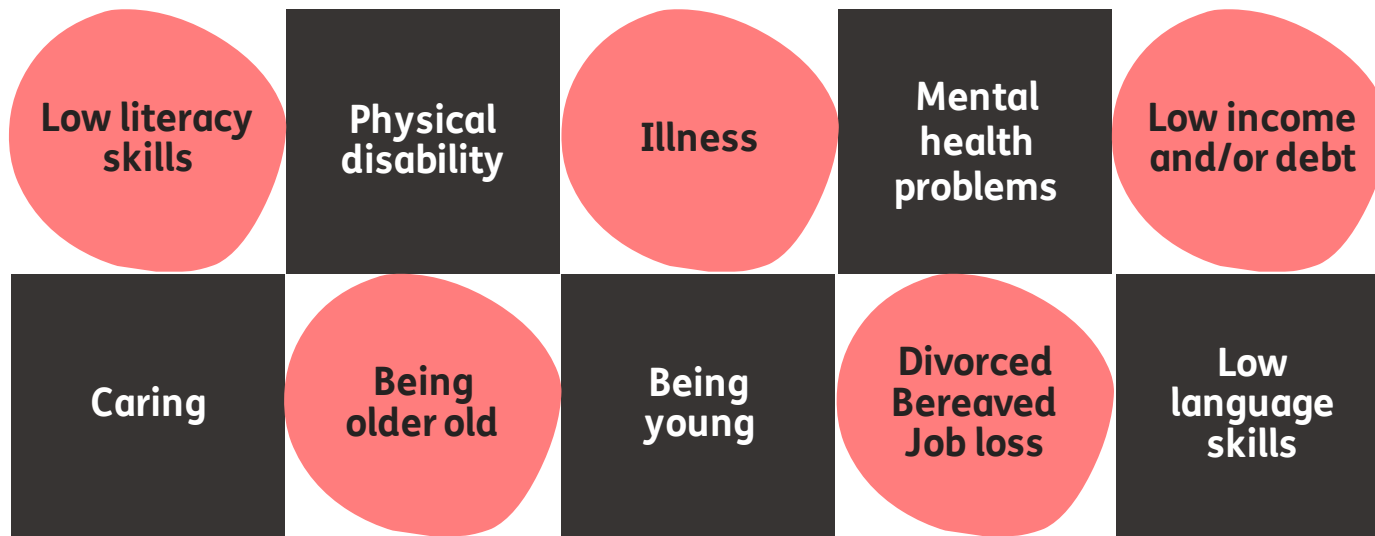


Source: FCA Occasional Paper 8, February 2015

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WHAT MIGHT MAKE A CLIENT VULNERABLE?



Source: FCA Occasional Paper 8, February 2015

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STEPS TO TAKE?

Policy

Client

Advice

Presentation


Tailoring

JUST BULLETIN AND CHECKLIST

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TECHNICAL BULLETIN



HOW TO IDENTIFY VULNERABLE CLIENTS

Is a client vulnerable? At first glance this appears to be a fairly straight forward question to answer. And advisers should already have an existing approach in place for helping individuals they assess as vulnerable. But is it always so easy to spot a vulnerable person? This technical bulletin examines what defines vulnerability in clients. It may offer up a few surprises. It might also prompt a review of existing approaches towards client interaction and changes to advice processes.

Vulnerability is a complex area. This bulletin aims to summarise some of the key indicators of vulnerability. It also highlights some of the risks and benefits of working with vulnerable clients, and ways of supporting them effectively. We consider people seeking advice in retirement who might fall into this definition.

Defining vulnerability

A common misconception is that a vulnerable client is simply someone experiencing the frailties that often occur with advanced aging.

The FCA define a vulnerable consumer as;
... someone who, due to their personal circumstances, is especially susceptible to detriment, particularly when a firm is not acting with appropriate levels of care.

To add some context to this broad definition, it means vulnerability can:

- be either physical or mental;
- include a short-lived, longer term or permanent condition;
- cover an emotional or financial shock (for example, bereavement or a drop/loss of income); and
- include more than one element (be multi-layered) and can fluctuate over time.

Call 0345 302 2287 or visit justadviser.com

4 HOW TO IDENTIFY VULNERABLE CLIENTS

You can find more information at:

- FCA (FCA.org.uk and search for 'occasional paper no.8 Consumer Vulnerability')
- Law Society of England and Wales (lawsociety.org.uk and search for 'Meeting the needs of vulnerable clients')
- Law Society of Scotland (lawsoc.org.uk)
- Law Society of Northern Ireland (lawsoc-ni.org)
- Citizens Advice (citizensadvice.org.uk and search 'vulnerability')
- Alzheimer's Society - (alzheimers.org.uk and search for 'Dementia Friendly Financial Services Charter')
- Office of the Public Guardian (gov.uk and search for 'OPG')

