Chartered Insurance Institute

THE ASIA-PACIFIC JOURNAL

THE VOICE OF YOUR PROFESSION

thejournal.cii.co.uk
December 2019 – January 2020

2020 VISION

WE LOOK AT WHAT'S IN STORE NEXT YEAR FOR THE INSURANCE PROFESSION

Swiss role
Swiss Re's chief economist takes stock of the market

Rain, rain, go away
Examining the impact of this year's flooding

Face time
The pros and cons of facial recognition technology

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Fast-track to Cert CII for Hong Kong insurance practitioners

Chartered Insurance Institute
英國特許保險學院

One of the most popular CII qualifications "Certificate in Insurance" can now be obtained by Hong Kong's Insurance Intermediaries Qualifying Examination (IIQE) paper I and paper II holders, through a faster pathway.

1. Redeem 30 CII credits with IIQE paper I and paper II, through CII online recognition of prior learning service. (cii.co.uk/prior-learning) *
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** The redemption of CII credits is subjected to terms and conditions*

KENNY SIU

STANDING FIRM

Kenny Siu reflects on the progress made by the CII in Hong Kong during a tumultuous year for the city-state

I am writing this letter as 2019 comes to an uncertain end. Despite the challenging situation in Hong Kong, which has witnessed much social unrest this summer, I believe each of you will remain professional and continue to work together to protect the professional standards of all the local players in the insurance industry. As always, the CII has also been working hard to maintain high standards of professionalism, through promoting knowledge exchange and developing collaboration.

Overall, 2019 was a very busy yet exciting and fruitful year. Lots more continuing professional development training was organised for members, new products and services were launched such as new underwriting and claims units, and we saw the introduction of a remote invigilation service that allows candidates to sit an exam in front of a webcam instead of in an exam centre. All of these are of great significance for the CII to improve and maintain professional standards in the region. I expect more new learning units and initiatives to be rolled out soon.

While we are tireless in working with our business partners, we have never relaxed our efforts in communicating with our members and the wider public. As you may have turned the pages of *The Journal*, you will find examples of this in action, including the Dive In event and industry conferences, new CII ambassadors, technical training courses, and the launch of the Chinese versions of the CII Hong Kong official website. A lot has been accomplished during the past 12 months and none of those achievements would have been possible without the generous support of our partners, management and colleagues. That support is propelling us to new heights.

> "WE SHALL CONTINUE TO FOSTER GREAT RELATIONSHIPS WITH REGULATORS AND PROFESSIONAL ORGANISATIONS, AS WELL AS BUILDING MORE KEY PARTNERSHIPS ACROSS THE REGION"

HIGH DEMAND

China's Belt and Road Initiative and the development of the Greater Bay Area will create huge demand for high-quality insurance and financial services in the region. To stand out from keen competitors, many insurance and financial firms are exploring ways to strengthen their service quality as well as the professional development of their staff. So, we will need to be well prepared and support the talent in the region with internationally recognised qualifications and technical training.

Looking ahead, there are still significant work to be done. We need to keep working hard on promoting professionalism to the insurance and financial services profession and we need to attract more new talent. To achieve this, we shall continue to foster great relationships with regulators and professional organisations, as well as building more key partnerships across the region to support us with local collaborations and promotions. We will also work with local institutes to deliver CII learning programmes to local students and CPD courses for industry professionals.

Lastly, on behalf of CII Hong Kong, I wish you all a happy new year and a prosperous and successful year 2020.

Kenny Siu is regional director of CII Hong Kong

CHINA

AGREEMENTS SIGNED IN CHINA

In Autumn, Keith Richards, CII managing director of engagement, led the CII to sign an agreement with China's Insurance Professional College (IPC) in Changsha city, China. The IPC is a specialised national institute for insurance education, now operating under the China Life Insurance (Group) Company and supports the China insurance industry with professional training. Under the signed agreement, IPC will promote CII qualifications to students in China and will also hold in-house examinations for CII learning units.

In addition, Sian Fisher, CEO of the CII, met with representatives of the People's Insurance Company of China (PICC) and an in-house examination agreement was signed. The agreement will enable PICC Shenzhen to invigilate CII examinations for its staff.

CHINA

CII ATTENDS REINSURANCE CONFERENCE IN SHANGHAI

In November, Keith Richards, director of engagement at the CII, attended the first Lujiazui International Reinsurance Summit in Shanghai.

The two-day summit provided the Asia-Pacific team with the opportunity to engage with professionals across the sector and establish key relationships, while raising the profile of the CII in China. A roundtable meeting was also held, during which Mr Richards was awarded the Global Reinsurance Specialist Certificate for his outstanding participation and contribution, presented by the deputy mayor of Shanghai Municipal Government.

MALAYSIA

CII SIGNS NEW AGREEMENT IN MALAYSIA

The CII signed an agreement with the Malaysian Insurance Institute (MII) in November, to strengthen their collaboration in the areas of professional qualifications, training, conferences, seminars and knowledge sharing in Malaysia.

The MII is a professional body and education institution in Malaysia, offering an extensive range of insurance education courses and training for insurance and financial service professionals. The agreement underscores the CII and MII's continued commitment to professional standards, with a key focus on sharing best practices on regulatory engagement, consumer education and awareness initiatives, as well as complementing MII's products suite with CII programmes.

HONG KONG

CII HONG KONG ORGANISES FUTURE INSURANCE LEADERS EVENT

On 18 October, CII Hong Kong hosted a networking event for the Future Insurance Leaders (FIL) programme, attended by about 90 young insurance professionals.

The event was focused on emerging risks within the insurance industry, including drone liability, cyber risk and parametric insurance. FIL is a young professional initiative of CII Hong Kong aiming to create networking and educational opportunities for young talented insurance practitioners.

HONG KONG

CII HONG KONG WEBSITE NOW SUPPORTS CHINESE READERS WITH CHINESE LANGUAGES

CII Hong Kong launched its Chinese website in November. The website is equipped with Chinese-language content and will help with promoting CII learnings to the Chinese market. CII Hong Kong will continue enhancing its online content and functions to deliver the best user experiences to students across the Asia-Pacific region.

INDONESIA

CII AMBASSADOR SUPPORTS LOCAL TRAINING IN INDONESIA

Russel Effandy, local ambassador of the CII in Indonesia, presented at three local insurance workshops during September and November, speaking on the topics of civil engineering completed-risks policy, construction and erection all risks, and reinsurance professionals.

The training is a benefit to the local market as they cover insurance knowledge on construction and engineering projects.

NEWS

FROM THE CII TWITTERATI »

@AshwinMistry_
Great to read Yutree Insurance Brokers have achieved Chartered status!! Well done to Kevin & team and welcome to the club! @yutreeinsurance @CIIGroup #chartered

@jemcokevin
Excellent @brokingsociety Board meeting this AM covering public trust, apprenticeships, member engagement & @CIIGroup New Generation initiatives. Lots to be done #insurancebroking

@RhysTaylor32
Really struck by @CIIGroup's "Insuring Women's Futures" paper on female financial resilience in UK. It is a must read. Representatives spoke about manifesto #MakeEachMomentCount at yesterday's @MICRA_Ageing

@KMoxham
Excellent guide from @CIIGroup in association with @scope on achieving an inclusive working environment for disabled people

@FortemEducation
A huge congratulations to one of our Directors @alexmacintyre1 who got his official confirmation of @CIIGroup Fellowship today. Well done Alex, what a huge achievement

@iancharris
Our prizes ready for the @BirminghamCII Presentation ceremony tonight celebrating success in @CIIGroup and @pfsconf examinations

#CIIGroup Twitter
17,625
Followers and counting...

CHARTERED

CII DELIVERS MORE WAYS TO SHOUT ABOUT CHARTERED STATUS

The CII has updated the toolkit for members to promote their Chartered status.

The Chartered toolkit was launched earlier this year and includes documents explaining what consumers can expect from a business that has achieved Chartered status, plus details of how to get a Chartered wall plaque and window stickers.

The toolkit now also includes a branded press release template for when firms want to inform the media about their achievement, plus branded social media graphics and website banners so firms can display their Chartered status online.

Sian Fisher, CEO of the CII, said: "Chartered status is a public declaration of the commitment a firm or individual is making to technical competence, care for the customer and giving back to society. We want to help our members celebrate and explain their commitment to their clients.

"Chartered status shows that a firm invests in its people with knowledge relevant to their role, that they uphold values that align with a publicly published code of ethics and attests to a willingness to exceed minimum standards."

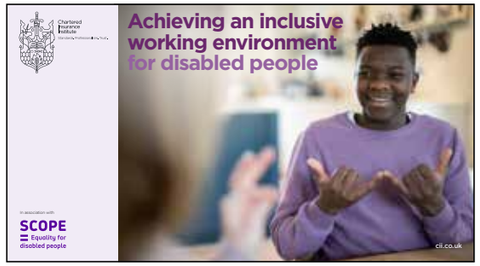
To download the toolkit, visit: **www.cii.co.uk/communicating-your-chartered-status**

INCLUSION

CII AND SCOPE LAUNCH DISABILITY IN THE WORKPLACE GUIDANCE

The CII has partnered with Scope – the disability equality charity – to develop guidance on reporting and developing a diverse, inclusive working environment for people with disabilities.

The insurance sector must face up to the need to do more to ensure everyone has the same access to employment. Those working in this profession need to collect and report on their workforce's disability data so that bosses can identify how many staff identify as disabled and how their experiences compare with their colleagues.



Scope found many employers collect this data but few publish it publicly or use it to understand where disabled employees face barriers at work, or use this evidence to inform plans to become more inclusive organisations.

The charity stated that publicly reporting disability data will show disabled people that the insurance profession is committed to creating an inclusive environment for disabled people to work in.

The report explains how to collect data, what kind of information should be gathered, plus ways to support the career progression of disabled members of staff.

For more guidance on achieving an inclusive working environment for disabled people and to read the full report, visit: **www.cii.co.uk/88063**

CLAIMS

PROFESSIONALS URGED TO MANAGE EXPECTATIONS

Society of Claims Professionals
Standards. Professionalism. Trust.

Four actions that claims professionals should take when dealing with subsidence cover are outlined in a new CII good practice guide.

The Society of Claims Professionals' (SoCP) Good Practice Guide for Subsidence states:

1. Each claim and request for cover must be treated individually.
2. The potential risk or cause of subsidence should be established to action an effective triage routine.
3. What other cover is available if subsidence is only one reason for damage should be identified.
4. Timing for action should be made clear – for example, policyholders should be warned that underpinning a property will take at least two years.

The six-page guide also highlights other material on subsidence produced by the insurance profession, which underwriters and claims professionals should be aware of.

Jeremy Trott, non-executive director of the SoCP, said: "Customer expectation of how quickly a claim will be resolved can sometimes be out of sync with the reality of investigating the claim.

"Try to be clear with your customer about the different processes involved and reasonable timeframes for each stage of that process. Managing expectations will allow you the time needed to process the claim properly, as well as reassuring the customer."

Read our subsidence article on page 44.

REGULATION

NEW FCA PLATFORM FOR DATA STORAGE

FCA FINANCIAL CONDUCT AUTHORITY

The UK Financial Conduct Authority (FCA) has announced details of its new platform for collecting and storing regulatory data from firms.

Gabriel, the FCA's main regulatory data collection system, is being replaced with a new online system, as originally announced in July 2019. Since then, the FCA has collected feedback from its online survey regarding proposed changes.

The published feedback in October 2019 highlighted three key areas for improvement:

- Accessing Gabriel – the feedback focused on the need for improvements to the speed of the system and support when accessing the system
- Viewing the Gabriel reporting schedule – largely related to the need for changes in the layout of the schedules and in viewing previous data submissions
- Submitting data – included the need for better guidance when making a data submission and advancements in the system's data validation processes.

Since then, the FCA has held roundtable events in London, Manchester and Edinburgh, meeting with firms and survey respondents who expressed interest in engaging with the regulator on the new system.

To find out more, visit: **bit.ly/2PqY3wq**

BROKING

CYBERSECURITY GUIDE LAUNCHED

Society of Insurance Broking
Standards. Professionalism. Trust.

The Society of Insurance Broking (SIB) has produced a good practice guide explaining what brokers need to do to ensure the cyber cover they recommend is suitable for their clients' needs.

The guide explains that, while all businesses need to understand their specific cybersecurity liability, brokers must be prepared to provide specific and customised cover, considering the unique impact a cyber-related incident could have on their client.

The guide explains that cybersecurity insurance should include cover for business interruption, multimedia liability or other reparation costs and must also consider making provision for future threats.

Four key priorities for broking cybersecurity cover, including security provisions for clients, are outlined.

They are:

1. Maintain good compliance with General Data Protection Regulation
2. Provide relevant cyber coverage
3. Understand how to respond to a cyber incident
4. Don't forget the basics.

For more information and to read the report, visit: **sib.org.uk/87864**

REGULATION

INSURANCE PROFESSION BRACES FOR WHIPLASH REFORMS

Both underwriters and claims professionals are bracing for the UK Whiplash Reforms, which are set to be introduced in April 2020.

The Whiplash Reforms are a package of measures introduced by the government to reform the way low-value personal injury claims arising from road traffic accidents (RTA) are handled.

According to the Ministry of Justice, the reforms will "reduce insurance costs for ordinary motorists by tackling the continuing high number and cost of whiplash claims".

David Williams, interim chair of the Society of Underwriting Professionals, said underwriters need to make sure they are on top of the changes, plus work to report the savings these deliver for consumers.

Mr Williams said: "With motor (insurance) pricing being a complex area, separating out the impact of just the legal changes might prove much more difficult than I think the government is expecting."

The reforms will reduce the financial compensation for injury by setting a fixed amount payable for injuries lasting less than two years and reduce the amount an insurer must pay in costs by increasing the small claims track limit from £1,000 to £5,000 for RTA-related claims.

For employer's liability and public liability, the limit is lifted to £2,000.

