altro
PARTNERSHIP PROGRAMME

A PRACTICAL GUIDE FOR ACCOUNTANCY FIRMS

# Filling the void

## The advice gap, and who is placed to close it

Ninety-one per cent of UK adults have no financial adviser. Most of them have an accountant.

Altro, powered by Equity & General Financial Services
FCA authorised, No. 474163 · Partner-facing paper

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# What is in this paper

Why the advice gap persists, why it is widening for business owners in particular, and how an accountancy firm can close it for its own clients without becoming a financial adviser.



**PUBLICATION STATUS**

Partner-facing draft. Equity & General compliance should approve the final version before external publication, including the regulatory wording, the financial promotions and any reference to what a partner firm is paid.

# The scale of the problem

01

The lang cat's State of Advice Report 2025 marks ten years of tracking one of the most persistent failures in UK personal finance. The 2025 results are the starkest yet.

**9%**

of UK adults have paid for financial advice in the last two years. Unchanged from 2024, and down from 11% in 2023.

That means 91% of adults are navigating their financial lives without professional guidance. Not because they do not need it: the same research shows that 91% of those who *do* take advice find it valuable.

> The problem is not value. The problem is access.

The barriers are well documented. Around a third of adults say advice feels too expensive. Nearly a quarter do not trust advisers, rising to 27% among the over-45s, the very group most likely to need retirement planning. A further quarter do not know where to find an adviser. And 69% feel broadly confident managing their own money, until you ask them specifically about pensions, investments or what happens to the business.

There is a deeper problem than any of these. The advice market itself is contracting, and it is doing so in a way that is directly relevant to every accountant reading this.

# A market moving away from your clients

02

The lang cat's research identifies four types of advice gap: the affordable gap, the free gap, the awareness and referral gap, and the preventative gap. A fifth has emerged since Consumer Duty: the accidental gap, made up of clients an adviser has stopped serving.

The IFA market is contracting at both ends at once. Fewer firms, fewer advisers, and a narrowing focus on a particular kind of client.

**4,654**
IFA firms operating in the UK, below 5,000 for the first time since 2016, and down 408 firms in a single year.

**27,941**
financial advisers in total, down around 1% year on year.

**10%**
of single-adviser firms have left the market, the fastest-falling group of all.

What matters is where the remaining capacity is going.

**£411k**
average portfolio of a new IFA client, above £400,000 for the first time.

**Age 59**
average age of an IFA client. Only one firm surveyed has an average client age in their thirties.

The profession is consolidating around a specific demographic: wealthy individuals in or approaching retirement. A 47-year-old business owner, solvent and profitable, with most of their wealth tied up in the business rather than in investable assets, does not fit that target market.

> The IFA market serves 59-year-olds with £400,000 portfolios. Most of your clients are neither of those things, and the gap is widening.

# Why accountants hold the key

03

Half of all IFA respondents in the lang cat's research have stopped serving some clients because of Consumer Duty, up on last year and still rising. Where do those clients go? Most of them go nowhere. They are not picked up by another adviser. They do not find their way to a digital platform. They re-join the 91%.

> Unless their accountant steps in.

The advice gap is not, fundamentally, a shortage of need. Nor is it a shortage of willingness to pay: only 29% say they would never pay for advice. The barriers are trust, access and awareness. People do not know what advice involves, do not trust advisers they have not met, and do not know where to start. The research is clear that the single most effective route into advice is a personal recommendation from someone already trusted.

**That is exactly the position an accountant occupies.**

- **Trust built over years, not in a fact-find.** The 27% trust barrier that stops the over-45s seeking advice does not apply when the introduction comes from their accountant.
- **Context no adviser can replicate.** You know their income, their business, their pressures and their plans. An adviser starting cold would spend months building what you already have.
- **The referral relationship the research identifies as the primary route into advice.** For women especially, a trusted personal recommendation is decisive. You are that recommendation.
- **Face-to-face access.** Despite digital services, face-to-face remains the overwhelming preference across every age group. You are already in the meeting.
- **Sight of the cash.** 61% of people with more than £10,000 in investable assets hold it entirely in cash. You can see that directly. The question is whether anyone raises it.

The advice gap persists not because there is no demand, but because the trusted, face-to-face introduction never happens.