Vulnerable client aide memoire	
Policy	<ul style="list-style-type: none">• I have considered how I assess clients against my vulnerability policy.• I'll actively seek to encourage disclosure about potential vulnerability.• I've reflected my approach in an appropriate way in my documentation.• I've discussed my approach with colleagues/other professionals.
Client	<p>New:</p> <ul style="list-style-type: none">• I've considered what, if any, additional information I should be gathering when providing advice in the first instance.• I've sought to understand any unusual aspects - for example why someone else is accompanying a client? I'm aware of the potential for any conflict of interest or undue influence.• I understand who my client is and the extent of the instructions I am able to act on (for example, under a power of attorney). <p>Existing:</p> <ul style="list-style-type: none">• I've considered whether the client is acting differently/showing signs of a change of character.• I have a set of questions to check client memory recollection (if required).• If working with more than one person, I'm aware of the potential for any conflict of interest or undue influence.• I've confirmed any change in circumstances which might lead to vulnerability (for example, having to take on caring responsibilities).
Advice requirements	<ul style="list-style-type: none">• Does the particular client need/objective align with what I'd expect to provide advice on? (For example, question why a client would be seeking to make gifts if there is an immediate debt due).• I've considered whether my normal advice process aligns to what this particular client needs.• I'm able to identify financial products that I believe are clear and easy to understand for those showing signs of vulnerability.
Presentation of information	<ul style="list-style-type: none">• I've recognised whether there's a need to adjust the delivery and format (for example, provided a suitability report in large print).• I've sought to explain issues/solutions with a limited use of jargon.
Tailored approach	<ul style="list-style-type: none">• I've taken the time to listen, to identify vulnerabilities, and will suggest that someone else forms part of the advice process and/or a referral to a specialist if appropriate.• I'm flexible around appointment locations (for example, at the client's home), times of the day and their duration.• I've considered the accessibility of my offices for those with health conditions/disabilities.• I've taken account of the complexity of the advice being delivered and made reasonable adjustments (for example, staggering the advice over several meetings and/or given greater time to reflect before execution).

Call 0345 302 2287 or visit justadviser.com

SOCIAL CARE IS AT A TIPPING POINT!



Demand



Funding

STATE OF THE NATION

Local authority (LA) funded	35%	= 137,000
NHS Funded	9%	= 35,000
LA funded with top up (quasi-self-fund)	11%	= 44,500
Pure self fund	45%	= 176,000
Total self fund including top ups	56%	= 220,500

Source: Laing and Buisson Care Homes for Older People, 29th edition (2018)

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WHERE WE ARE AT FOR ADVICE!

The estimated number entering a care home each year is 130,000

2018 report, pure self-funders (i.e. no top-up)	45%	= 58,500
2017 GPR completions via Medicals Direct Group (approx)	c6%	= 3,446

PLUS those who are *just* topping up!



Source: Laing and Buisson Care Homes for Older People, 29th edition (2018)

FCA (FSA AS WAS) GUIDANCE JUNE 2012

Long-term care insurance contracts

“Advisers should not recommend a product that is an alternative to a long-term care insurance contract, where a long-term care insurance contract would be suitable, because they have not passed the relevant examination.”

Financial Services Authority	
Finalised guidance	
Retail Distribution Review: Independent and restricted advice	
June 2012	
FSA	
Contents	
1. Introduction	3
2. The standard for independent advice	3
3. Restricted advice	7
4. Communicating the nature of a firm's advice services	8
5. Advice tools and assessment strategies	10
6. Advisers	14

FCA (FSA AS WAS) GUIDANCE JUNE 2012

Long-term care insurance contracts

“...all competent retail investment advisers who give independent advice should be able to identify clients for whom a long-term care insurance contract should be considered and be in a position to refer these clients on to someone who can provide advice on these products.”

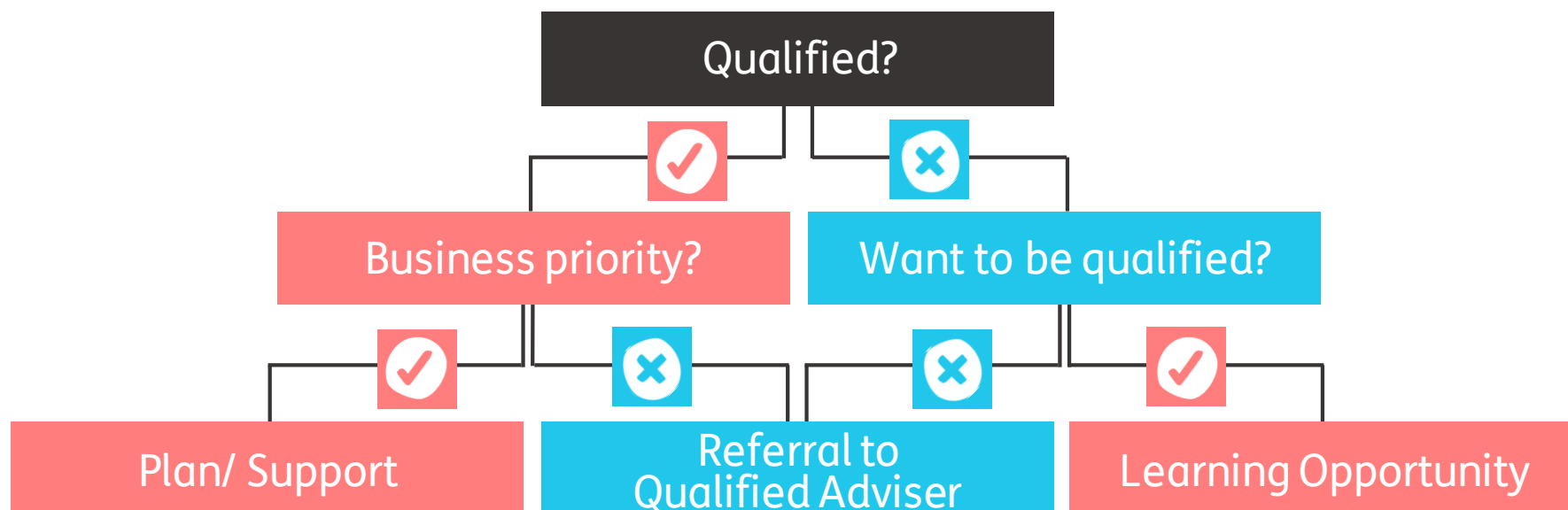
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POLL QUESTION