Read more on the UK Whiplash Reforms in our insurance 2020 outlook on page 28

LEICESTER

PRESIDENT RECOGNISED FOR RAF SERVICE

In November, representatives of the CII attended the annual dinner of the Leicester Insurance Institute, where president Julie Rayson-Flynn was awarded a medal for 24 years of adult volunteer service in the RAF Air Cadets.

The accolade was awarded by the Lord Lieutenant of Leicester, as personal representative of Her Majesty the Queen. Almost 300 guests attended the event, which supported the Matt Hampson Foundation as its charity.

Ms Rayson-Flynn said: "The theme of the dinner was our fantastic profession.

"I was honoured to be presented with the second bar to my long-service medal, which represents 24 years as an adult volunteer."

AWARDS

CII EXCEPTIONAL PERFORMANCE AWARDS

Amy Goillau accepts her two awards from CII CEO Sian Fisher

In November, the CII awarded several prizes for exceptional performance in qualifications.

The prizes are sponsored by a wide range of organisations within the insurance and financial services industry and covered areas such as best performance in single units or groups of core units and exemplary performance by those working in certain sectors of the profession.

The winners were:

Stanley Brown Prize
Jessica Grace Christiana Wynn, JLT Specialty Limited Awarded for achieving the best result in the Liability Insurances Unit M96.

The Dr Alexander Scott Prize
Emily McKie, AXA XL Services UK Awarded for achieving the best result in the Certificate in Insurance Market Specialisation.

The Colin Gilchrist Memorial Prize
Amy Goillau, Antares Underwriting Awarded for achieving the best result in the Certificate in London Market Insurance Specialisation.

The Crawford Prize (UK)
Amy Goillau, Antares Underwriting
Awarded for achieving the best result in completion of the Advanced Diploma in Insurance qualification for a UK candidate.

Entry for these prizes is automatic and can cover both UK and International candidates.

For more information on prizes awarded by the CII, visit:
www.cii.co.uk/qualifications-awards

INTERNATIONAL

KEITH RICHARDS NAMED IN 100 MOST INFLUENTIAL FIGURES

Keith Richards, managing director for engagement at the CII, has been selected by International Adviser (IA) as one of the 100 Most Influential figures in global financial services.

Mr Richards has more than 30 years' experience operating at executive level across manufacturing, distribution and intermediated professional advice.

He has acted as a figurehead within the sector and has been involved with various committees and thinktanks.

The IA 100 highlights the most influential figures within the global financial advisory and wealth management sectors, recognising excellent achievement and contribution to the profession.

INDIA

CII SOUTH ASIA BACKS BIMTECH COLLOQUIUM

The CII's south Asia team supported the Birla Institute of Management Technology (BIMTECH) in its recently organised third 'Insurance Colloquium' as its education partner.

The event took place in Mumbai in October 2019 at the MCA Club and included participation from key insurance professionals, academicians, regulator and students from across India.

Panel discussions covered two key topics: India's millennial insurance market – capturing and seizing the full potential; and India's geriatric insurance market – the need to explore and expand through Ayushman Bharat.

Chartered Insurance Institute

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Chartered Insurance Institute 英國特許保險學院

International Ignition study package

Ignition study package is the first step in CII's learning pathways that help building up technical knowledge. The Ignition study package includes:

- 12-mth CII ordinary membership
- One digital study pack and exam entry of your choosing unit
- Access to CII online supporting programme and mobile app "RevisionMate"
- Gain the designation "CII (Award)" by completing any award programme.

Optional award programmes:

- AWB – Award in Bancassurance
- AWF – Award in Financial Planning
- AWP – Award in Investment Planning
- W01 – Award in General Insurance
- W04 – Award in Customer Services in Insurance
- WH1 – Award in General Insurance (Hong Kong)

If you have any questions, please email: **hkenquiries@cii-hk.com**
For details and to enrol, please visit: **cii-hk.com/ignition**

FORWARD THINKING

Swiss Re's group chief economist **Jerome Haegeli** tells **Luke Holloway** how insurers can remain resilient in an uncertain economic climate

The current state of the global economy is given a stark summary by Jerome Haegeli, group chief economist for Swiss Re.

"It is weak, fragile and uncertain," says Mr Haegeli. "We see in our data that growth is already slowing down – half of Europe is stagnating or even in recession."

Speaking to *The Journal* at Swiss Re's launch of the *Sigma Global Economic and Insurance Outlook 2020/21*, Mr Haegeli warns that global economic growth will weaken in the next two years, but that the "engine" of global growth will be emerging markets in Asia and, in particular, China.

"In 2019, the US has seen fairly strong growth, however, austerity from the past; lower interest rates; changes in tax; and now the burden of the trade war; is all taking its toll on the US as well as other major economies.

"Risk number one is the trade war – the escalation of trade tensions between the US and China. It is not going away anytime soon and that is why the global economic outlook is soft, no question about that.

"On top of that, it is fewer than 10 years since the global economic crisis and since then, global debt has increased by $70trn (£53.1trn), negative yielding debt went from zero to $30trn (£22.8trn) and, despite huge fiscal expansion and massive monetary policy action, economic trade growth and productivity globally is low at about 2%. I would say that today, it is less resilient in terms of its capacity to absorb new shocks than it was 10 years ago."

That is why, according to Mr Haegeli, it is important for the insurance sector – not just for shareholder benefit, but also for economic stability – to look for ways to further lower protection gaps.

"Swiss Re estimates the protection gap at $1.2trn (£911bn) globally, in premium-equivalent terms. That is a record high level and double the amount it was 10 years ago," he explains.

> I THINK WE ARE AT AN EARLY STAGE OF UNDERSTANDING THE TRUE EFFECTS OF CLIMATE CHANGE AND WE AS AN INDUSTRY MUST DO MORE

STAYING SHARP

So, what else can insurers do against a backdrop of an uncertain economic climate to make sure they remain resilient?

"Underwriting discipline. I almost don't want to say it as it sounds so simplistic, but we need to keep up underwriting discipline," says Mr Haegeli. "It is vital that insurers have a good understanding of investment risks on the asset management front. If you break down the profitability of an insurance company, almost 50% of all of investments are in the triple-B space, which means 'be cautious' – you must have good steering on investment strategy and asset location and be able to react swiftly.

"Also, insurance companies that can differentiate themselves and stand out from the crowd will succeed. Those that embrace technology, especially within underwriting, increase digitalisation and are early adopters of automation – that will differentiate you positively."

Mr Haegeli stresses that insurance remains a hugely significant market that can continue to experience growth even in an economic environment that is softening.

"Growth maybe not in your typical, close neighbourhood, but further away, so having the ability to tap into new, different markets is going to be a huge factor," says Mr Haegeli.

"China has made huge progress in the last 20 years, but if you also look at Taiwan and South Korea for example, there is a huge pent-up demand for insurance. If you look at most economies where there is growth, Asian economies are at the sweetspot.

"This supports analysis that even if you have a weak economic backdrop, if you tap into these markets it is great for these economies, great for the companies and for the sector overall."

CLAIMS CONUNDRUM

With a clear increase in the claims costs of natural catastrophe (nat cat) events, how much of this is directly related to climate change and are trends changing irrevocably?

"Yes, climate change is happening," explains Mr Haegeli. "The cost of nat cat events is also larger because you have more economic wealth being concentrated in areas that are more exposed to these events. Urbanisation has progressed rapidly in the last 20 years and economic output is also larger than 20 years ago, so all this means nat cat events are becoming more costly.

"I think we are at an early stage of understanding the true effects of climate change and we, as an industry, must do more. Climate change is a systemic risk. The UK has been at the forefront of climate change research globally, on the policymaking front, and we must thank them for that. Now, we must conduct further analysis and do more to incorporate these risks into our thinking and modelling."

At the start of a new decade, Mr Haegeli feels that organisations like the CII will be more important than ever, especially at times of economic and political uncertainty both for firms and customers.

"It is really, really important to have institutes such as the CII. Times are more uncertain, so if you have strong institutions, standards and principles, it is something we can rely on and that helps our industry to operate.

"With so much information out there, things can become less transparent for customers, so you need strong professional bodies that can carry that weight and support the insurance market," he adds.

And what are the main areas of focus for insurance in 2020 and beyond? "Three things: technology; climate change; and Asia, China and other emerging markets. These are the three defining characteristics of the insurance market landscape for the next 10 years," Mr Haegeli predicts.

"The good news is, if the insurance profession can do a better job at narrowing protection gaps and getting access to risk pools, it is not just good for the shareholder, it is also good for economic stability. It will be good for wider society and it is an important responsibility for our profession," he concludes. ●

***Luke Holloway** is editor of the CII*

FUTURE FINANCE

Following the launch of the IWF manifesto, **Emma Ann Hughes** reveals what action has been proposed to improve women's financial futures

Insuring Women's Futures (IWF), an initiative led by the CII, has revealed what action the profession will take to improve women's finances in the future.

At the unveiling of the IWF manifesto at the BFI Imax in London in November, action being taken to equip and empower women to improve their financial futures was unveiled. This included:

- Government be lobbied for changes to auto-enrolment, pension freedoms and sharing rules to make sure the gender pay gap, motherhood, caring and relationship breakdowns do not create impoverished female pensioners in the future.
- Insurers have committed to offer flexible working and to develop inclusive practices for all consumers in a move to improve women's financial futures. Insurers have also been called upon to modernise their approach, to help better inform female customers about how their life circumstances impact on the products they buy and the service they receive.

Other recommendations outlined by the IWF initiative include:

- Equipping young women to make financially informed study choices.
- Including the employer's pension contribution in gender pay gap reporting.
- Setting out a strategic priority for financial guidance bodies to promote gender inclusive financial engagement and wellbeing approaches.
- Creating a national conversation around care including carers' pensions.
- Collecting and using gender disaggregated data to inform policy and supervision.
- Use of the themes of Insuring Women's Future's Financial Wellbeing Guide by guidance providers.

> WE NEED TO EMPOWER PEOPLE TO COME TOGETHER TO TALK ABOUT THEIR FINANCIAL LIFE

SOCIETAL ISSUES

Jane Portas, author of the manifesto and co-founder of IWF, said: "Together we have the power to make practical, meaningful and lasting change. These cross-cutting recommendations present an opportunity for each and every one of us to act in the Moments that Matter and by doing so we will all benefit from change."

Yvonne Braun, director of policy, long term savings and protection at the ABI, led the IWF pensions workstream which looked for ways to remove barriers and support women's access to pensions. Ms Braun said: "We need to change pensions policy, employment laws and have a wider societal conversation. The vast majority of part time workers are women and if they earn less than £10k per year they are locked out of automatic enrolment.

"With this manifesto we are saying that the rules need to change so if you pay national insurance contributions, you also benefit from employers' contributions, pensions tax relief and have a pension of your own."

Sian Fisher, chair of IWF and CEO of the CII, said: "We know some of the issues needing to be addressed are deep-rooted and will take time to have full effect. We need to empower people to come together to talk about their financial life.

"I am pleased to see the insurance profession step up and act to help women improve their financial futures. By improving women's financial futures, we help secure everyone's financial futures."

PENSION GAP

At the IWF event, the Personal Finance Society (PFS) confirmed it will push for changes identified by IWF as vital to end the gender pension gap.

The measures identified by IWF as vital to make sure women do not end up poorer in retirement than their mother's and grandmother's generations included:

1) Auto-enrolment earnings eligibility limits should be reduced and net pay schemes should be amended to provide tax relief for low earners.

2) Shared parental leave rights and pay should be equalised. Too many women are currently suffering a pension penalty because they take on the bulk of family care.

3) Spousal consent should be required in relation to defined benefit transfers, to ensure dependents are engaged in the decision.

4) The law should be changed to make pensions sharing the default position. Pension scheme rules should be changed to allow an ex-spouse to continue to participate.

5) To improve access to advice, the government should allow the Pensions Advice Allowance to be used for divorce.

6) Pensions valuations should be simplified through standardisation and made more meaningful to support longer term decision-making.

7) Employers should be required to include employer pension contributions as part of gender pay gap reporting and to disclose gender pension contribution gaps.

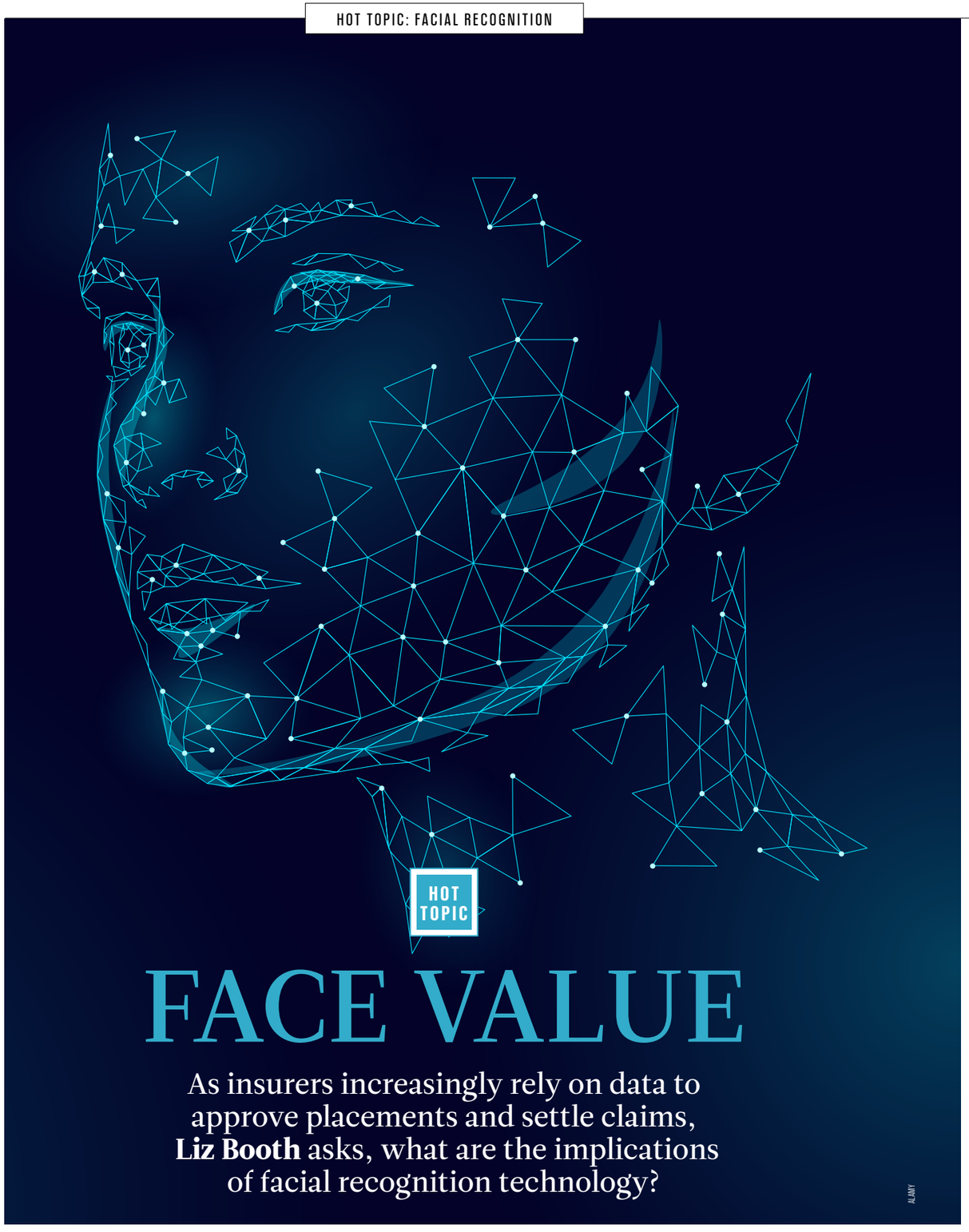
8) Where employees are changing working arrangements, employers should have to prompt staff to consider the impact on their financial future.