# The five conversations you are not having

04

The advice gap does not open all at once. It opens one unasked question at a time.

| CONVERSATION | WHAT IS BEING MISSED |
|---|---|
| **1. Retirement** | Most business owner clients have a vague intention to exit one day. Very few have a plan that connects the value of the business, their personal savings, their pension and the income they will actually need. |
| **2. Protection** | What happens to the family if the client dies tomorrow, and what happens to the business? For most owner-managers the honest answer is that nobody has worked it out. Key person cover, relevant life cover and shareholder protection sit unexamined. |
| **3. The mortgage** | For most households the largest monthly commitment there is. When rates move, the effect on take-home income can dwarf any tax saving on the accounts. |
| **4. Cash and investments** | 61% of people with more than £10,000 in investable assets hold it entirely in cash. You can see it on the balance sheet. The gap between a deposit rate and a plan is years of lost compounding. |
| **5. What are you building this for?** | Underneath every business decision is a personal goal: more time, a number in the bank, a legacy, security. Until that goal is understood, financial planning is tactics without a target. |

# Why the gap has persisted

05

The advice gap is not new. The lang cat has tracked it for a decade. The common explanations, cost and trust and awareness, are real, but they are symptoms of something structural.

The traditional model puts the adviser at the entry point. The client has to decide they are someone who needs financial advice, find a firm that will take them on, and start a cold relationship. That is a high-friction process, and it asks for a level of motivation most people never reach, even when the need is obvious.

The accountant's relationship with the same client works nothing like that. It is warm, continuous and built on years of shared context. The conversation does not start from scratch. The trust is already there.

Until now there has been no straightforward way to bring regulated financial planning into that relationship without disrupting it.

> The adviser model asks clients to go and find advice. The Altro model brings advice to the client, through a relationship where the trust is already built.

# What Altro is

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Altro is a structured financial planning partnership for accountancy firms, developed by Equity & General Financial Services, an independent financial planning firm established in 1997 and authorised by the Financial Conduct Authority.

It is designed around the accountant's relationship with the client rather than around the adviser's. Your firm stays at the centre of that relationship, and your clients get the regulated advice they have not been getting anywhere else.

## How it works in practice 07

| STAGE | WHAT HAPPENS |
|---|---|
| **Step 1 · The agreement** | The partnership begins with a simple FCA-compliant introducer agreement. No FCA registration on your part, no change to your professional indemnity cover, and no setup fee. Equity & General carry the regulatory responsibility. |
| **Step 2 · Identify opportunities** | Client data is reviewed together to find the clients most likely to benefit. You stay in control of which clients are approached, and how. |
| **Step 3 · Launch** | A communications plan is built with your firm. Everything the client receives comes from you, which keeps the data position clean and the trust anchored in your relationship. |
| **Step 4 · Engage and advise** | Equity & General's advisers carry out the client review, then give fully researched advice in a written report. Your client gets regulated financial planning; you stay in the relationship. |
| **Step 5 · Track and report** | You see what has happened to every introduction, and the commercial terms agreed with your firm are reported back to you. |

**COMPLIANCE NOTE**

The Altro route is an introducer relationship. No appointed representative arrangement is offered or discussed.

# In practice

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Andy Jackson is the founder of Buzz Accounting, an advisory-led practice built around three freedoms for its clients: financial freedom, time freedom and mind freedom. Buzz is an Altro partner.

## Andy Jackson

Founder, Buzz Accounting

“Alison had been a client for just over a year when I introduced her to Altro. She ran a profitable hair and beauty business, taking a sensible salary and decent dividends. By any compliance measure she was well looked after: books clean, tax filed, nothing late.

But I knew things a compliance measure does not capture. I knew her fixed-rate mortgage was expiring in four months. I knew she had a pension set up in her early thirties that she had not reviewed since. I knew the business was growing and she was working every hour of it. And when I looked at her personal balance sheet, the numbers were good but not joined up: meaningful savings sitting in cash earning almost nothing, and a business worth something with no idea what, or what she would need from it.

Before Altro I had no good answer to that. I could flag it. I could not solve it.

After Altro I made an introduction, and the adviser picked up from everything I already knew. No cold fact-find. No starting from scratch.”

## Within three months

1. A properly funded pension, with a target retirement income mapped back to what she had said she wanted from life after the business.
2. The mortgage refinanced six weeks before the fixed rate expired, on a plan that took account of the drawings she takes from the business.
3. Protection in place, so the family would not be exposed if something happened to her.
4. A personal balance sheet, for the first time, showing exactly where she stood and what the business needed to deliver.

