



FINANCE & TECHNOLOGY RESEARCH CENTRE

Adviser Forum

Protection Forum

Executive Summary

Meeting held as a teleconference on 2nd December 2010



@10.30am – 11.45am

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Competition Act reminder

- The role of this Forum is to facilitate business efficiencies in the personal finance sector for the benefit of Distributors, Product Providers and most importantly consumers.
- All present are reminded of the requirements of the Competition Act and members' attention is drawn to the guidelines, which are available.
- In essence, all Members shall refrain from any conduct or participation in any activities which could lead to a restriction of competition between the Members or any third party who is a competitor of a Member or Product Provider or which could in any other way lead to an infringement of UK and/or EC rules on competition law.
- Output of the meeting must be complete, we will pause before each new section to agree and summarise the issues covered.
- Role of the chairman is to steer the group clear of conversations that may impinge on The Act.
- If the chairman fails to do this, delegates should point this out in the meeting and if the situation does not change should leave the meeting.

Agenda for teleconference call on 02/12/10

- This pack contains the slides presented at the Protection meeting held on 2nd December 2010.
- Slides with a  represent the meeting presentation; slides with a  represent additional views and conclusions from the meeting. Members' comments, additional text and actions are shown in **purple text**.

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Attendees & apologies

Distributors	
LifeSearch	Proactive
London & Country	Royal Bank of Scotland
Product Providers	
Axa	LV=
Fortis Life	Exeter Friendly
Friends Provident	Pru Protect
Legal & General	Zurich
F&TRC	
Poppy Achilles, Ian McKenna, Kevin Carr & Chris Watkins	

APOLOGIES		
BUPA	AEGON	Direct Life & Pensions
Master Adviser	Sesame Bankhall	Scottish Provident & Bright Grey
	Aviva	

Executive summary

<p><i>Change of meeting format</i></p>	<ul style="list-style-type: none"> As a result of the adverse weather conditions and the affect this was having on transport, F&TRC changed the meeting format from a physical meeting to a teleconference. F&TRC consulted with a number of firms the day prior to the meeting and this approached was widely accepted to be a sensible approach. 	<p>-</p>
<p><i>Business retention and good practices</i></p>	<ul style="list-style-type: none"> Good practice document has now been signed off by most of the firms engaged in Protection Forum (firms who were not on the call will be contacted offline). Distributors stated that they would like to see a current state assessment conducted of provider practices every quarter in 2011 to measure the extent to which providers were adopting the good practices developed. The results will be presented to distributors at the March Protection Forum meeting to help them understand which providers are improving their operational practices. 	<p><i>Pages</i> 9 - 11</p>
<p><i>Policy re-instatement processes</i></p>	<ul style="list-style-type: none"> Feedback from distributors regarding the analysis work documented on pages 12-15 was excellent, firms stated that the research demonstrated the variances in provider processes that they had to cope with. Distributors stated that consumer unfriendly processes often meant that customers developed a poor perception of the industry. All providers outlined the factors that influence their process design, discussion concluded whilst there are a wide range of practices in operation today and that no one firm was right or wrong, processes were just different. The group has agreed to focus it's efforts on looking at harmonisation of approach to policy reinstatement as a further opportunity to improve industry efficiency. Work starts in December 2010. Re-insurer engagement on this issue will be important, given that some provider processes are influenced by their re-insurer agreements. 	<p><i>Pages</i> 12 - 19</p>

Objectives

Objectives

- Sign off good practice paper on business retention and agree process for measuring market response.
- Review provider approaches to policy re-instatement and identify areas of greatest friction and frustration for customers and distributors and agree next steps.



Actions

Date of meeting	No.	Task	Resource name	Deadline	Status
30/09/10	61	F&TRC to host a conference call with Kevin Carr, London & County, Friends Provident and LV=, to develop statements that demonstrate the consumer benefit of developing business retention processes.	F&TRC, Friends Provident, London & County, LV=	05/11/10	Complete
30/09/10	62	F&TRC to check what persistency reporting data the FSA ask for.	F&TRC	05/11/10	Complete
30/09/10	63	F&TRC to confirm which of the data items highlighted in the business retention document fall under the data protection act.	F&TRC	05/11/10	Complete
30/09/10	64	F&TRC to revise current draft good practice statement on business retention practices and issue to group for feedback prior to the next Protection Forum meeting.	F&TRC	12/11/10	Complete
30/09/10	65	F&TRC to conduct current statement of provider business retention process as they operate today. Data will be used to compare how market practices have moved on early in Q2 2011.	F&TRC	26/11/10	Deferred until January
30/09/10	66	F&TRC to map differing provider processes onto a single page so that providers can use the information to demonstrate to their businesses the operational overheads such practices are creating for their key distributor clients.	F&TRC	26/11/10	Underway – see page 20
30/09/10	67	F&TRC will use the information supplied by London & Country to develop a series of questions that will be sent to providers to document their policy re-instatement processes.	F&TRC	26/11/10	Complete

New actions

Date of meeting	No.	Task	Resource name	Deadline
02/12/10	85	F&TRC to approach all firms who have yet to sign off the good practice document on business retention to obtain their feedback and then formally publish a final version of the document to all Forum members.	10/12/10	F&TRC
02/12/10	86	F&TRC to conduct a current state assessment of product provider adherence to good practice guide on business retention and to bring back findings to March 2011 Protection Forum meeting.	18/02/11	F&TRC
02/12/10	87	F&TRC to contact distributors to arrange a teleconference call to discuss which practices they feel constitute good practice when seeking to re-instate policies and why.	28/02/11	F&TRC and distributors
02/12/10	88	F&TRC to contact product providers to ask them to confirm which factors influence their policy re-instatement practices and if there are any reasons why certain practices could not be modified as a result.	21/02/11	F&TRC & Providers
02/12/10	89	F&TRC to collate findings from both groups on business retention practices and bring information back to March Protection Forum for firms to review.	04/03/11	F&TRC

AOB & 2011 dates

Protection Forum meeting dates for 2011 (in Blue):

- March 10th
- June 16th
- September 22nd
- 8th December

AdviserForum Meeting Calendar 2011

Key	Meeting type	Who attends
Red	Investment Forum	Adviser Firms, Product Providers, Fund Mgt. Groups
Green	Workplace Forum	Adviser Firms, EBC's, Benefit Portals and Employee Benefit Providers
Blue	Protection Forum	Distributors, Product Providers, Re-insurers
Yellow	E-Services Forum	Technology vendors, Product Providers, Platforms

2011

January 11

M	T	W	T	F	S	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

February 11

M	T	W	T	F	S	S
	1	2	3	4	5	6
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28						

March 11

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21	22	23	24	25	26	27
28	29	30	31			

April 11

M	T	W	T	F	S	S
				1	2	3
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May 11

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30	31					

June 11

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July 11

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August 11

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29	30	31				

September 11

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October 11

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24	25	26	27	28	29	30
31						

November 11

M	T	W	T	F	S	S
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14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

December 11

M	T	W	T	F	S	S
			1	2	3	4
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12	13	14	15	16	17	18
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26	27	28	29	30	31	