The PFS will meet with government to push for the pension policy changes outlined above.

Ms Portas said: "More needs to be done to improve pensions equality: to allow all women access to pensions, to support women to attain an adequate pension reflecting their whole contribution to our society, and to allow women to enjoy fair and equal outcomes when relationships break down."

Keith Richards, CEO of the PFS, said: "Women's pensions rights need to be improved to make sure they do not end up impoverished in retirement. The Personal Finance Society is going to engage with policymakers to push for changes to auto-enrolment and pension freedom rules, to improve financial outcomes for women."

Emma Ann Hughes is communications director of the CII



FACE VALUE

As insurers increasingly rely on data to approve placements and settle claims, **Liz Booth** asks, what are the implications of facial recognition technology?

ALAMY

Technology has proved to be a huge enabler, allowing people and businesses to make massive strides forward. However, there is always a flipside and it now seems that the right to privacy may start to trump all other concerns when it comes to technology usage.

Take the European Union's General Data Protection Regulation – it is aimed squarely at businesses that ignore an individual's right to privacy. And the Europeans are not alone in introducing such safeguards.

Now it seems the regulators may have another technology in their sights – facial recognition.

Cameras have already proved incredibly useful. It is almost impossible to step out of your house, almost anywhere in the world, and not have your journey tracked.

They are extremely beneficial for police forces and for those wanting to minimise crime, of course. But they are also useful for the insurance profession, which routinely uses CCTV footage to validate or reject a claim. Businesses have been installing dashcams in their vehicles, monitoring both the road ahead and the behaviour of their own drivers – again, an extremely useful tool for insurers after an accident.

NEXT STEP

Now however, the profession is going one step further and utilising facial recognition cameras. Again, there are many plus sides, such as ensuring you are who you say you are when withdrawing money from an ATM – already in situ in some US banks – and the technology is beginning to be used by motor manufacturers so only the rightful owners can drive the car. In both instances, the insurance profession will benefit.

Another likely benefit is that the technology can also be used to pick up minute changes that could indicate a health problem. In the US, Lapetus, an insurtech startup, has developed facial recognition technology to aid insurers in pricing life insurance premiums.

However, all is not rosy in the garden.

There are emerging fears about the use of this technology and whether it invades people's privacy. Should individuals know that when they walk down a particular street, the technology is not only watching them but identifying them?

The World Economic Forum (WEF) has already waded into the debate and in September produced a report in which it warned governments to take people's privacy into account.

Kay Firth-Butterfield, head of artificial intelligence at WEF, is quoted as saying: "The problem is really twofold. Firstly, with the government use of facial recognition technology and then also with the company use of facial recognition."

The bigger issue, Ms Firth-Butterfield says, is about asking: "when does use (of facial recognition technology) by the government amount to security, compared to the invasion of our civil liberties?"

This is where insurers need to be mindful, as the first litigation is already appearing.

In the UK, for example, *The Guardian* reported the case of an office worker who believes his image was captured by facial recognition cameras when he popped out for a sandwich in his lunch break.

Supported by the campaign group Liberty, Ed Bridges, from Cardiff, raised money through crowdfunding to pursue the action, claiming the suspected use of the technology on him by South Wales Police was an unlawful violation of privacy. He argued that it also breaches data protection and equality laws.

By August, the UK's biometrics commissioner were also joining the debate, describing the use of facial recognition on land by King's Cross station in London as "alarming".

The *BBC* reported biometrics commissioner, professor Paul Wiles, as saying the government needed to update the laws surrounding the technology, for both the private and the public sector.

Meanwhile, in San Francisco, according to reports in *The New York Times*, the authorities have banned the use of the technology by the police and other agencies.

WHAT PRICE INNOVATION?

Back in the UK, the Information Commissioner's Office (ICO) is also concerned. →

£5.5bn

THE FACIAL RECOGNITION INDUSTRY IN THE US IS EXPECTED TO GROW FROM £2.5BN IN 2019 TO £5.5BN BY 2024

Source: Component

> INSURERS WILL NEED TO WATCH THIS SPACE CAREFULLY TO SEE HOW AND WHEN SUCH TECHNOLOGY CAN BE ADOPTED AS WELL AS MONITOR HOW THEIR CLIENTS MIGHT BE USING THE TECHNOLOGY, OR ELSE FACE THE PROSPECT OF RISING DEFENCE CLAIMS AS THE LIABILITY QUESTIONS MOUNT UP

It has demanded a new statutory code to govern police use of "invasive" facial recognition technology. The watchdog's investigation follows the August incident over its use at King's Cross station, in which it determined the technology was a potential threat to the public's privacy.

Jason Tooley, chief revenue officer at biometric authentication firm Veridium, says: "Police forces across the country halting facial recognition trials due to public backlash is a huge step backwards and puts innovation at risk."

He warns: "There is increasing concern in the community that regulators such as the ICO will take too much of a heavyhanded approach to regulating the technology and we must absolutely ensure innovation is not being stifled or stopped. It is in the public interest for police forces to have access to innovative technology such as biometrics to deliver better services and safeguard our streets."

He also suggests it is all about public perception and acceptance, saying a strategic approach, using other biometric techniques that have greater levels of acceptance such as digital fingerprinting, would ensure a higher level of public consent due to their maturity as identity verification techniques.

"Considering the rapid rate of innovation in the field, adopting an open biometric approach that enables the police to use the right biometric technique for the right scenario, taking into account varying levels of maturity, will see the benefits associated with digital policing accelerated," he adds.

The use of this technology has started with the police and Mr Tooley is confident: "If the police adopt a transparent policy on how biometric data is interpreted, stored and used, the public's data privacy concerns can be greatly alleviated, which will in turn trigger consent and wider acceptance."

CONSUMER CONCERNS

Some of the questions that consumers are likely to want answered from insurers include:

- What controls are there in terms of the questions I can be asked?
- What controls are there in terms of where that data ends up?
- Would it be equitable if an insurance company were to deny me health insurance based on the predictive abilities of facial recognition?

For the insurance profession, he says: "Managing expectations around biometrics and how the technology will be used is crucial, especially in surveillance use cases. Concerns over data privacy can also be eliminated if sensitive biometric data is stored in the correct way."

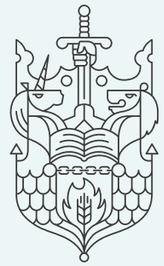
Insurers will need to watch this space carefully to see how and when such technology can be adopted as well as monitor how their clients might be using the technology, or else face the prospect of rising defence claims as the liability questions mount up.

Finally, they might also want to think about how they can use the technology internally. Insurance companies in Asia are already reported to be using facial recognition to record client interviews, so they can spot when customers are lying.

China's Ping An Insurance is one firm increasingly using facial recognition technology to record the faces of customers and its own staff to verify their identities, as well as a fraud deterrent.

The key, as with much of technology, appears to lie in the permissions. If customers have given their authority for the technology to be used – and understand the implications of that – it is much more likely to be accepted.

Liz Booth is a freelance journalist



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The CII takes a look at what's new on the policy and public affairs front this month

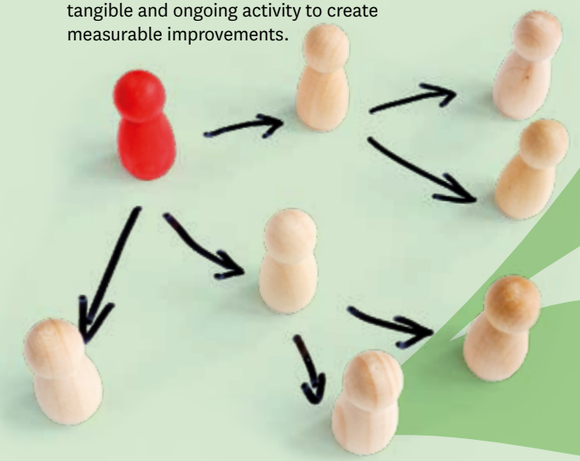
WHAT'S ON THE RADAR?

1 SENIOR MANAGEMENT AND CERTIFICATION REGIME

The Senior Managers and Certification Regime (SMCR) came into effect for solo firms – those that are only regulated by the UK Financial Conduct Authority (FCA) and not by the Prudential Regulation Authority – on 9 December. This will include thousands of brokers. Firms are unlikely to see a big difference from one day to the next on SMCR, in contrast with other regulatory changes that require new documentation to be given to clients or changes in remuneration. However, the SMCR will have a profound effect on the way firms relate to the FCA in future.

In the past, the FCA's focus has been more on the the management team collectively, unless something has gone very badly wrong with a firm, in which case the CEO, or in some cases the compliance director or risk director, has had enforcement action taken against them as individuals. In future, the SMCR will make the FCA look at lines of individual responsibility in a more formal way, looking at the part individual managers play in influencing and improving operational and conduct outcomes.

The focus will not be on enforcement and punishment for the vast majority of firms, but there will be an expectation that firms will be able to show who is responsible for what within each business and, crucially, that if anything is not working properly there should be evidence of the individual responsible for that element of consumer outcomes taking steps to make things better. The expectation will not be for perfection, but for tangible and ongoing activity to create measurable improvements.



2 FCA CONSULTS ON OPERATIONAL RESILIENCE

The UK Financial Conduct Authority (FCA) has published a consultation paper on operational resilience, which also applies to Solvency II firms. It covers many issues that are not usually associated with conduct regulation, such as levels of customer service for fundamental processes such as renewing contracts and the ability of firms to manage cyber risks.

It sets out a process for firms to achieve strong levels of operational resilience, which includes:

- Identifying important business services and the resources – including people, processes, facilities, information and technology – that support them;
- Setting impact tolerances for each important business service;
- Scenario testing;
- Conducting 'lessons learned' exercises;
- Developing internal and external communications plans to prepare for a crisis, and maintaining a self-assessment document to understand where the organisation stands in relation to operational risks.

Many of the most high-profile operational failures in recent years have taken place in the banking sector – for example, banking platform software failures causing mass disruption. However, given the involvement of insurers in many high-profile events, from flooding and fire to credit insurance in periods of extreme financial turbulence, it is likely that the operational framework of insurers will also come under scrutiny, especially as explicit regulatory standards are now coming into force.

The consultation will run until 3 April 2020.

EXIT RISK

Directors of companies that fail to prepare for Brexit could face action. **Liz Booth** asks whether insurers will be picking up the tab

As we head towards another Brexit deadline at the end of January, insurers are being warned to expect a spate of Brexit-related claims.

The concern is that directors may well be sued (regardless of the Brexit outcome) for having mismanaged their business through the Brexit maze.

However, from an insurer's point of view, it may not be all bad news. Because if businesses are sued, insurers may not have to pay out for defence costs. The experts believe that, unless directors can show they kept their insurers up to date with Brexit plans, insurers will not face payouts.

Mactavish is among those that have warned UK companies "face major liability risks for failing to prepare adequately for Brexit and directors may not be covered by their director's and officers' (D&O) insurance".

38% OF INSURANCE PROFESSIONALS THINK A BAD BREXIT WILL MEAN MORE BUSINESSES MAKING INSURANCE CLAIMS

Source: Premium Credit

HIGH RISK

Other research, this time from Premium Credit, shows that 37% of the 53 insurance brokers surveyed in February 2019 believe there is a high risk of company directors being sued by investors and other stakeholders for not preparing for a worst case scenario Brexit properly. A further 19% think there is a 'slight' chance of this happening.

It also finds that 38% of insurance professionals believe that a bad Brexit will lead to more businesses making insurance claims, due – for example – to a higher level of business interruption risks. Some 15% think there will be a significant increase in businesses doing this.

When it comes to commercial risks and potential claims in the event of a poor Brexit that insurance professionals are concerned about, 38% cite D&O cover, followed by 31% saying business interruption risks/insurance claims.

And in agreement with the Mactavish findings, almost half (42%) the survey respondents believe there is a risk of commercial insurance claims linked to Brexit being rejected.

Preparation is not restricted to insureds – insurers themselves also need to be ready. The regulators have been making it clear throughout the year that companies must be prepared – wherever they are based. For example, the UK regulator has stressed the importance of preparation many times, while even the US Securities and Exchange Commission has been warning companies to share their Brexit plans with investors, to avoid problems down the road.

WHAT CAN BE DONE?