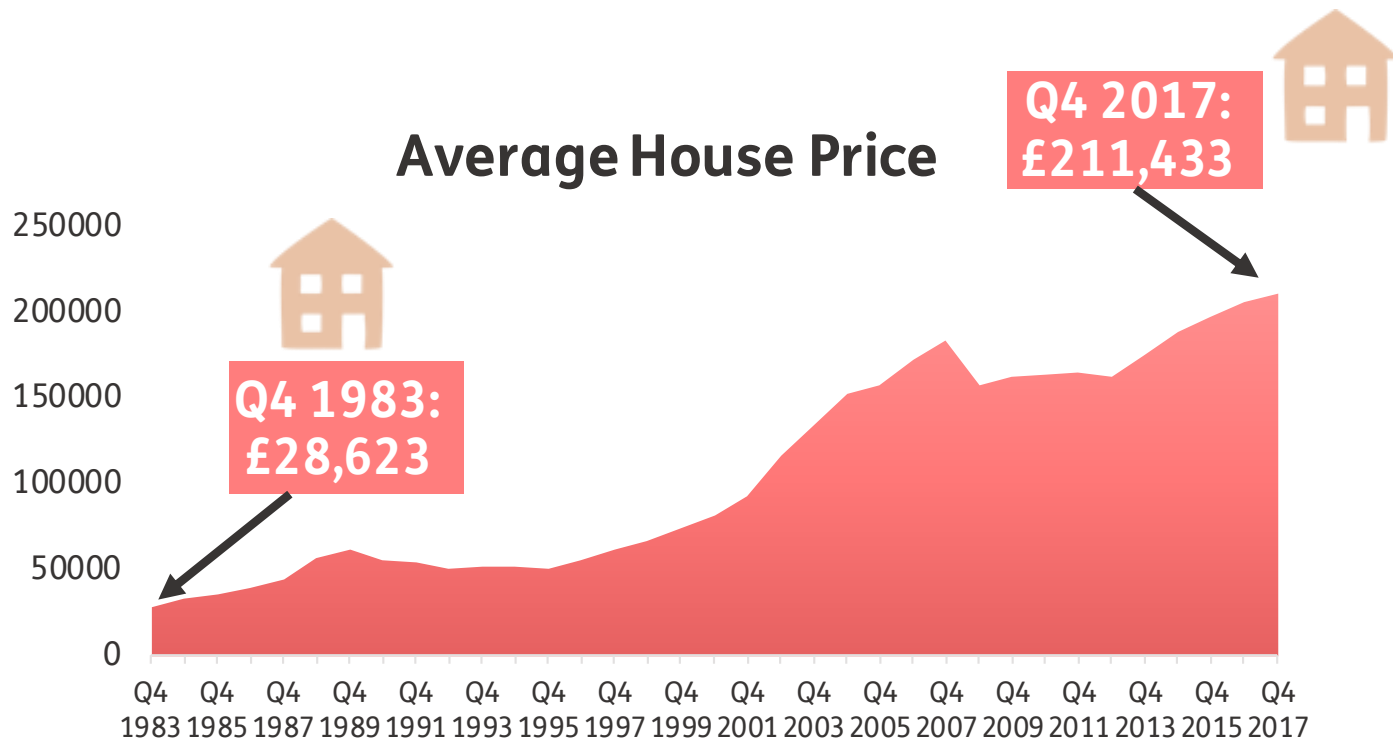
What is the biggest challenges in providing advice on Long Term Care?

1. Keeping up to date with regulation
2. Clients requiring advice on Care few and far between
3. Financial / Business viability
4. Time consuming
5. Don't hold the appropriate qualification

