

# Financial Adviser

## Protection boom drives paraplanning demand

An increase in protection cases has fuelled a boom in demand at the company, which provides outsourced paraplanning to St. James's Place advisers.

Plus Group, which also provides administration support and cash flow modelling for SJP partners, said a growing demand from clients wanting to financially protect their families faced with the uncertainty of the pandemic had boosted protection business.

Research conducted by Guardian this summer found advisers were witnessing a change in consumer attitude towards protection as a result of the coronavirus.

The provider also found the pandemic had prompted an increase in clients actively seeking protection advice.

Speaking to FTAdviser earlier this year Toni Smith, chief operating officer at Primis Mortgage Network, said she could not remember a time during her 32 years in the industry when customers asked brokers to sell them income protection and critical illness cover.

It is part of a trend in the advice sector that has recently seen growing demand for outsourced paraplanning services, with one company creating a waiting list for prospective adviser clients as it scaled up its team.

As a result the company, Efficient Paraplanning, has embarked on a hiring spree with six new employees set to join in the final quarter of this year to meet demand.

Cost has often been a particular selling point for outsourced paraplanning services, with the bill for alternatively employing the services of a recruitment consultant often running into the thousands for advisers.

Some have linked the boom in demand to the coronavirus crisis, with financial planning business Paraplanning Hub reporting a growth spurt since the pandemic unfolded, driving its plans to double in size over the coming year.

The company outsources its services to advisers and founder Tony Slimmings said the outbreak and associated restrictions had created an opportunity to provide a "remotely-based, outsourced service that is more cost effective than employing people". **RM**