The key to ensuring Brexit-related claims are successfully settled is down to the planning. Insurance broker the ICB Group has been warning throughout 2019 that "it's crucial for your organisation to prepare for any possible scenario".

It warns that failure to generate and document comprehensive continuity planning would expose senior managers to serious D&O liability risk if the organisation suffers a performance problem or interruption following Brexit.

A spokesperson for ICB points out: "In fact, the Insurance Act 2015 emphasises that senior-level management must properly investigate their business risks and disclose them to their brokers. With this in mind, organisations that possess improper documentation of Brexit preparations could suffer hefty legal expenses from disgruntled stakeholders and invalid insurance policies."

ICB suggests that topics should include supply chain risks, data transfers, international trade, worker status and proper budgeting. ●

Liz Booth is a freelance journalist

CONNECTED RISK

As the number of internet-enabled devices continues to increase, **Sam Barrett** looks at the business interruption and cyber cover

Businesses have taken steps to protect their operations from traditional perils such as fire, flood and theft for many years. But as more processes are connected to the internet of things (IoT), new risks are emerging.

By 2020, 20.4 billion devices will be connected, according to Gartner, with this technology enabling businesses to automate manufacturing processes and production lines.

With so many operations connected, the ramifications of being hacked can be much broader than losing a piece of machinery in a fire or flood. "If you have an operational risk where you lose your computers, you might bring the whole company to a standstill," warns Frederique Hardy, director of forensic accounting services at insurer Crawford.

Restoring systems does not necessarily resolve the problem either, with the potential for much longer lasting effects. As an example, Tom Clayton, senior cyber underwriter at Zurich Insurance, points to a drug manufacturer. "Once the production lines are up and running again, they would need to run through a series of regulatory checklists to be sure they were producing the right drugs," he explains.

These attacks can be incredibly costly. For example, energy company Norsk Hydro suffered a ransomware attack in March 2019, affecting more than 22,000 computers across 170 different sites in 40 countries and forcing it to halt many production lines. "They didn't pay the ransom, which won them some good publicity, but the attack still resulted in a loss of more than €50m (£42m)," says James Burns, cyber product leader at CFC Underwriting.

Unfortunately, while an organisation might regard this as a valid claim, if there is no physical damage, a traditional business interruption policy will not necessarily respond.

INSURANCE RESPONSE

For many insurers, the response to this emerging risk has been to exclude non-damage business interruption altogether, to remove the risk of a potentially huge exposure to silent cyber. For instance, from January 2020, Lloyd's requires all insurers to provide clarity by either excluding it or providing affirmative coverage.

Cyber insurance is an option, with policies covering the losses arising from a business interruption caused by an organisation being hacked. As it's a relatively new market, Mr Burns says that policy wordings vary considerably: "The market is very inconsistent. We offer a waiting period of eight hours but on some policies, it can be as much as 24 hours. Brokers and their clients need to be aware of these differences."

It is also important to have the correct indemnity period. While most computer systems can be restored relatively quickly, losses relating to the outage can be felt long after the production lines are back to normal. This could include operational disruption but also cancelled contracts and lost business.

Cover is evolving. Piers Tuggey, underwriter, cyber and TMT at Axa XL, says he sees increasingly frequent requests for coverage extensions to include off-premises third-party technology providers such as cloud service providers and enterprise resource planning software. "Clients are also seeking cover for their supply chain on as broad a basis as they can achieve," he adds. "This poses significant challenges for insurers from an exposure-management perspective."

> FOR MANY INSURERS, THE RESPONSE TO THIS EMERGING RISK HAS BEEN TO EXCLUDE NON-DAMAGE BUSINESS INTERRUPTION ALTOGETHER, TO REMOVE THE RISK OF A POTENTIALLY HUGE EXPOSURE TO SILENT CYBER

32%

OF UK BUSINESSES EXPERIENCED A CYBER BREACH OR ATTACK IN THE PREVIOUS 12 MONTHS

Source: UK Gov

Another key element of cover is the emergency response service, giving policyholders access to forensic, legal and communications specialists to help mitigate losses following an attack.

SELLING CYBER

But, while cyber can support the growth of the IoT in the industrial space, it remains a difficult sell, with penetration only about 11% and concentrated in the larger end of the market, according to Zurich's Mr Clayton. He says it is often seen as an unwelcome additional expense. "It's not like a hardening market where the risk manager has to justify additional cost, it's a whole new expense line for a business and it often needs board approval. Clients I started speaking to two years ago are taking out cover now. It takes time."

And, while it may be difficult to get cyber insurance on the board agenda, the statistics show there is a real need for cover. Figures from the UK government's Cyber Security Breaches Survey 2019 state that 32% of businesses experienced a cyber breach or attack in the previous 12 months, with 48% of those who were attacked identifying at least one breach every month. "It is a real threat," adds Mr Clayton. "No business would think twice about taking out insurance for fire and flood but, as these statistics show, the risk of a cyberattack is much higher."

Sam Barrett is a freelance journalist

GETTING SMARTER

The cyber risk associated with the IoT can leave some business owners tempted to return to more traditional methods of manufacture, but the IoT technology can also help to reduce risk.

Smart offices and warehouses deploy a variety of technologies that can help to reduce claims. Sensors can monitor everything from air quality and temperature to water flow, alerting the building manager if something unexpected, such as a leak or increased temperature in an electrical system, are detected.

As well as fewer claims on the property cover, the IoT can also lead to fewer accidents, with benefits for liability and health cover. For example, by using sensors to understand how employees work, an organisation can provide appropriate training or design a more ergonomic production line.

ISTOCK

INSURERS COUNT COST OF UK'S WET WEATHER

The UK has seen weeks of wet weather, with a month's rain falling in a 24-hour period several times. **Liz Booth** examines the consequent impact on insurance

The phrase 'it never rains but it pours' has never seemed so apt, as the UK struggles to deal with relentless rain. Those affected have been looking to their insurers to step in after hundreds of homes and businesses across north and central England were left underwater – often for days at a time in November 2019.

Insurers have faced plenty of challenges – not just in terms of physically assessing damage and checking whether insurance is valid but also in terms of reputation.

One householder in Fishlake (a village few people had heard of before the floods) summed up the difficulties. Looking for someone to blame, she said someone must be accountable – there have been no floods in the village for 100 years and now someone should take responsibility.

And therein lies the challenge – can the government afford to provide flood defences for villages that have not flooded in 100 years? Can the insurance profession find models that reflect the new risk of those one-in-100-year floods happening more frequently? And is it actually a risk?

In the meantime, insurers have been criticised by the national media every time a policy is found wanting.

ACROSS EUROPE

- In European Economic Area (EEA) member countries, the total reported economic losses caused by weather and climate-related extremes during the period 1980-2017 amounted to approximately £385bn.
- Average annual economic losses in the EEA member countries were £6.3bn during the period 1980-1989, £11.4bn during 1990-1999, and £11.9bn for 2000-2009. Between 2010 and 2017, average annual losses were about £11bn.
- Specifically, more than 70% of economic losses were caused by less than 3% of all unique registered events.

Source: European Environment Agency

ISTOCK

INITIAL ABI ESTIMATES

- So far, 4,039 flood claims have been received: 2,250 of these relate to flooded homes and businesses; 1788 to damaged vehicles.
- Of the estimated £110m payout, £45m covers damaged homes and possessions, £58m is for business property and stock, and £7.5m relates to damaged vehicles.
- The average household flood claim is likely to be about £31,000, while the figure is £70,000 for a flooded business; this compares to the average claim across all insured risks of £2,200 under a home insurance policy and an average claim of £11,500 on a commercial policy.

Source: Association of British Insurers

Householders and small business owners have admitted they did not read the small print to find a new flood exclusion added to their policy, but that has not stopped the criticism.

RAPID RESPONSE

Mohammad Khan, general insurance leader at PwC, has a more positive message: "This is clearly a very difficult time for those who have been impacted by the floods. However, the UK insurance industry is better prepared for the floods that have occurred and is responding as quickly as possible to ensure that affected policyholders are having their needs met."

And the Association of British Insurers (ABI) says insurance payouts to people hit by the recent floods in Yorkshire and the Midlands are expected to reach £110m.

Recent research shows that, in fact, £1.1bn a year of flood damage is being prevented by the UK's current network of river barriers and defences. The modelling, based on thousands of simulations of weather events with and without flood defences, was commissioned by insurer Flood Re and conducted by software company Risk Management Solutions.

The research shows that inland flooding would, on average, cost almost three times more on an annual basis without the defences – a bill of £1.8bn rather than £0.7bn across the whole of the UK.

Other findings include:

- Residential properties benefit from 42% of the average annual savings – the highest proportion of all assets analysed.
- The more deprived 50% of the residential population benefits from 70% of the reductions in flood losses due to defences.
- Relative to the total damage floods could cause without defences, the benefits of defences are largest for more frequent, less severe flooding such as might be expected to happen once every five years – the financial impact of these less severe floods is reduced by 68% on average.

NATIONAL BENEFITS

In early November, Flood Re, the not-for-profit, joint initiative created by the government and the insurance profession, released data on the number of homeowners benefiting from the scheme in flood-prone areas across the UK. Since the scheme was set up, more than a quarter of a million homes across the UK have benefited.

Independent research has shown that the majority (93%) of householders whose property has flooded previously are able to receive quotes from five or more insurers – compared to 0% before the introduction of the scheme – and four out of five with previous flood claims have been able to find quotes that are more than 50% cheaper.

The National Flood Forum has also launched a new Flood Risk Communities' Charter, which includes a list of recommendations to ensure that communities feel safe in the face of the increasing threat of flooding due to climate change.

Maybe the insurance profession needs to get this message across to the public? ●

***Liz Booth** is a freelance journalist*

As 2020 fast approaches, the heads of the CII's societies have been making their predictions for the year ahead.

So, does the profession face insurmountable challenges or endless opportunities in 2020?

LOOKING AHEAD

Emma Ann Hughes explores what 2020 has in store for insurance professionals

WHIPLASH REFORMS

As always, rule changes loom on the horizon for the profession in the next 12 months. Both underwriters and claims professionals revealed at the start of the year they are bracing for the UK Whiplash Reforms set to be introduced in April 2020.

The Whiplash Reforms are a package of measures introduced by the government to reform the way low-value personal injury claims arising from road traffic accidents (RTA) are handled. According to the Ministry of Justice, the reforms will "reduce insurance costs for ordinary motorists by tackling the continuing high number and cost of whiplash claims".

David Williams, interim chair of the Society of Underwriting Professionals, says underwriters need to make sure they are on top of the changes and work to report the savings these deliver for consumers.

Mr Williams says: "With motor insurance pricing being a complex area, separating out the impact of just the legal changes might prove much more difficult than I think the government is expecting."

The reforms will reduce the financial compensation for injury by setting a fixed amount payable for injuries lasting less than two years, and reduce the amount an insurer must pay in costs by increasing the small claims track limit from £1,000 to £5,000 for RTA-related claims.

For employer's liability and public liability, the limit is lifted to £2,000.

Sue McCall, chair of the Society of Claims Professionals, says: "The headline result of this increase is that those claims valued below the new limits will no longer result in costs recovery.

"The expectation is that there will be a far greater number of litigants in person. This will bring with it the need for more time spent per case in explanation and communication."

Ms McCall says the profession should note that a portal for whiplash claims is being developed and is expected to be in place by April 2020.

She says: "We may see a surge in reported motor claims ahead of the reforms, as we did prior to the introduction of the Legal Aid, Sentencing and Punishment of Offenders Act 2012."

> WITH MOTOR INSURANCE PRICING BEING A COMPLEX AREA, SEPARATING OUT THE IMPACT OF JUST THE LEGAL CHANGES MIGHT PROVE MUCH MORE DIFFICULT THAN I THINK THE GOVERNMENT IS EXPECTING

DUAL PRICING

The Society of Underwriting Professionals' Mr Williams says that in early 2020, the Financial Conduct Authority (FCA) is also expected to produce a final report on dual pricing, outlining new rules to address what the watchdog considers to be bad practices.

Mr Williams, who is also managing director of underwriting and technical services at AXA Insurance, says the FCA's rules could have quite a dramatic effect on a number of insurers.

He explains: "Most insurers use actuarial techniques to measure lifetime value of a client and pricing to offer sometimes substantial discounts in the first year, recovering the effective 'losses' in later years if the policy renews.

"This simple practice could be outlawed, although arguments are being made that preventing increased prices in subsequent renewal years would also mean an end to the discounting that people who shop around massively benefit from."

Mr Williams says he expects to see further use of new data sources in pricing, along with an increase in the use of machine learning and artificial intelligence to help see patterns in that information that human eyes alone could miss.

Through greater use of algorithms, however, Mr Williams says we could see increasing demands for more transparency.

Mr Williams says these calls could result in insurers investing in 'pricing assurance' teams to ensure no proxies for prohibited elements (like the use of gender as a rating factor) can creep in.

HARDENING MARKET

When it comes to broking, Kevin Hancock, chair of the Society of Insurance Broking, says he expects the market hardening will continue, largely as a result of the Lloyd's Decile 10 review.

But Mr Hancock adds that this hardening of the broking market due to Lloyd's managing agents being asked to identify the worst performing 10% of premium for each syndicate, will quickly be followed by a softening.

Mr Hancock says the market correction created by this activity from Lloyd's should not be as dramatic as it has been in previous market cycles because the composite insurers, largely, have cleansed their books already and are making a decent return on capital.

Mr Hancock, who is also managing director of Yutree, says the broking market should see new capital in the insurer market in 2020, as Middle and Far East capital is attracted into a low-taxation environment.

As a result, overall Mr Hancock is positive about the prospects for insurance brokers in 2020.

He says: "I hope that stability and confidence will return to the general economy, leading to a period of modest economic growth." ●

Emma Ann Hughes is communications director of the CII

BEWARE OF E-VAPORATING PROFITS

Simoney Kyriakou asks if current levels of cover will be enough to stub out the emerging risk of e-cigarette claims?

E-cigarette company directors need to make sure they are properly insured, not just for the emerging risk of claims relating to the negative health consequences of vaping but also for the possibility of outright bans on some, or all, of their products.