OPTIONS FOR ACCESSING THE LATER LIFE MARKET

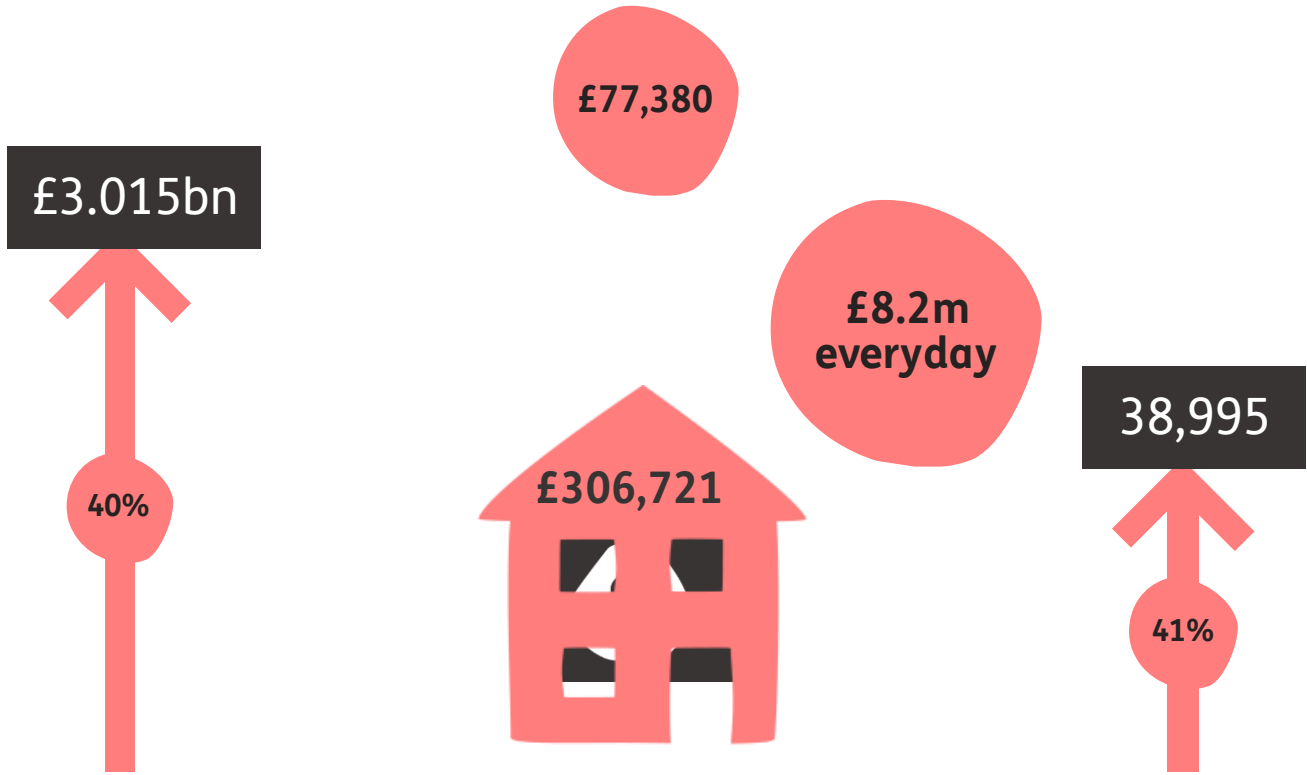


PROPERTY – THE SINGLE BIGGEST ASSET?

