



Nucleus sets out advisers' capacity issues with latest census

Nucleus has today launched the latest edition of its annual adviser census, showing advisers are struggling with capacity issues as they take on more clients while finding less time available to service them.

This year's census saw responses from more than 250 Nucleus users, providing insights into their firms and the wider financial services sector.

Nucleus surveys its users every year for its census, which is designed to both engage with its users and ensure the platform is delivering what its clients need. Asking a series of questions about advisers' businesses, clients, and their views on the industry, the census helps advisers gauge their own progress, as well as tackle the issues that are challenging them.

This year's census points towards increasing capacity issues for financial advisers, with the average active client numbers per adviser increasing once again, up 9% to 163, while two-thirds expect this number to rise in the next year.

This increase has impacted upon how advisers spend their time. Around a third of users said they spend 40% or more of their time on administration, a dramatic increase from only 11% last year. Meanwhile, only one in seven of Nucleus users spent more than 40% of their time with clients, down from one in five last year. This could be a consequence of complying with new regulatory requirements of Mifid II, GDPR and Prod introduced in 2018, requiring more time to be spent on making sure these were implemented effectively.

Despite these challenges, Nucleus users have increased the revenue of their businesses with 60% of firms seeing turnover of more than £750,000, compared to just over half in the 2018 census, and well above the industry average of £685,000.¹ With advice in demand the census revealed that the second biggest opportunity for firms is seen in building and improving their business, with 96% of users also saying they confident about the future of their business over the next three years.

To download a copy of the census, please visit <https://nucleusfinancial.com/census2019>

Barry Neilson, chief customer officer at Nucleus said "We are delighted with the response and feedback from our users for this edition of the census and thank them for taking the time in their busy days to provide such valuable insights. Our users are at the heart of everything we do so this census is extremely important to us to make sure Nucleus is aligned with their business needs.

"2018 was a challenging year for the financial advice market as a raft of new regulations including Mifid II, Prod and GDPR were introduced, increasing the burden of administration on firms. This data allows us to see how these challenges are impacting our users, and how we can help them navigate these and free up more capacity to deliver quality financial advice.

¹ Source: PIMFA: The Financial Adviser Market: In Numbers, V6, September 2018

“While capacity issues appear like they are going to persist, it is motivating to see advisers relish the opportunity, converting new business, understanding their clients more and looking to address any residual recruitment problems. They are rightly bullish on the outlook for their businesses and the market and we are keeping a close eye on how these numbers may change over the next 12 months.”

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For further information please visit www.nucleusfinancial.com or contact:

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About Nucleus

Nucleus is a wrap platform founded in 2006 by advisers committed to altering the balance of power in the industry by putting the client centre stage.

Since then, Nucleus has established itself as a major force for change. It is now one of the UK's fastest-growing platforms and the meeting point for over 870 adviser firms in total seeking to create better customer outcomes.

As at 31 March 2019, assets under administration on the platform were £14.8bn.

w: www.nucleusfinancial.com

t: @nucleuswrap