The UK and the US are responding to vaping concerns in quite different ways. In the US, medical centres of excellence such as Johns Hopkins University have warned of links between lung disease and vaping. And an increase in underage nicotine addiction from extra-strength e-cigarettes has been reported by Harvard, while subsequent vaping-related deaths in the US – 42 now, with more than 2,100 reported lung injuries – have led to the Centers for Disease Control and Prevention issuing an official warning against e-cigarettes. As a result, the US is banning the sale of non-tobacco-flavoured e-cigarettes.

LIBERAL APPROACH

The UK's approach is different. In the same week that the media reported on Belgian teenager Raphaël Pauwaert, who died of pneumonia linked to e-cigarettes, and ran a story on 16-year-old Briton Ewan Fisher developing a vaping-linked respiratory disease, newspapers also highlighted a study by Dundee University, which suggested switching to vaping was positive.

"Switch to vaping 'helps smokers' hearts'", the BBC wrote, while The Times ran the headline: "Health of smokers 'improves in weeks' after vaping switch". Although the caveat was that e-cigarettes were healthier only in relation to tobacco products, this highlights a more casual attitude in the UK.

In fact, the 2019 Epicenter Nanny State Index, published by the Institute for Economic Affairs, shows the UK is the most liberal country in Europe when it comes to e-cigarettes.

Across the rest of Europe, 14 countries include vaping in their smoking bans and 15 have a full ban on e-cigarette advertising.

14

EUROPEAN COUNTRIES CURRENTLY INCLUDE VAPING IN THEIR SMOKING BANS

VAPING COVER

Products offered by brokers for businesses involved with e-cigarettes include cover for:

- E-cigarette wholesalers and distributors
- Internet sales
- Cyber liability
- Retailers and shopkeepers package, including product liability
- Property damage and loss of income/business interruption
- Directors and officers liability
- Manufacturing risks.

GROWING PROBLEM

Whether the UK is right to be more sanguine about e-cigarettes or not is a moot point; there is a swelling tide of anti-vaping sentiment and businesses must meet this head-on or be overwhelmed.

If more people are vaping and more associated health problems are being reported, what sort of risk assessment needs to be carried out on the thousands of businesses springing up around the e-cigarette industry?

The Independent British Vape Trade Association (IBVTA) promotes on its website the benefits of ensuring proper cover against future liabilities of negative health consequences of vaping.

HOW MUCH IS ENOUGH?

The question now is will existing cover be enough to protect revenues, given the uncertainty? For example, internet sales may well falter now that Apple has removed vaping apps from its store – have UK firms factored this into their cover?

Of the threats listed by the IBVTA, product liability looks to be most important as it is likely that a raft of personal claims relating to ill health caused by vaping will start coming through the pipeline. Already, manufacturers, distributors, suppliers and retailers can be held responsible for product-related injuries, or damage to property caused by products.

Yet, as IBVTA-accredited broker Anthony Jones' website states: "As ingredients and contaminants have not yet been fully evaluated or regulated, there is still debate around inhalation, ingestion and skin absorption exposure." As a result, a lot of risk cannot be quantified.

What if new bans also cause business interruption and loss of income? Warning of the dangers of underinsurance, Steve Green, a director at Anthony Jones, tells IBVTA members: "I always advise customers to avoid the dangers of falling into the 'just' trap. Using the word 'just' implies a level of simplicity to overcoming potential issues and [assuming] that you will have the answers to any issues that do present themselves."

LIKELIHOOD OF LIABILITIES

The US may have gone too far but as Roy McLoughlin, associate director of financial consultant Cavendish Ware, says: "It only takes one death to make the headlines before things change." He thinks, at the very least, the UK will see claims made under life and health policies, and if insurers are not already tackling vaping risks, it will soon become "standard practice – 100%". He adds: "The minute people die from vaping, it will be factored in."

In November 2018, UnderwriteMe's Underwriters Forum survey predicted that vaping, genetic testing and wearable tech will have the biggest impact on underwriting insurance. If so, it will not be long before UK vaping manufacturers and retailers start fielding claims from ambulance-chasers on the one hand, and tackling a drop-off in revenue and rising regulation on the other. These risks must be covered, or many UK firms could see their profits go up in smoke.

***Simoney Kyriakou** is editor of the FT's Financial Advisor newspaper*

ISTOCK

LIFTING THE BARRIERS

The CII's **Bobbi Sills** asks: how well is the insurance profession responding to customer vulnerability?

Vulnerability exists in many forms and can be temporary, sporadic or permanent in nature. During the claims process, all customers are vulnerable to a degree, but this can be exacerbated if they have pre-existing vulnerabilities.

Risk factors that we can flag as potentially vulnerable include: old age, disability, poor mental health, long-term or short-term chronic illness, and a sudden change in circumstance, such as job loss or divorce. It is important for insurance professionals to remember that vulnerable customers will not necessarily identify themselves as 'vulnerable'.

In 2017, the CII's New Generation Group published a report identifying that the insurance profession needed to do more to service the needs of vulnerable people. According to the report, there were individuals in vulnerable situations who had expressed frustration following their experience with insurers.

The topic of how to engage with vulnerable customers was debated at the Claims and Fraud Summit hosted by *Insurance Post* in November, with guest speakers Jonathan Clark, global head of business solutions claims at SCOR and past president of the CII; Sue McCall, head of claims at Aspen Risk Management and chair of the CII's Society of Claims Professionals; and Martin Milliner, claims director of LV=.

A key challenge in addressing customer vulnerability can be identifying vulnerability at the point of claim. This may be as some people could be reluctant to disclose information concerning their vulnerability and even in such cases, they may only want to do so once. Mr Milliner said: "At the front end, you have to have the trust built with the customer to understand their vulnerabilities." The infrastructure in contact centres is often robotic in nature, which does little to nurture this trust.

> A KEY CHALLENGE IN ADDRESSING CUSTOMER VULNERABILITY IS IN IDENTIFYING VULNERABILITY AT THE POINT OF CLAIM

The busy nature of the contact centre can also increase difficulty in handling vulnerability at the point of claim. Ms McCall said: "A lot of stress sits within claims call centres, so you have a situation where there is a vulnerable claims handler handling a vulnerable client." Ms McCall's view was shared by Mr Clark, who said: "One of the real challenges is that sometimes internal processes become very visible."

Mr Clark suggested that insurance companies should mimic successful initiatives outside of the profession, for example utility companies that move vulnerable customers to a handler in a less-pressured environment with the capacity to provide additional support.

Once insurers have captured information on vulnerability, they need to ensure that it is communicated effectively with third parties in the supply chain. With more and more interactions becoming digital, the garnering of data is ever-more challenging. Mr Clark noted: "This is an area that insurers have got to get better at."

PERSONAL APPROACH

Barriers to processing claims can be overwhelming for vulnerable customers, which in turn can result in a nil claim. If the claim is being outsourced, firms must ensure an efficient process of transferring information is in place so that customers do not have to tell handlers about their characteristics or circumstances more than once.

With more insurers making progressive changes to accommodate vulnerable customers, firms must continue to strive for flexible infrastructures and be aware that a more personalised approach to claims handling is required.

For updated good practice guidance around vulnerable customers, visit: **www.cii.co.uk/59683**

__Bobbi Sills__ is communications executive at the CII

AGB RISK CONTROL SERVICES LTD

VALUABLE RESOURCE

How outsourcing risk control surveys can add value to all parties in the insurance purchasing process

With changes in insurance company structures over the last decade and the resultant downsizing in risk control teams, together with a move to more online trading, the number and scope of risk control surveys has been significantly reduced. Therefore, the benefits of undertaking a risk control survey are being lost over a great swathe of the commercial small and medium-sized enterprises (SME) sector.

The primary reason for undertaking a survey is for the insurance company to obtain a more detailed view of the risk that is being presented, especially in terms of the client's management capabilities, systems and controls and which can only be obtained via a site visit. However, it also provides an opportunity to improve the risk as well as develop a closer relationship with the customer.

Whilst some insurers understand these positive customer relationship dynamics and offer pre-cover surveys, their ability to undertake a significant number is extremely limited due to the reduced resources. For the smaller insurers and MGAs there may be no resources available.

Fortunately, the insurance industry has seen a migration, rather than an elimination of technical skills (including risk control surveying), to outsourced services. Through these, the number of surveys can be increased or decreased at relatively short notice and the cost burden of ensuring appropriate training and competence is also transferred.

This not only allows for flexibility on the number of surveys undertaken but also their focus (for example, on food manufacturing risks or where there is a high risk of flooding), thus benefitting from the local knowledge that the outsourced risk control surveyor brings, having seen similar types of risk from a number of insurers and MGAs.

With the variety and range of businesses in the UK ever-growing, there is also an increasing requirement for both generalists and specialists, with the generalists picking up the volume SME type surveys and the specialists dealing with the more challenging risks. Again, outsourced risk control resources can provide this flexibility.

Insurers and legislation have pushed considerably more responsibility for relevant risk information back to the broker. A risk control survey commissioned by the broker not only provides the detailed risk information the insurer is seeking but makes the broker presentation stand out from the crowd when competing to get a quote.

If a buildings valuation is also included within the risk management advice the broker provides, the customer feels they are getting some value from their insurance purchase, as well as appreciating the advice of the broker.

In the world of increasing online trading, the benefits a risk survey can bring can be easily overlooked and while there is a cost to undertaking a survey, the benefits (both tangible and non-tangible) often outweigh the cost. Fortunately, risk control expertise is still available in an out-sourced environment and can add significant value to all parties in the insurance purchasing process.

To find out more, visit: **www.agb-risk.co.uk**

__Don Oakley__ is commercial director of AGB Risk Control Services Ltd

CRIME AND PUNISHMENT

Theft had been a crime in decline in the UK, but the latest figures suggest an unwelcome increase – something insurers are feeling in their claims figures

Among the flood devastation in Derbyshire and south Yorkshire this autumn, one ugly side effect was theft. Householders, farmers and other business owners were quoted as saying they were reluctant to leave their properties for fear of looting – despite extra patrols and police stating they had no evidence of looting taking place. While the householders may (or may not) have been worrying unnecessarily, the reality is that theft across the UK is on the increase once more.

The impression until recently has been of a country where theft was on the decline. Firstly, people have been better off and poverty has always been a driver of crime. Secondly, the nature of ownership has changed – instead of having multiple expensive electrical items, people are reducing ownership of goods; the smartphone does it all, they reason.

ON THE RISE

However, the tide appears to be turning once more. The Office for National Statistics (ONS) released figures in October, which showed burglary offences recorded by the police saw a 4% decrease to 417,416, driven mainly by decreases in "residential burglary". But there was a 10% increase in "theft from a person" offences recorded by police for the year to the end of June 2019 (compared to the previous year to end of June 2018) and police-recorded robbery offences saw an 11% increase (to 88,177 offences).

Explaining the figures in more detail, a spokesperson from the ONS says: "The latest estimate of theft offences showed no change in the last year, however, there was an 11% increase (to 3.7 million offences) compared with the year ending March 2017, [and] while the most recent estimate of vehicle-related thefts showed no change, there was a 15% rise in the same two-year period, a volume increase of 787,000 to 908,000 offences."

The implication is that thieves are increasingly targeting individuals, who may be wearing the device that would have been stolen from a house a decade ago.

Figures from Statista sum up the return of theft as a major issue. "The 85,700 robbery offences that happened in England & Wales in 2018/2019 marked an 11-year high for this type of crime. While this is still far lower than the 110,000 recorded in 2002/03, it has also happened just a few years after there were as few as 50,000 of these incidents reported in 2014/15," a spokesperson from Statista says.

INSURANCE IMPACT

For insurers, the overall impact has been felt in a rise in claims. Digital home insurer Policy Expert is among those that have warned figures for the first half of 2019 show that theft or attempted theft now make up one in five (20%) of Policy Expert's accepted home insurance claims. This is the highest percentage recorded in the last seven years, up from 18% in 2018 and 15% in 2013.

As a result, theft has become the insurer's second biggest source of claims, rising above escape of water and coming second only to accidental damage.

The trend comes as the latest government data showed England and Wales experienced a double-digit rise in overall theft offences from 2016/2017 to 2018/2019 – bringing an end to a period of declining theft across the country.

Total offences across England and Wales have increased by 13% in the last two years to 3.75 million per year. This has been driven by an 8% rise in domestic burglary and bicycle theft; a 14% increase in vehicle-related theft; a 17% jump in personal property theft; and an 11% increase in other instances of household theft.

More evidence comes from insurer NFU, which reports that, for the second year in succession, rural crime has risen dramatically. In 2018, rural crime cost the UK £49.9m. Compared to the cost in 2017, this is an increase of 12% – about £5.4m. It means that in the last two years, the cost of rural crime has increased by more than £10m.

"Although a large proportion of the recent rise can be attributed to the huge increase in the theft of agricultural vehicles, the problem is far from isolated. Our statistics show a rise in almost every type of rural crime in almost every area of the UK."

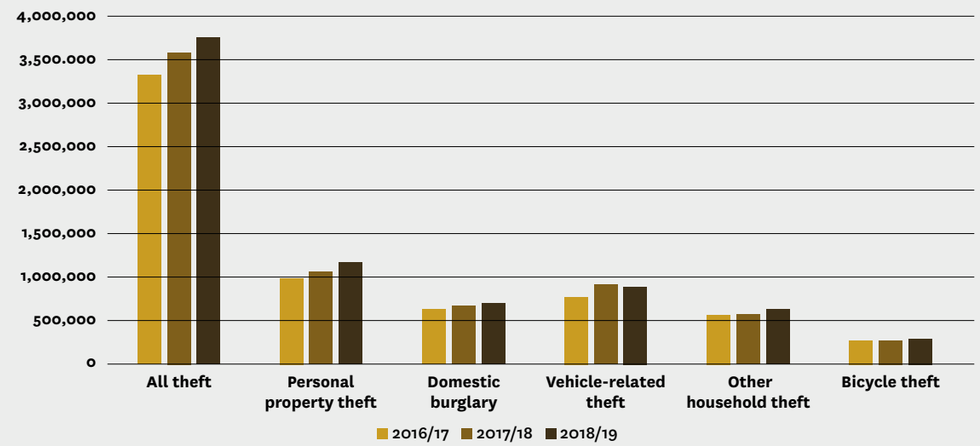
COMBATTING CRIME

Looking at the overall picture, Adam Powell, co-founder and chief operating officer of Policy Expert, comments: "Improving home security measures were previously credited with helping to reduce levels of property crime."