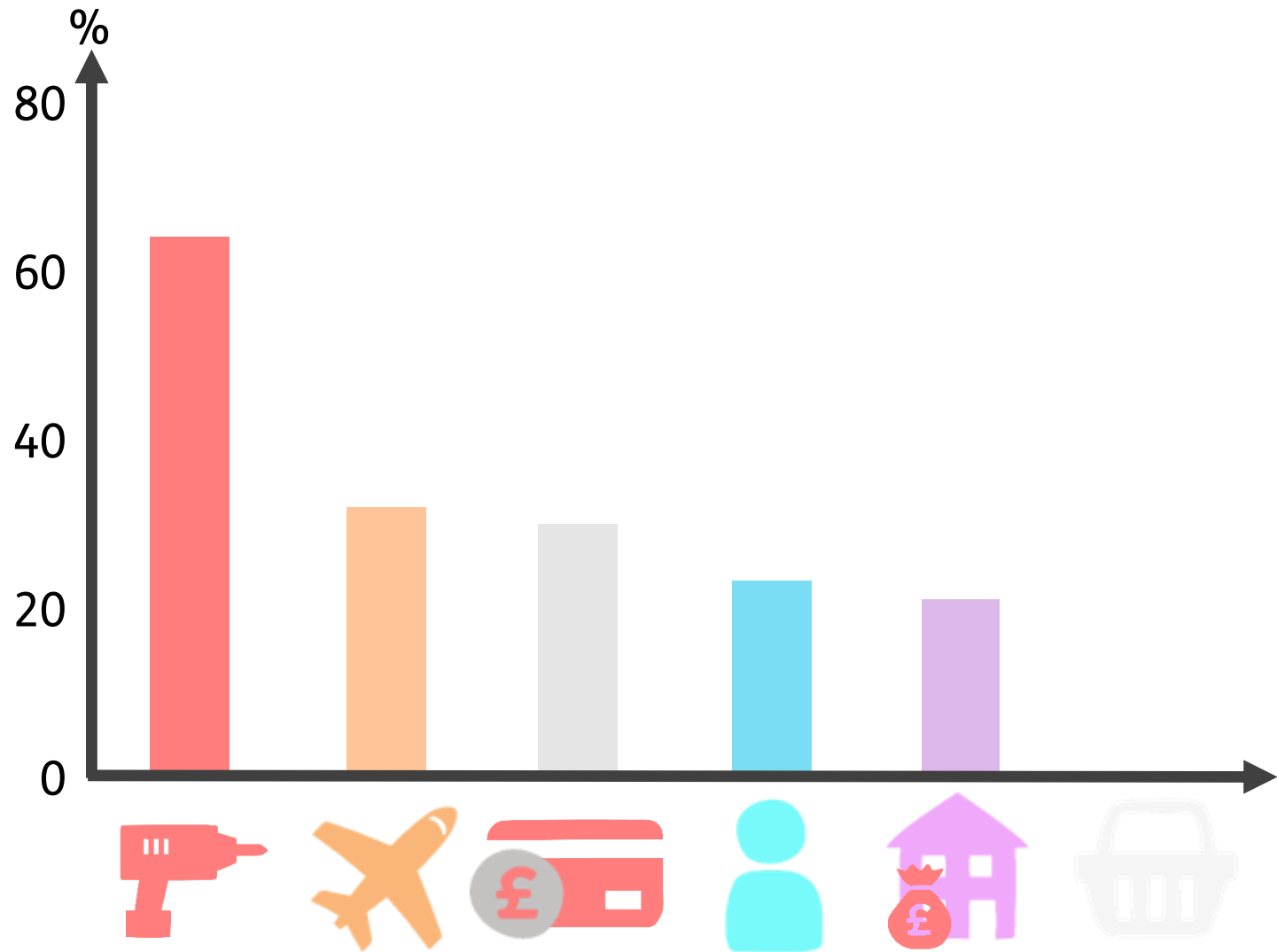


Nationwide House Price Index – Q4 2017

EQUITY RELEASE MARKET GROWTH 2017



HOW CLIENTS USE THE MONEY



Key Retirement UK Equity Release Market Monitor. Full Year 2017, July 2017

EQUITY RELEASE CLIENT SEGMENTS

55+



**Own
home**

**Maintain
lifestyle**

**Improve
lifestyle**

**Debt
repayment**

**Day to day
living
expenses**

**Long-term
care**

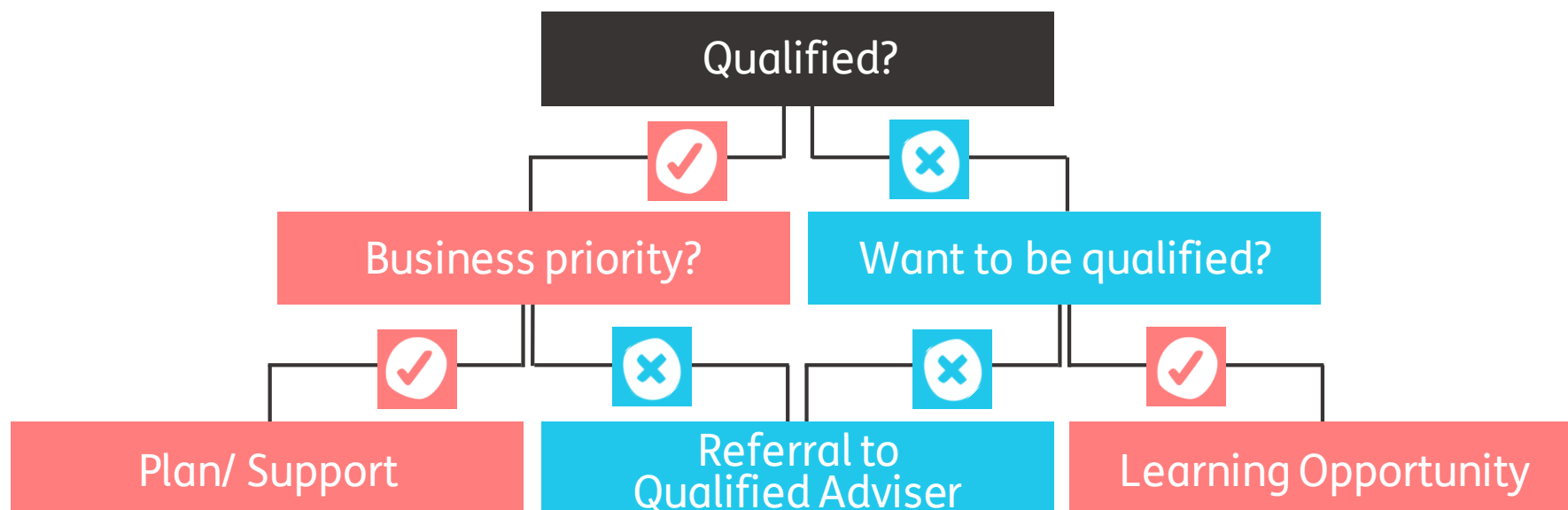
**Estate
planning**

POLL QUESTION

What is the biggest challenges in providing advice on Equity Release?

1. Keeping up to date with regulation
2. Clients requiring advice on Equity Release few and far between
3. Financial / Business viability
4. Time consuming
5. Don't hold the appropriate qualification

ACCESSING THE EQUITY RELEASE MARKET



IMPORTANT INFORMATION

It is our intention that the information contained within this presentation is accurate. We have taken all reasonable steps to ensure that it is up-to-date and, where relevant, reflects the current views of our experts. However, we do not accept any liability for errors or omissions in the information supplied and if you require clarification on anything, our recommendation is that you contact us at the address below for verification, or call 0345 302 2287.