Case study supplied by Buzz Accounting. Names and details have been changed.

# The three freedoms

## Financial freedom

She has a clear number: what the business needs to build, and what she needs in place by the time she wants to step back. The business stopped being a treadmill and started being a vehicle.

## Time freedom

With protection in place and the mortgage sorted, she stopped carrying financial anxiety into the working day. She had been quietly stressed about the mortgage for over a year without mentioning it.

## Mind freedom

She knows where she stands. She has a plan, and a team — accountant and financial planner — working from the same picture. The questions she used to push to the back of her mind now have answers.

> I already knew what she needed. I just had no way to deliver it. Altro gave me that, without adding to my workload and without sending her to a stranger who did not know her story.
>
> Andy Jackson, Buzz Accounting

# The financial case

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Most firms think about advisory work in terms of fee income. The partnership is intended to do something different: to build recurring income and, with it, capital value inside the practice.

**£250k**

potential recurring annual income for a firm supporting £25 million of investable client assets.

**£1m+**

potential capital value, based on market benchmarks for firms with assets under advice.

Recurring income from managed assets builds a measurable, saleable asset within the practice. It changes what the firm is: from a business that generates fees to one that generates and holds value.

For firms thinking about succession that matters twice over. The advice profession faces its own recruitment and succession problem, and a firm with a structured financial planning partnership is a more valuable proposition to a buyer than one without.

**TO BE CONFIRMED BEFORE PUBLICATION**

The two figures above come from the source draft. Their assumptions, the basis of the calculation and the commercial treatment all need to be confirmed by Equity & General, and the wording approved by compliance, before this paper goes to any firm.

# Common concerns, answered directly

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| QUESTION | ANSWER |
|---|---|
| **We are not FCA authorised. Can we still do this?** | Yes. Equity & General are authorised and carry the regulatory responsibility. Your role is to make the introduction. No FCA registration, no change to your professional indemnity cover, no compliance burden on your firm. |
| **Will we lose control of our client relationships?** | The model is built to prevent it. Everything the client receives comes from your firm. The advisers work alongside you, not instead of you. |
| **Is this just a referral arrangement?** | No. A referral sends the client elsewhere and hopes for the best. Here you help identify the opportunity, you shape what the client is told, and you see what happens to every introduction. |
| **What about Consumer Duty?** | Consumer Duty raised the bar for everyone with clients. All advice is given by regulated advisers, all client communication is agreed with your firm, and the introduction itself is recorded. |
| **We do not have time to add a service line.** | You are not adding one. Equity & General provide the advisers, the systems and the compliance. Your part is the introduction and staying in the relationship. |

# Human first, technology enabled

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The lang cat's report points to technology — hybrid models, digital platforms, subscription guidance — as part of the answer. Those innovations matter, but they mostly address how advice is delivered once someone has decided to seek it.

The harder problem is getting to that decision, and technology does not solve it. Face-to-face remains the overwhelming preference across every age group, and trust is what moves people.

> Technology removes friction. It does not build trust. That part is still yours, and you have already done it.

# Why now

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| FORCE | WHAT IT MEANS |
|---|---|
| **The advice gap is structural** | A decade of data says so. At 9% the figure has been static for two years, and Consumer Duty is pushing smaller clients out of advice faster than the market takes them back. |
| **The adviser market is contracting** | Fewer than 5,000 firms remain, the lowest since 2016, and single-adviser practices are falling fastest. |
| **The remaining capacity is moving upmarket** | Average new client portfolios above £400,000 and an average client age approaching 60 put most business owners outside the target market. |
| **Accountants are positioned to fill it** | The trust, the context and the face-to-face relationship are already there. What has been missing is the structure. |

# The decision

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- Ninety-one per cent of UK adults have no paid financial advice relationship.
- Most of your clients are in that 91%.
- They are not getting that advice from anyone else.
- The adviser who might have served them is increasingly focused on a different client entirely.
- The adviser who might have been their natural next step often has a minimum portfolio your clients do not meet.

The advice gap will not close on its own. A decade of data confirms that. It will close because professionals who already have the trust, the context and the relationships decide to use them.

> The clients are already yours. The trust is already built. Altro is the structure to act on it.

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# Talk to us

To go through the partnership and what it would look like inside your firm, get in touch. A partnership director will work through it with you.

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