He suggests insureds and insurers can make better use of technology to stem the new rise in crime. "Today's tech-enabled world offers a range of hardware and software to improve safety and combat theft, from locking down homes to tracing personal possessions. It also introduces new risks, however, that tech itself becomes a target of theft or a source of vulnerability if it fails."

TYPE OF THEFT

Increase in theft offences across England and Wales, 2016/2017 to 2018/2019



Source: Office for National Statistics (ONS), Crime Survey for England and Wales, July 2019

THEFT BY REGION

Increase in theft offences across England and Wales, 2016/2017 to 2018/2019

Region	Percentage affected
London	13.3%
Yorkshire and the Humber	12.2%
East of England	12.2%
East Midlands	11.7%
Southeast	11.0%
West Midlands	10.8%
Northwest	10.1%
Southwest	10.1%
Wales	8.2%
Northeast	7.4%

Source: Office for National Statistics (ONS), Crime Survey for England and Wales, July 2019

STOCK

SWITCHING IT UP

HSBC hopes its new flexible insurance package will redefine the way people buy insurance, but is it trying to do too much? **Simoney Kyriakou** reports

Select and Cover is the name of the new flexible insurance product from banking giant HSBC UK. The package offers seven switchable types of cover for one monthly subscription.

According to the product specification, Select and Cover means customers can choose a minimum of three types of insurance from £19.50 a month and, if their circumstances change, they can add and remove one option during the year without penalty.

When the policy is up for its annual renewal, customers can change all their options and, because it is a pay-monthly service, HSBC is also giving people the ability to cancel without penalty at any time.

WHAT'S IN THE BOX?

This might already sound too good to be true, given the various headlines in recent years about banking insurance add-ons, but HSBC UK is assuring the six million target individuals (those registered to use HSBC UK's online banking service) that the product really is flexible.

The bank is not yet including pet, health, income or critical illness cover, but each of the seven types offered covers the policyholder, their spouse, domestic or civil partner and their children.

According to Mark Hussein, chief executive of HSBC Insurance UK, the package was created after market research carried out by the bank showed convenience and flexibility were the two main drivers for insurance customers.

"Select and Cover aims to redefine the way our customers buy insurance. Its subscription-based model reflects our aspiration to provide customers with innovative ways to both buy and use our products."

CONVENIENCE STORE

So, do convenience and flexibility really override price when it comes to insurance? Brokers and insurance specialists alike think so – and agree with HSBC UK that this is where protection needs to go in the next decade.

According to Emma Walker, chief marketing officer of insurance broker Lifesearch: "The new HSBC Select and Cover offers a level of convenience for customers to have all their insurances in one pot. How often do people look at their bank statement and wonder: 'What am I paying for? Which provider is my car insurance with and which one is my home insurance?'"

She says other providers have not yet progressed as far with similar flexibility, although many do promote the purchase of other plans by offering discounts for their home or car insurance if the customer is a policyholder elsewhere.

Similarly, Adam Higgs, head of research at product analysis website Protection Guru, believes providing the consumer with one place for all types of insurance "really makes sense in today's markets".

He points out that this sort of flexibility is already happening in other industries – consider the likes of Amazon, where individuals can get everything from groceries to subscription TV packages, household goods, gift vouchers and maybe even insurance in the not-too-distant future.

Mr Higgs adds: "Providing the ability to pick and choose the types of cover required based on their current circumstances will hopefully lead to more engagement."

> PROVIDING THE ABILITY TO PICK AND CHOOSE THE TYPES OF COVER REQUIRED BASED ON THEIR CURRENT CIRCUMSTANCES WILL HOPEFULLY LEAD TO MORE ENGAGEMENT

GETTY

PRODUCTS OFFERED

The seven types of insurance under the new proposition are:

- Mobile phone
- Gadget
- Home emergency
- Life
- Excess protection
- Motor breakdown
- Travel

NATURAL CAVEATS

However, while Ms Walker believes Select and Cover-style packages can be convenient and provide cost savings, she is concerned this could limit choice.

She explains: "You might have a brilliant home insurance provider, but that doesn't mean the same company will have the best life or critical illness policy. While the offering from HSBC is innovative and forward thinking – which is what we want to see from providers – I just don't think the benefits outweigh the loss of choice."

Roy McLoughlin, associate director at financial consultant Cavendish Ware, agrees: "HSBC UK is to be applauded for giving people a product that can serve as a useful first foray into protection, but they should always take full and comprehensive advice, especially when it comes to life cover."

For Mr Higgs, the addition of life insurance to Select and Cover is "really positive", as being mixed in with other general insurance products will give the insurance product more visibility, but he believes it needs an extra push from HSBC UK, or people may not understand how important it could be to their dependents.

He says: "HSBC will have to work hard to highlight the importance of this as part of the proposition, to ensure that consumers see it as at least as important as the other covers available."

Even with these few natural caveats, however, the reaction from the insurance profession has been broadly positive.

Creating a flexible, cost-efficient product that gives people more options and more control over their financial wellbeing has to be applauded, especially as the impact of not having adequate (or any) insurance can be catastrophic. And it can only be a matter of time before other similar products come onto the market to challenge HSBC UK's proposition. ●

__Simoney Kyriakou__ is editor of the FT's Financial Advisor newspaper

TROUBLE AHOY!

The marine sector is facing a range of serious risks, from misdeclaration of cargo and increasingly large ships, to cyberattacks. **Tim Evershed** examines how the insurance market is responding

The nine major cargo vessel fires so far this year that have resulted in loss of life, injury and environmental damage are part of an alarming trend that is of growing concern to the marine insurance sector, according to the International Union of Marine Insurance (IUMI).

The fires are just one of a series of risks that are growing in size and complexity in marine. The sector has seen insured losses increase, despite major vessel casualties decreasing in recent years – meanwhile underwriters must account for new threats, such as cyber.

Fires on vessels during 2019, including the Yantian Express, APL Vancouver, Grande America, E.R. Kobe and KMTC Hong Kong, raise questions about causes and firefighting capabilities on containerships.

WHAT'S ON BOARD?

According to IUMI, misdeclaration of cargo appears to be the main culprit and is driving some shipping companies to take the unprecedented step of announcing significant fines for those responsible.

"A lot of the evidence points towards the misdeclaration of goods in the containers and the cargo inside the containers," says Captain Rahul Khanna, head of marine risk consulting at Allianz Global Corporate & Specialty. "There are about 130 million containers transported every year and out of them, about six million contain dangerous goods. Another 1.3 million are incorrectly packed or identified. A lot of these fires have been attributed to cargo that has been misdeclared.

"Another problem is the capabilities of these large ships to tackle these fires. The exponential increase in the size of these ships has been going on for years. The firefighting capability of these vessels hasn't really kept up with the increase in size.

"There are problems on the cause side and the control side. From the shipping lines perspective, we need more stringent and better controls on how cargoes are declared."

The increasing size of containerships means that the size and value of the cargo onboard has quadrupled in the past 20 years. The largest modern containerships carry 22,000 or 23,000 twenty-foot equivalent units, with values of more than £1bn in floating cargo. So, the consequences of a incidents are now much more severe.

"The size of the containerships is the biggest thing we are concerned about, because of the accumulation risk with the number of containers on those ships, including increased navigational hazard of operating ships that size," says Royston Ford, head of marine and specialty at RSA.

"Fires will always happen, ships will always run aground, there will always be engine failures. Nothing is ever going to stop those things happening, but the thought of it happening on a 250,000-tonne ship with 22,000 containers on it just gets ever more horrendous. When things go wrong these ships cannot be salvaged – we have built unsalvageable ships."

The shipping lines have been collaborating on an initiative called the Cargo Incident Notification System (CINS). Whenever they have some kind of problem with cargoes that leak, or cause contamination, they are capturing every small incident, tracking it down to the root cause, documenting hazards and tagging them in a much better way.

"Once you've spotted cargo that is likely to cause problems, you can decide where to put it on the ship so if it does cause a problem the consequences are less severe," adds Mr Ford.

£1bn

THE LARGEST CONTAINER SHIPS NOW CARRY CARGO WORTH MORE THAN £1BN

"They are much better now at rating and predicting the hazards of cargo."

IUMI reports that ashore, there have been cargo storage losses in 2017 and 2018 from natural catastrophe (nat cat) incidents, as well as a number of significant fire losses in the past 12 months. The marine cargo market insures a significant amount of property contents storage under warehouse/storage endorsements and 'stock thru put' policies.

The current soft market has increased this risk profile as underwriters have been offering broader terms, higher nat cat limits, lower deductibles and more competitive prices than their property counterparts would provide.

CYBER THREAT

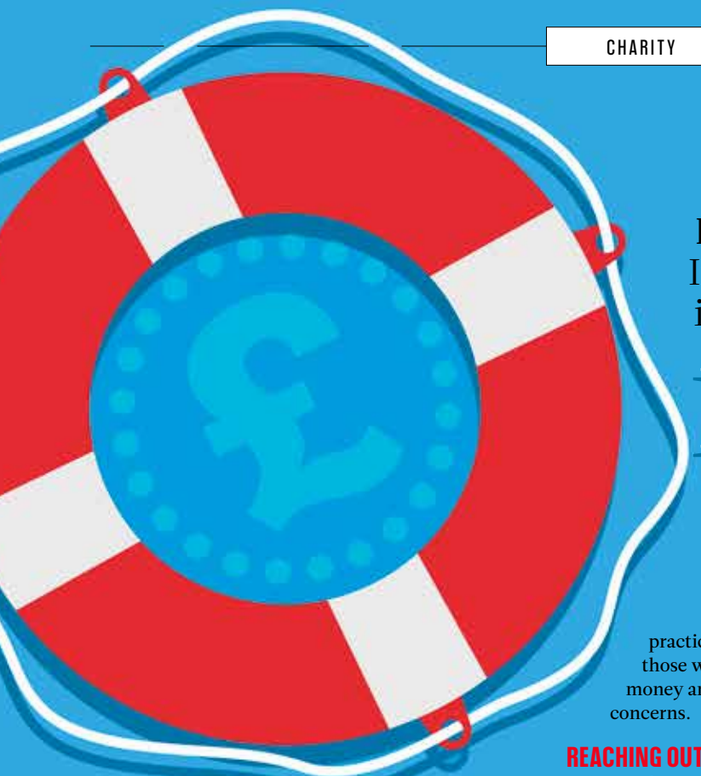
Although there has not yet been an actual marine casualty because of a cyberattack, there have been plenty on the shore side. The largest was the NotPetya ransomware attack that hit companies worldwide in 2017. These included Danish shipping line AP Moller-Maersk, which suffered a loss of about $300m (£227m).

"Cyberattacks certainly have a claims potential and a successful attack could result in significant financial and reputational losses, but we do not have any reliable data on cyberattacks to assess the risk properly," says Lars Lange, IUMI secretary general. "We believe that there have been cyber claims, but they have not been reported to us. In many markets these types of claims are excluded, but it can impact the sector greatly and it is currently about risk mitigation, assessment and loss prevention."

Marine underwriters will be keeping a wary eye on the loss environment as claims continue to get larger and more complex. They will continue to monitor the situation and no doubt be asking for more detailed and sophisticated broker presentations prior to considering large or new risks. ●

Tim Evershed is a freelance journalist

the insurance charities | for the things you can't insure against



Bobbi Sills finds out how The Insurance Charities is helping insurance employees in need

HELPING HAND

Hundreds of insurance employees will experience some form of adversity throughout their career – either first-hand or through a loved one. Hardship, sickness, distress, disability and old age are just a handful of the challenges that can transform day-to-day life, making it unmanageable. In these circumstances, seeking help can be difficult, particularly for those experiencing financial pressure.

The Insurance Charities was established with the purpose of supporting current and former insurance employees and their dependants, providing financial and practical support through turbulent times. In line with its founding principles, the charity annually provides £1.7m to help insurance people in need. In doing so, it assists with one-off payments, such as household repairs, provides ongoing financial help where income is restricted or insufficient and gives practical support to those with health, money and housing concerns.

REACHING OUT

Amy Green, designer and implementer of corporate insurance programmes with A J Gallagher, approached the charity for help when her hearing deteriorated, following the birth of her second child. Working in a busy office meant that regular communication was extremely difficult – particularly when contending with different accents and voice tones.

A compatible hearing aid was not readily available to Mrs Green on the NHS and, as a working parent with young children, the one-off purchase of a suitable aid was not immediately manageable. Following a recommendation from a colleague, Mrs Green began the application process with The Insurance Charities, from which she received approval. The charity was able to accommodate in providing the appropriate hearing aid, as well as offering ongoing practical support where required.

Mrs Green says: "It was a really easy application process. The aid has really given me a new lease of life and confidence that I never thought I'd have."

Since receiving help from the charity, Mrs Green has also forged lifelong connections with the organisation and plans to continue involvement in the coming years, acting as a key supporter and volunteer.

There is a common perception among employees that to be eligible for support from such charities, there must first be dire financial need, however, this is not the case. The Insurance Charities is a community for all those working in the insurance sector in the UK and Ireland and is open to all.

Mrs Green says: "[My partner and I] both work but it would have taken a long period to save the amount needed for the hearing aid and I would have suffered hardship without it. If there is a need, everyone should get in touch."

The charity also works with partners to provide specialist and dedicated help to their beneficiaries. Current partnerships include Shelter, The Silver Line and Alzheimer's Society, providing housing support, a befriending service for older people and supporting those living with dementia.