Our registered address:

Just Group plc
Vale House, Roebuck Close,
Bancroft Road,
Reigate,
Surrey RH2 7RU



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Regulatory information:

Just is a trading name of Just Retirement Limited (“JRL”), Just Retirement Money Limited (“JRML”), Partnership Life Assurance Company Limited (“PLACL”) and Partnership Home Loans Limited (“PHLL”) which are subsidiary companies of Just Group plc. JRL is registered in England and Wales, with company number 05017193.

JRML is registered in England and Wales, with company number 09415215. The registered office for both JRL and JRML is Vale House, Roebuck Close, Bancroft Road, Reigate, Surrey, RH2 7RU.

PLACL is registered in England and Wales, with company number 05465261. PHLL is registered in England and Wales, with company number 05108846. The registered office for both PLACL and PHLL is 5th floor, 110 Bishopsgate, London EC2N 4AY. JRL and PLACL are authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

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Our dedicated intermediary site packed with useful calculators, guides, product information, topical articles and more.

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HUB REFERRAL SOLUTIONS



WHO ARE HUB?

Established 10 Years ago

Part of Just Group

Currently one of the UK's largest Guaranteed Income for Life brokers

Helped over 20,000 people find the right retirement income

Helped over 16,000 people release equity from their property

Helped more than 2,000 people with Care Funding Needs



CARE FUNDING SERVICE

WHAT DO HUB OFFER?

- A free client needs assessment
- Ensuring benefits are being claimed
- Could they qualify for NHS funding?

