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Title: **Sub-prime boosts protection**

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Protection Review suggests renewed interest in health and protection

By Lucy Quinton

This year's Protection Review will focus on the future of protection, and the potential of the NHS.

Andy Couchman, director of Bank House Communications and co-author of the report, said one of the themes that emerged when conducting the review was a renewed interest for health and protection because other markets such as mortgages and investments were suffering.

"Given the difficulties due to the sub-prime crisis in the US, it is now counter-reactive in the sense people are now asking what do we do," he said.

Couchman added: "Economically we are about to hit stormy waters but we don't know whether it will be a recession or just an economic slow-down. Consequently, people are asking whether they have enough protection as opposed to working out how they can make more money."

However, advisers should demonstrate long-term commitment to protection, according to Peter Chadborn, principal of CBK Colchester. "If an adviser wants to genuinely offer an all-round professional service for their clients then protection planning should be the foundation on which all other planning stands, not just a revenue stream to turn to when other sources dry up," he said.

Agreeing, Joe Wiggins, PR manager for housing and protection at Legal & General, added: "Selling a fully protected mortgage, which means looking after both life and lifestyle, should be what our industry aims to deliver."

He added that from a cost perspective, protection should be the priority. "Once an adviser has taken the time to do a fact find and get to know the customer for the mortgage sale, there isn't much extra work to do to add on the protection sale. The hard work has been done so the benefit should be reaped," Wiggins said.

The report will also focus on who needs protection, and tie in with chief executive of Aegon UK Otto Thoresen's talk at the launch event on how the protection needs of the poorer sections of society should ideally be met.

The report will also look at challenging the process. Peter Le Beau, managing director at Le Beau Visage, said the underwriting process needed to change. Tele-underwriting was bringing this about, he said, but the question remained as to how the adviser could play a bigger role in the process.

This year's Protection Review will also contain a consumer research survey aimed at discovering how the British public really feel about financial protection.

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