To contact The Insurance Charities, email **info@theinsurancecharities.org.uk** or call **020 7606 3763**.
For more information, visit: **www.theinsurancecharities.org.uk**

__Bobbi Sills__ is communications executive of the CII

SHIP SHAPE

Graham Bartlett and **Maria Carolina de França** examine the recent appeal by the insurers in the case of The Renos

The Renos was on a voyage in the Red Sea in August 2012 when a fire broke out in the engine room. In 2018, (see *The Journal* Oct–Nov 2018, page 39) the Court of Appeal upheld a High Court decision that the Notice of Abandonment (NOA), in which the owner claimed that the cost of repairing the damage was more than the repaired value of the vessel and that the vessel was a constructive total loss (CTL), was served with reasonable diligence after receipt of reliable information of the loss; and that certain costs relating to the recovery of the ship and charges payable to the salvors to prevent or minimise environmental damage (SCOPIC charges) should be included in the calculation of the repair costs.

The insurers' appeal to the Supreme Court on the issues of the inclusion of recovery costs and SCOPIC charges within the CTL calculation was partially successful. Unanimously, the Supreme Court found that recovery costs incurred before service of the NOA should be included in the CTL calculation, but that SCOPIC charges should not be.

Section 60(1) of the Marine Insurance Act 1906 provides that there is a CTL where the vessel cannot be preserved from actual total loss "without an expenditure which would exceed its value when the expenditure had been incurred" and section 60(2)(ii) provides that a ship is a CTL where "the cost of repairing the damage would exceed the value of the ship when repaired". Judge Lord Sumption rejected the insurers' argument that the term "would" in both of these sections have meant that only future expenditure should be included in the calculation. The loss occurs at the moment of the casualty (in the case of The Renos at the time of the fire) and not when the full extent of the damage is discovered or the actual cost of repair is determined. This rule applies even where the loss develops after the time of the casualty, unless there is another intervening cause that breaks the chain of causation. When the NOA is served, the loss dates back, retrospectively, to the date of the casualty. Thus, the cost of repairing The Renos in the CTL calculation included all the reasonable costs of salving and safeguarding the ship from the time of the fire onwards, together with the prospective costs of repair.

ENVIRONMENTAL DAMAGE

On the other hand, however, SCOPIC charges are not part of the costs of repair. SCOPIC charges are payable to the salvor to reflect the additional cost of complying with its duty to prevent or minimise environmental damage. Costs, such as temporary repairs and recovery costs, which are not spent directly on reinstatement but where the objective purpose is the repair of the vessel, can be part of the CTL calculation. The objective purpose of SCOPIC charges, however, is not the repair of the ship but the protection of the owner from potential liability for environmental damage.

__Graham Bartlett__ is barrister at Trinity Chambers, Newcastle upon Tyne and __Maria Carolina de França__ is a dual-qualified Brazilian lawyer and English barrister in Rio de Janeiro

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GAINING THE ADVANTAGE

How local institute support helped an insurance broker's career

Good connections with local institutes speed your development and help you achieve your potential But how do you get started?

After being invited by his employer to go on the New Class programme at Manchester Insurance Institute (MII), Ryan Conroy found himself on a seemingly unstoppable wave. "Looking back, I would say that my career advancement to date began with the Manchester local institute course," Mr Conroy says. "It is a pretty impressive programme, designed to help new entrants to insurance find their feet with general business skills training."

The course Mr Conroy joined included a project element for the then newly enacted Insurance Act 2015. He found himself responsible for drafting a report on the impact of the Act for his company, Bollington Insurance Brokers. "It was a great opportunity for me and raised my profile at the company. From nothing, I became the go-to person in the business for insight into the Act. A good place to be," he says.

FAST TRACK

Mr Conroy's engagement with the course led to Bollington funding him on the CII Diploma in Insurance course, and subsequent to that success he joined the Manchester Institute's fast track ACII programme, funded by the local institute, with his involvement again supported by Bollington. That was another competitive entry course, run to enable a small group to quickly obtain the ACII designation.

"I don't think I would have had the confidence to apply for the ACII programme had it not been for my earlier experiences and the confidence of my employer," he says. "And I definitely wouldn't be qualified now had it not been for the course and the support offered by the local institute and others on the course."

Taking a fast-track course has its advantages, but it is a lot of work. It helps if you've got a good and committed peer group. "I could have done it by myself," admits Mr Conroy, "but it would have been slow and hard work – if I had even finished it!" Fewer people take ACII, compared to the Diploma, and fewer still complete it.

"I think the spirit of the group helped motivate me and that was all down to the Manchester Institute." he continues. "It gave us drive and a deadline, and consequently we all passed." There were 14 on his course with 15 submissions each and a 100% pass rate – which must be a big advantage over self-study figures.

WIDER OUTLOOK

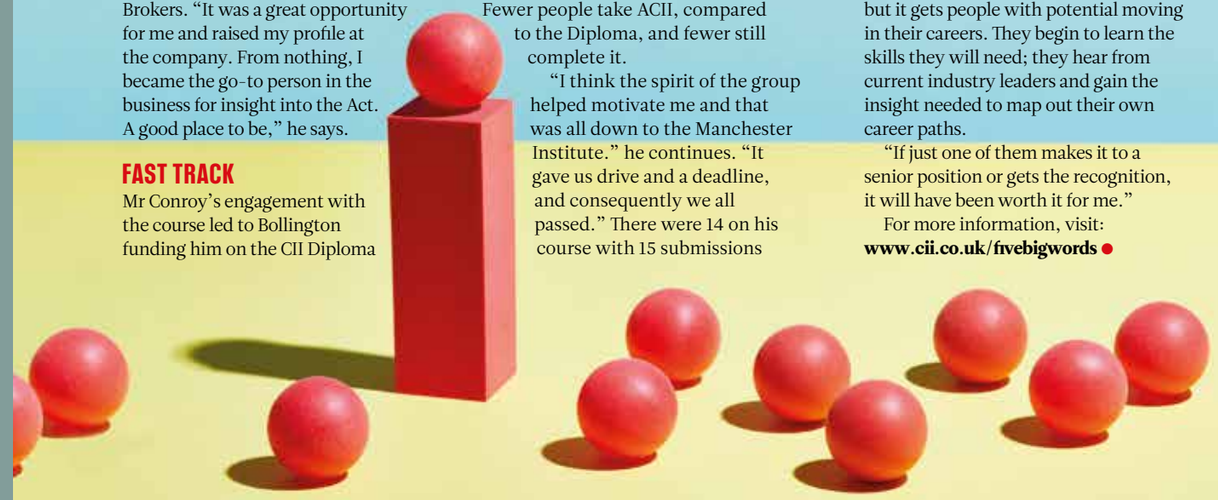
Beyond the study and exam support, Mr Conroy has found other advantages to closer engagement with his local institute. "It gives you an idea of what else is going on in the insurance world. Bollington is a good-sized brokerage with strong connections to the Manchester business community, including the Greater Manchester Chamber of Commerce, but the local institute connects you to more activities and to more people."

Mr Conroy is now education officer for the MII and finds he is organising similar activities to the one that got his own career started.

"I am now running a course for others new to insurance through the local institute," he explains. "It's more of a leadership programme these days, but it gets people with potential moving in their careers. They begin to learn the skills they will need; they hear from current industry leaders and gain the insight needed to map out their own career paths.

"If just one of them makes it to a senior position or gets the recognition, it will have been worth it for me."

For more information, visit: **www.cii.co.uk/fivebigwords**



STUDY ROOM

SINKING FUNDS

James Moorhouse examines the causes and consequences of subsidence, following a spate of claims caused by last year's hot summer

The number of subsidence-related claims saw a massive increase in 2018, due to the long dry summer. Subsidence can occur after a heatwave as the soil underneath building foundations can lose its moisture and shrink, causing a downward movement. This then causes buildings to move, resulting in cracks and damage to the property.

Subsidence was first added to UK home insurance policies during the 1970s. This was in reaction to the subsidence surge in 1976, where coverage was previously only available as an optional extra peril. Since then there have been two other major subsidence surges, occurring in 2003 and 2018. During this time, subsidence has become offered as a standard peril on most domestic properties (and even on some commercial properties).

Other factors that can contribute towards subsidence include:

- Soil type – particularly clay soil as it is vulnerable to changes in weather.
- Trees and shrubs – some plant life absorbs more water and so can dry the soil out.
- Local mining activity – old mines and former quarry or pit sites can cause instability if the fill-in material collapses.
- Leaking drains and water mains.
- Heave – When the ground beneath a building moves upwards.
- Landslip/landslide – When the ground beneath a building moves down a slope, taking the property with it.

Subsidence can be identified if sudden large cracks in the walls or ceiling are spotted. Other tell-tale signs include:

- Diagonal cracks wider at the top than at the bottom.

> HOMEOWNERS MAY FIND IT DIFFICULT OR EXPENSIVE TO GET PROPERTY INSURANCE AFTER MAKING A SUBSIDENCE CLAIM. IT IS EXPECTED THAT THE COST OF PREMIUMS WILL INCREASE AND THE CUSTOMER MAY NOW BE SUBJECT TO DIFFERENT TERMS AND CONDITIONS IN THEIR INSURANCE POLICY

- Cracks thicker than a 10p coin
- Cracks found around doors and windows.
- Doors and windows sticking for no obvious reason.
- Wallpaper ripping or crinkling.

Cracks can also occur due to changes in temperature and humidity, or if a new build/extension is still settling under its own weight. Therefore, it needs to be carefully determined whether damage to the property is caused from subsidence or by other means. This is particularly important as general wear and tear of buildings and poor workmanship are generally excluded from most policy wordings.

MAKING A CLAIM

If a genuine case of subsidence is suspected, an investigation will need to take place to detail the extent of the damage, as well as its source.

Policy wordings will need to clarify what type of investigation is covered, as well as if there are any limits on what can be covered. Once the cause and scale of the subsidence has been

TYPES OF SUBSIDENCE INVESTIGATION

- Trial holes dug to expose the foundations under a building in the area of suspected subsidence.
- CCTV camera investigation of the drainage system to check for blockages caused by a fractured drain or intrusion of tree roots and vegetation.
- Monitoring the structure of a property to establish:
  - Extent of future movement.
  - Rate of future movement.
  - Any seasonal cyclical movement.
  - Cause of the movement.
  - If any underpinning is required.
- Level monitoring readings to determine if there is any continuing movement of the building and how it occurred.
- Soil samples.
- Vegetation review.

established, the insurance policy can be activated and steps can be made towards repairs.

If the damage is superficial, then the cost of repairs would include the expense of having minor cracks filled in and painted over. More serious cracks that have an impact on the structure may result in walls needing to be re-pointed and repaired with metal fixings.

In extreme cases the house may need to be underpinned, where either existing foundations are strengthened or new foundations are inserted underneath the property, preventing or limiting any further movement. While this used to be standard practice, underpinning is now only used as a last resort. If the damage to the property is so severe that it is uninhabitable, a comprehensive insurance policy should also cover the cost of alternative accommodation while repairs are being carried out.

Homeowners, however, may find it difficult or expensive to get property insurance after making a subsidence claim. It is expected that the cost of premiums would increase and the customer may then be subject to different terms and conditions in their insurance policy. In certain cases, it may no longer be possible to provide continuation of cover. If selling the property, some insurers may be able to continue insuring the property for the new owners. However, all new homeowners are recommended to survey the property before making a decision.

MORE TO COME?

With temperatures rising in the UK, more hot summers are expected. This will also have an impact on more properties as well as existing claimants. There will be a greater need to investigate and action cases of subsidence, as well as preventing subsidence from reoccurring.

Not all subsidence cases can be prevented, however. But preventative measures such as managing trees and shrubs close to the property, and ensuring that gutters, pipes and plumbing are well maintained to prevent leaks, should be recommended.

For more information, visit: **www.socup.org.uk/87607**

James Moorhouse *is content manager of the CII*

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DISCIPLINARY MATTERS

The CII wishes to make clear that, unless the case reported indicates otherwise, allegations and findings against members do not implicate those members' employers in any way

BREACH OF THE CII CODE OF ETHICS

Anthony Badaloo of Church Hill Finance, East Barnet, Hertfordshire

The respondent 1) Failed to disclose breaches of the CII code of ethics; 2) He failed to notify the CII of the findings and sanctions imposed upon him under the Financial Conduct Authority (FCA) Final Notice dated 9 November 2017; and 3) His conduct was unprofessional in uploading inaccurate and unprofessional statements to his social media page. The respondent failed to co-operate with the CII during the investigation. The respondent disputed the evidence but failed to provide evidence to support his arguments, despite being given numerous opportunities to do so. The case examiner was therefore satisfied to proceed to determine the matter under Disciplinary Procedure Rule 7.1(b). The case examiner ordered, with effect from 2 July 2019, for the following sanctions to be imposed on the respondent: 1) Be reprimanded for the breaches above (DR 12.6a); 2) Take and complete the CII online ethics course before booking any further CII examinations, enrolling on any CII assessments or applying for any CII recognition of prior learning (either as a member or non-member)(DR 12.6d); 3) Have a record of this matter be added to the CII's disciplinary records (DR 12.6f); 4) Be expelled from the CII (Reg 12.6i), with any re-application for membership being subject to review; 5) Be required: i) to return his membership card, or complete and return the CII Statement of Truth (if item lost by respondent) and ii) to remove the offending posts referred to above from his social media page, within two weeks from the date of the order (Reg 12.6p).

BREACH OF EXAMINATION AND/OR ASSESSMENT REGULATIONS

Michael Savage DipPFS of Casterdon Wealth Management Ltd, Unit 5, The Parade, Church Street, Armthorpe

The coursework assessment candidate was found to have plagiarised the AF8 assignment written by another candidate, in breach of the CII Coursework Guidelines 7 Instructions. The CII case examiner invited the respondent to approve and sign a consensual order under 9.1 of the CII Disciplinary Procedure Rules 2015, to which the respondent agreed and which was signed on 21 November 2019. The sanctions issued were that the respondent: a) be reprimanded (DR12.6a); b) take and complete the CII online ethics course before booking any further CII examinations, enrol on any CII assessments or applying for any CII recognition of prior learning (Reg 12.6d); c) Have a record of this matter be added to the CII's disciplinary records (DR 12.6f); d) have the AF8 Assignment result disallowed; e) be excluded from CII examinations and assessments for 18 months from the examinations or assessments held by the CII (with effect from 30 April 2019) (Reg 12.6l); f) be excluded for a period of 18 months from applying for CII recognition of prior learning (with effect from 30 April 2019) (Reg 12.6p); and g) no examinations, assessments or qualifications obtained by the respondent during the period of the exclusion will be eligible for CII recognition of prior learning with effect from the date of the order (Reg 12.6p).