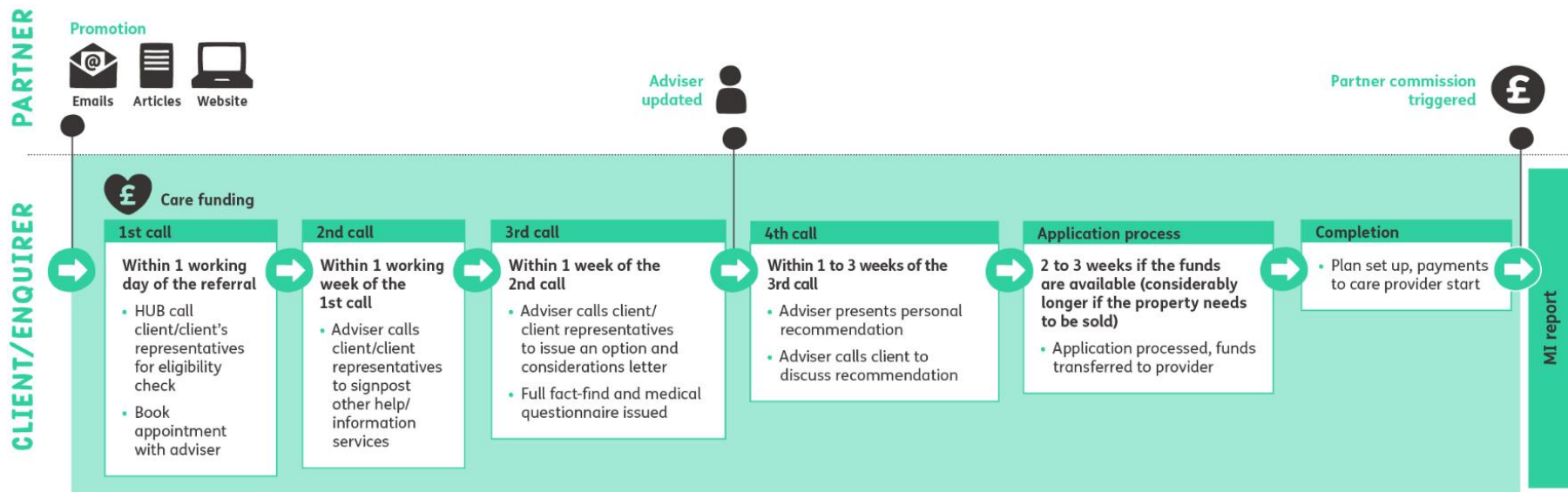


Whole of
Market
Panel

Dedicated
Case
Handler

Referral
Fee
1.5%

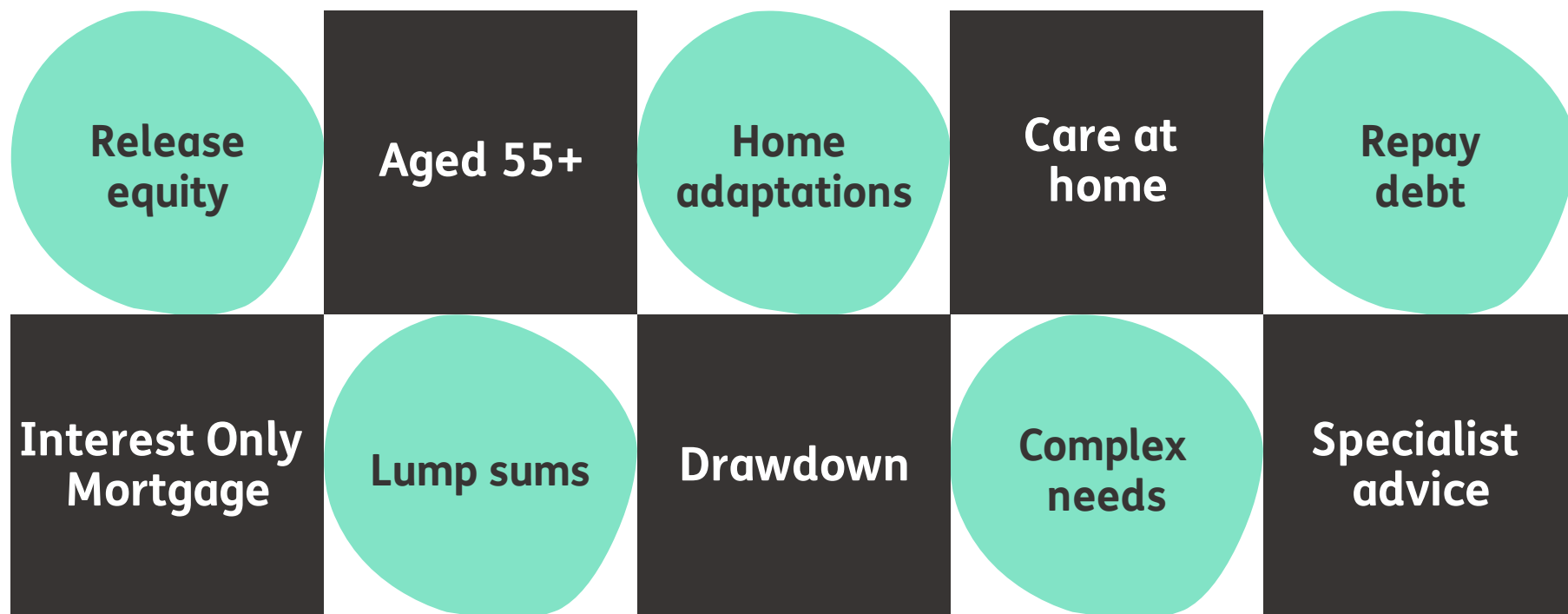
CARE FUNDING JOURNEY





EQUITY RELEASE SERVICE

EQUITY RELEASE SERVICE



WHAT DO HUB OFFER?

- A free client needs assessment
- Free State Benefit checks
- National face to face coverage

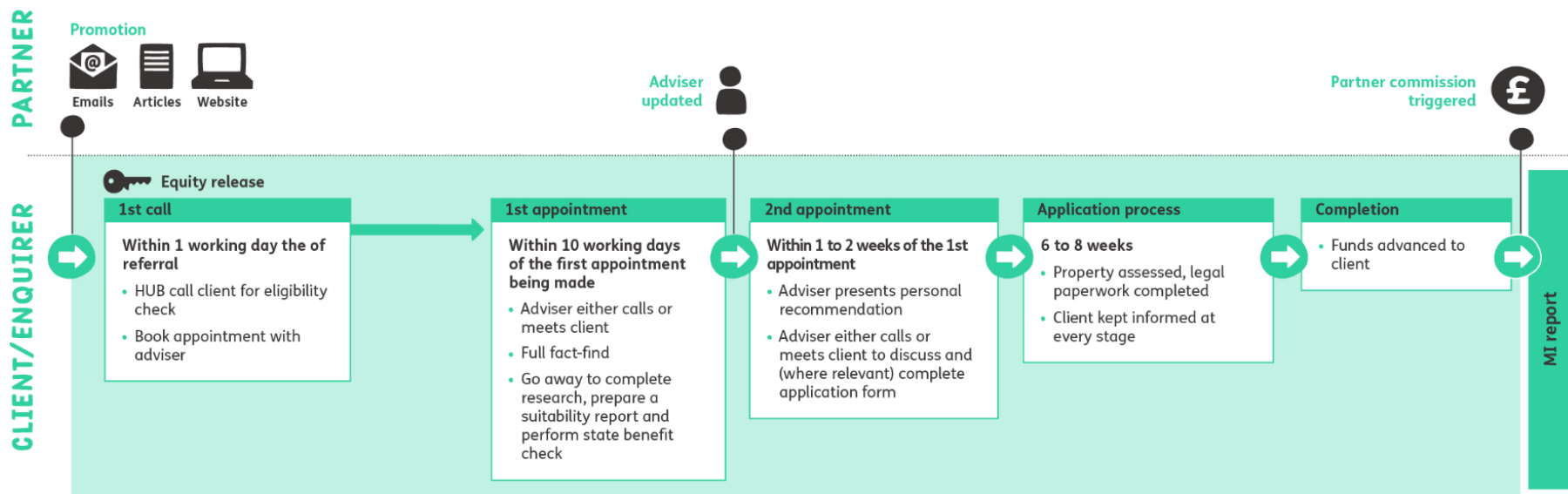


Panel of
lenders

Dedicated
case
handler

Referral
fee
1.75%

EQUITY RELEASE JOURNEY





RETIREMENT INCOME SERVICE

RETIREMENT INCOME SERVICE



01

.....

Clients with
defined
contribution
scheme



02

.....

Customer
enquiries
post 1 March
from PS17-12



03

.....

Smaller fund
values



04

.....

Unprofitable
clients



05

.....

Annuity type
clients

WHAT DO HUB OFFER?

