

THE FINANCIAL COLUMN

NEW INSURANCE GROUP PLANS TO HELP CUSTOMERS MAKE LONG-TERM FINANCIAL PLANNING CHOICES

Gibraltar has remained relatively immune from the activities of the high-pressure insurance salesmen who, in recent years and particularly in Britain, have brought the industry into disrepute by mis-selling products. Some of their activities fell little short of 'scams' whose impact has led to a string of court actions...and they also tended to encourage the

belief - which is fairly widely held (and to some extent justified) - that insurance reps are interested only in snapping up their commissions and thereafter have little concern for the needs or well-being of the customer. Yet this "after sales service" is likely to become increasingly important - particularly in the areas of

pensions and life cover - as governments find it harder to fund state aid for elderly populations with ever-stretching longevity. In recent years more and more western leaders have stressed that people will have to learn to look after their own futures, warning that because populations are living longer the state will not be able to afford to keep

them...or certainly not at the levels of comfort and care that most have come to expect.

So it was refreshing, at last week's official launch of the European Financial Planning Group - the latest newcomer to Gibraltar's insurance sector - to find that Peter Jones, who founded the Yorkshire Insurance Group (YIG) 18 years ago,

subscribes to a distinctive set of values...and has built a successful Independent financial advisory and wealth management company around them. Based in Leeds and Pontefract Jones' company now employs 100 staff and has some £500 million of clients' funds under management.

"From the outset our policy has been to provide people with the tools and services to allow them - with our help - to look after their own futures, rather than selling them a product and walking away," Jones explains.

His YIG has a 49 per cent shareholding in the European Financial Planning Group whose CEO, Tom Fraser, is also non-executive chairman of the Yorkshire-based company. Five of YIG's senior staff are on loan to European Financial Planning "to help sort out business controls and that sort of thing," says Fraser.

"Both Peter and I share a similar business philosophy and have worked closely together for many years," he adds. Fraser - an accountant by profession and a former managing director of Norwich Union International - also shares the view that "a long-term relationship with customers is in everyone's best interest". "I think that many operators have underestimated the potential for growth both in Gibraltar and among the expatriate markets in Spain and Portugal," Fraser tells me. "Though there are advisers and operators on the Costas, it seemed to us that no-one was serving their financial needs in the sense of providing long-term financial planning to what is a strong and growing customer base."

"And, as a start-up business we are almost unique," he adds. "What other start-up business kicks off with a big client bank like ours?" EPFG has not only acquired Prescott Ltd's life insurance portfolio for an undisclosed sum but has also bought the "salvageable" components of Savignion Financial Services - excluding the company's unfortunate TEP scheme which is still the subject of an FSC investigation - and, with some 6,000 customers, the combined Savignion client bank and Prescott life portfolios give the newcomer

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Peter Schirmer looks at the financ



Peter Jones of the Yorkshire Insurance Group (centre) chats to Finance Centre director at last week's launch of the European Financial Planning Group. Tom Fraser, the new company's main shareholder and CEO is on the left.

(Continued from page 19) an immediate substantial stake in this part of the insurance market. It has also taken on the remaining Savignion staff

who have good local knowledge as well, according to Fraser who owns a 51 per cent stake in the company.