Rosa Nash of Old Mill Jackson Ltd, Bishopbrook House, Cathedral Avenue, Wells, Somerset

The coursework assessment candidate was found to have plagiarised the assignment written by another candidate, in breach of the CII Coursework Assessment Guidelines. The CII case examiner invited the Respondent to approve and sign a consensual order under 9.1 of the CII Disciplinary Procedure Rules 2015, to which the respondent agreed, and which was signed on 13 August 2019. The sanctions issued were that the respondent: a) be reprimanded (DR12.6a); b) take and complete the CII online ethics course before booking any further CII examinations, enrol on any CII assessments or applying for any CII recognition of prior learning (Reg 12.6d); c) Have a record of this matter be added to the CII's disciplinary records (DR 12.6f); d) have the AF8 Assignment result disallowed; e) be excluded from CII examinations and assessments for 18 months from the examinations or assessments held by the CII (with effect from 1 April 2019) (Reg 12.6l); f) be excluded for a period of 18 months from applying for CII recognition of prior learning (with effect from 1 April 2019) (Reg 12.6p); and g) no examinations, assessments or qualifications obtained by the respondent during the period of the exclusion will be eligible for CII recognition of prior learning with effect from the date of the order (Reg 12.6p).

"To date, the CII have dealt with 15 instances of non members using CII designations for 2019. As this is an infringement of CII's trademarks, where people persist in misusing CII designations, legal action will be taken against them".

TAKE NOTE

Where the disciplinary panel or case examiner has decided to publish details of a disciplinary case ascribed (ie where an individual has been named), every care has been taken to identify members correctly. Please contact the CII if there is any doubt about the identity of a member who may have been the subject of disciplinary proceedings and in relation to whom a report has been published.

THE BIG TEN

This set of questions, courtesy of online CII training package Insurance Assess, will test your knowledge of topics. Answers are at the bottom

QUESTION 1

Within the marine class of business, which of these types of vessels would you not expect to see?

- A Cruise vessels, cargo vessels, oil tankers/gas carriers
- B Luxury motor vessels
- C Nuclear submarines
- D Specialist craft (tugs, dredgers, light ships, salvage vessels, etc)

QUESTION 2

In respect of cyber risk insurance, how do insurers avoid paying claims for short business interruptions?

- A Limiting the cyber perils covered so those likely to cause short interruptions are excluded
- B Insisting on backup systems and software being kept by the insured
- C Adding a time excess to the policy
- D Sub-limiting the cover

QUESTION 3

A high net worth policyholder sustains subsidence damage to their swimming pool. Which of these outlines the cover provided by their policy?

- A Subsidence damage to the swimming pool is covered only if the main building also incurs subsidence damage at the same time
- B Cover is provided, as high net worth policies are written on an 'all risks' basis of coverisk
- C Subsidence damage to swimming pools is specifically excluded, as they are particularly susceptible to subsidence
- D There is no cover as swimming pools are not included in the definition of 'buildings'

QUESTION 4

Which of these usually completes a business interruption report?

- A An independent ratings agency
- B The insurer's surveyor
- C The client's financial management team
- D The broker's account executive

QUESTION 5

Which of these describes the first stage in risk management?

- A Control
- B Identification
- C Analysis
- D Transfer

QUESTION 6

Which of these can usually be insured under a theft policy?

- A Motor vehicles
- B Goods being delivered
- C Stock contained within the business premises
- D Property stored in vacant premises

QUESTION 7

What savings should be deducted from a loss of profit claim?

- A Income tax
- B National Insurance
- C Running costs
- D Corporation tax

QUESTION 8

What is the level of proof required in civil cases in a court of law?

- A Beyond all reasonable doubt
- B On the balance of possibilities
- C On the balance of probabilities
- D Absolute proof

QUESTION 9

Which of these recall costs will be covered by a products recall policy?

- A Costs incurred within 12 months of the injury or damage occurring
- B Costs incurred within the policy period
- C Costs incurred within 12 months of the insured becoming aware of the insured event
- D Costs incurred within 12 months of the product recall

QUESTION 10

Which of these overseas clauses are often used in the UK marine hull insurance market?

- A American and Norwegian clauses
- B American and Japanese clauses
- C Mr and Mrs Santa Claus
- D Japanese and Chinese clauses

YOUR SCORE »

1-3 POOR	7-8 VERY GOOD
4-6 GOOD	9-10 EXCELLENT

ANSWERS

1C. You would not expect to see nuclear submarines, as these are naval (military) vessels.
2C. Insurers will usually insist on a time excess applying to the BI section of the cyber policy so that short interruptions are not covered.
3B. A high net worth policy is usually underwritten on an 'all risks' basis rather than a peril specific basis.
4B. Business interruption reports are usually completed by the insurer's own surveyor.
5B. Risk management is the identification of those risks that can threaten the operations, assets, etc. **6C.** Enhanced security is likely to be required for all items, apart from stock contained within the business premises.
7C. Any claim for loss of profit should be net of savings such as running costs. **8C.** The degree of proof required in civil cases is 'on the balance of probabilities'.
9C. The policy will pay the recall costs incurred directly and solely in connection with an insured event. **10A.** In the UK market, the American and Norwegian clauses are often used.

ALEX DOOLER

MAKING A DIFFERENCE

As **Alex Dooler**'s time as *The Journal*'s blogger comes to an end, he shares what he has learnt during his tenure

My time as a columnist for *The Journal* draws to an end. During the past 12 months, I have transitioned from graduate underwriter to financial journalist. In doing so, I pass the baton to the next wide-eyed junior in the insurance world.

I wanted to take the opportunity to impart what I've learnt in the past 12 months as a columnist for *The Journal* and why I would recommend taking up the opportunity.

OPPORTUNITY KNOCKS

My move into journalism happened almost entirely by luck. I knew that I enjoyed writing and amassed a portfolio of blog posts online about my time working in the insurance sector. With time, it began to gain attention and soon enough I was offered the opportunity to write for *The Journal*.

From there, I was able to leapfrog into the world of financial journalism, using my experience in finance and writing to break news stories about debt in emerging markets.

So, my first piece of advice would be to follow what you love. If you truly enjoy what it is that you do, opportunities will flow from that. As my experience shows, an interest and passion for writing allowed me to improve and hone my craft through committing time to the subject.

Secondly, I would advise you to get involved in roles and responsibilities outside your role. Insurance can often be hierarchical in nature, with juniors sometimes feeling handicapped at the level of responsibility they can take on.

Getting involved in employee resource groups or charities linked to insurance was a great way to acquire leadership experience at the very start of my career and has helped me to develop skills that can be used for life.

> IF YOU TRULY ENJOY WHAT IT IS THAT YOU DO, OPPORTUNITIES WILL FLOW FROM THAT

POSITIVE CHANGE

Lastly, I would advise to realise the true power of your platform. During my first job in insurance, I was able to build and develop a partnership with the charity Career Ready, helping to get children from less economically privileged backgrounds into finance. And within *The Journal*, I have been able to champion the case for social mobility and raise awareness of an often-forgotten form of discrimination.

Regardless of your rank or profile within an organisation, you can always make a difference and bring about positive change in the world – however small. ●

***Alex Dooler** is a financial journalist at Debtwire*

LOOKING AHEAD

We published our recommendations for Insuring Women's Futures in November and it was fantastic to see the energy and enthusiasm that came out of the event launch. The actions we have put forward in our final report pave the way for important partnerships and initiatives in 2020 and beyond. We will be working with professionals, policymakers and consumer bodies to make a real difference for women at every stage of their lives.

I am also very proud of an important piece of work we have done with the charity Scope, which we published in December. It sets out guidance, along with case studies, showing what employers can do to help people with disabilities thrive in the workplace. The case studies show how much is already being done to make the workplace more accessible for people with many different kinds of disability, including many less noticeable disabilities such as chronic pain.

As we reach the end of 2019 and look forward to 2020, I am struck by how much initiative people throughout our profession are taking into their own hands, improving their workplace and their community without waiting for government and other institutions. In this spirit, I would like to wish you all a very happy New Year and a prosperous 2020. ●

***Sian Fisher** is CEO of the CII*

ILLUSTRATIONS: LUKE WALLER

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To £85,000 + Package ***– City of London***
You will the lead claims specialist on a portfolio of highly complex Construction PI claims, recognised as a technical expert, managing claims investigations and negotiating settlements. Experience handling complex Professional Indemnity claims is essential. A track record handling Construction PI claims is ideal.
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To £60,000 + Bonus & Benefits ***– City of London***
Working for the Head of Compliance at this highly regarded Lloyd's Syndicate, you will support on all aspects of delivering the Compliance plan. You can expect to interact at all levels within the business. Current experience working in a compliance role for a UK based Insurance fi rm is required.
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This role will focus on complex US Casualty claims, covering Mining, Construction, Rail and Fortune 1000 Companies. The role is with a highly regarded and expanding Lloyd's Syndicate. Seeking an individual who can demonstrate track record handling US Casualty claims for a UK based Insurance fi rm. Experience working in the Lloyd's Market is preferred.
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• Head of Delegated Authority Management
To £100,000 + Bonus + Package ***– City of London***
Long established, profitable and well regarded Lloyd's Syndicate are seeking individual to lead the Delegated Authority Management team. You will need to be able to demonstrate current knowledge of delegated underwriting operations in the Lloyd's Market, strong analytical and reporting skills, and capability to work closely with the Underwriters and Senior Management.
Contact: Tim.Southworth@ipsgroup.co.uk - London Ref:CII140837TS

Non-Life Analyst - ILS
Up to £90,000 Base Salary + Bonus ***– City of London***
An exciting and rare opportunity has arisen with one of the leading Investment Managers who purely focus on ILS. You will be will be responsible for supporting the pricing process in London of both the private and public non-life investments. They are currently searching for an Individual with at least 3 years' experience in Pricing or Catastrophe Modelling within reinsurance. The ideal candidate will have at least a 2.1 degree with a STEM subject and have experience of using either R, Python or SQL.
Contact: Gary.Ahern@ipsgroup.co.uk - London Ref:CII139850GA

• Pricing Analyst
Up to £45,000 Base Salary + Bonus ***– City of London***
A prestigious Lloyd's Syndicate are currently searching for a Pricing Actuary to join their growing Pricing function. The role will be working closely with the Head of Pricing and a wide variety of senior stakeholders within the business. You will be a key individual of a team who is heavily involved in the growth and development of the company, so this is an important role and great for someone looking to take a step up. You will need to have at least 1 years of General Insurance Actuarial experience and be an advanced user of Excel and VBA.
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• Claims Technician
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Contact: Mark.Brady@ipsgroup.co.uk - London Ref:CII140940MB

• Commercial New Business Manager
To £75,000 + Bonus ***– Kent***
This will suit a senior UK Commercial New Business Executive who is looking to head up an expanding broking team. You will be joining a well established UK Commercial Insurance Broking House at an exciting time in their history. A proven track record of success in winning new Commercial Clients is essential.
Contact: Christopher.Dickman@ipsgroup.co.uk - London Ref:CII140965CD

• Head of Technical Claims
£80,000 – £114,000 + £7,000 Car Allowance – Relocation Package Available – Midlands
A leading name in the insurance industry has a key new opening to join their technical claims unit in this key position within the business as Head of Technical Claims. As Head of Technical Claims you will lead the Technical Claims department covering all areas of claims including EL/PL, motor personal injury and property claims. You will have 4 direct reports which will include a Head of Injury, Head of Motor and Head of Property Claims. You will therefore be an inspirational leader capable of influencing all areas of the claims department.
Contact: Richard.Coleman@ipsgroup.co.uk - Birmingham Ref:CII140820RC

• Head of Property Claims
£50,000 – £70,000 + Benefits ***– Merseyside***
A highly regarded specialist Insurance business has a key new opening in their Merseyside claims hub to join them as Head of Property Claims. As Head of Property Claims you will have oversight of the entire claims function with 3 direct reports all of whom will be at Claims Manager level. You will have ultimate responsibility for the claims handling process all of which will be in a technical capacity on a delegated authority basis working closely with Insurer Partners. The majority of the claims will be of domestic nature however candidates with commercial property claims experience will also be considered.
Contact: Nikki.McManus@ipsgroup.co.uk - Leeds Ref:CII140822NM

• Private Clients Account Handler
£25,000 + Benefits ***– Derby***
Centralising their personal lines business into Derby, a new opportunity for a top 5 independent and award-winning broker in their private clients team focusing on Motor, Home and Leisure with risks up to and around the £10,000 premium mark.
Contact: Mark.Fancourt@ipsgroup.co.uk - Birmingham Ref:CII140825MF

• Home Based Commercial Insurance Development Executives
£45,000 + Car/Car Allowance, 25p per mile petrol, 20% commission – West Midlands
Two opportunities due to expansion. Traditional home-based new business role, focussing on the West Midlands, you will be required to build a book of business, my client is open to all areas of commercial business. Commercial broking experience essential.
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• Commercial Account & Financial Lines Handler
£25,000 + Benefits ***– Stourbridge***
Due to expansion an opportunity for an Account Handler with a minimum of 3 years' experience in all areas of commercial business and ideally financial lines to join a top 5 award winning independent broker. Good relationship building, and interpersonal skills required.
Contact: Mark.Fancourt@ipsgroup.co.uk - Birmingham Ref:CII140849MF

• Energy Account Handler
Up to £32,000 + Benefits ***– Birmingham***
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Contact: Mark.Fancourt@ipsgroup.co.uk - Birmingham Ref:CII140801MF

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