- Advice or guidance available
- Tailored service
- Simple Drawdown plan available (provided by Just)

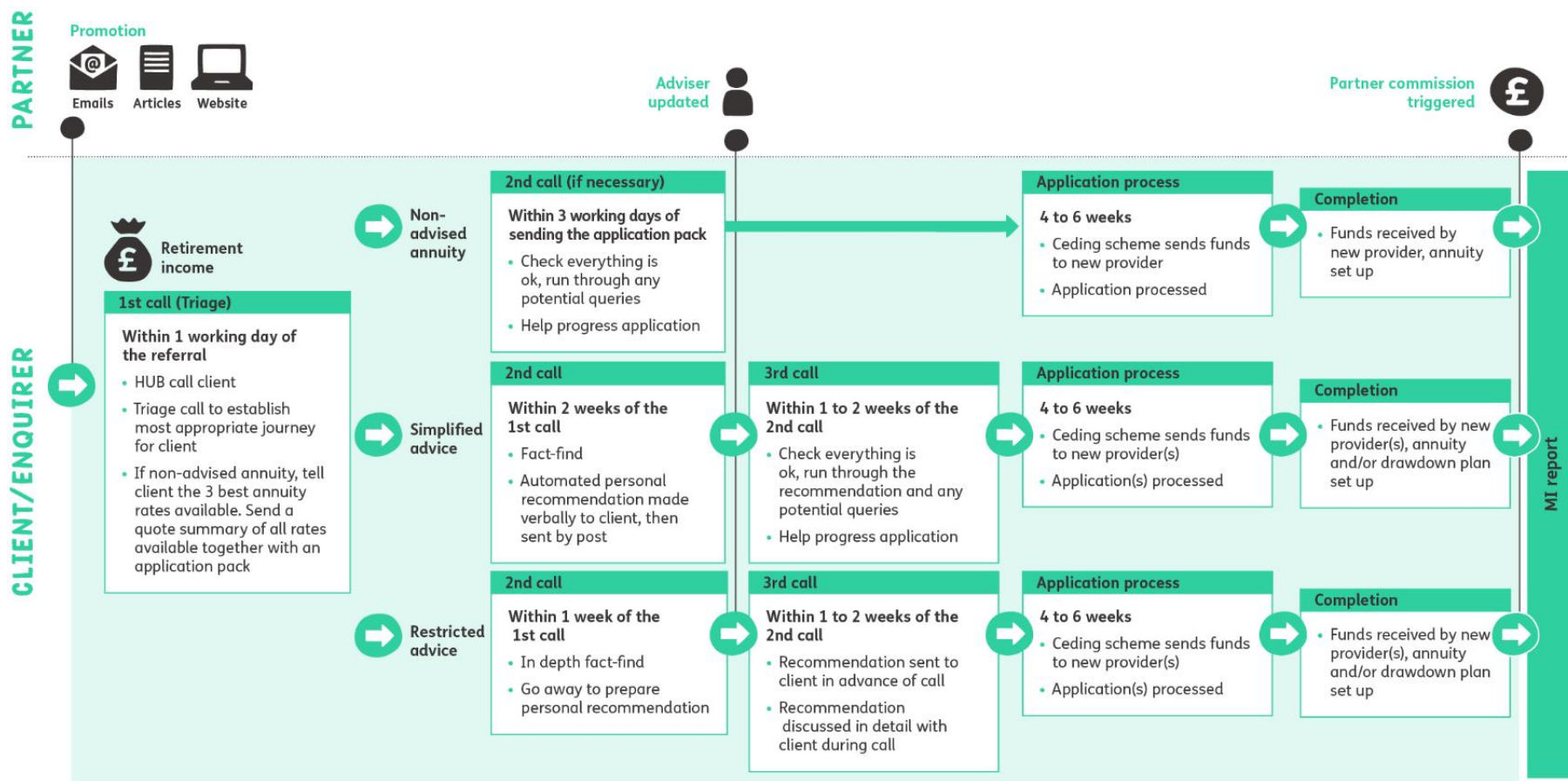


Whole of
Market

Dedicated
case
handler

Referral
fee
1%



RETIREMENT INCOME JOURNEY





**WHY USE
HUB REFERRAL SOLUTIONS?**


HOW TO REFER?





[About us](#)
[Retirement income](#)
[Equity release](#)
[Care funding advice](#)

WELCOME TO HUB REFERRAL SOLUTIONS

NOW YOU CAN SUPPORT MORE CLIENTS AT THE PUSH OF A BUTTON








Part of **JUST.**

Do your clients sometimes need help in an area you're not active in? Or are you sometimes introduced to new clients who don't meet your business threshold? If so, HUB Referral Solutions can help.

Provided by HUB Financial Solutions, the service is designed to help you support clients who don't fit neatly into your business model.

When you refer a client to us you can be confident that they'll receive high quality advice or guidance. The support we'll give them carries no obligation, and they'll only pay a fee if they choose to buy a product. You can trust us to look after them.


FIND OUT MORE

-  [Retirement income planning](#)
-  [Equity release advice](#)
-  [Care funding advice](#)

THE BENEFITS TO YOU

- Support a wider range of clients
- Earn introducer fees
- Retain ownership of your client relationships
- Stay informed about the progress of your client's case

READY TO REFER?





hubfinancialsolutions.co.uk/refer



01737 233412

POLL QUESTION

- Would you like more details on the following referral services? (Please mark all appropriate)
 - 1. Retirement Income
 - 2. Equity Release
 - 3. Long Term Care
 - 4. None of the above
-

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THANK YOU



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