

Template for provision of information required under Civil Liability Act 2018

August 2020

Questions

Questions		Answers				Notes
1	Is the firm a relevant insurer*			Yes/No		If "No" then proceed straight to final page and "Submit" button
2	For each report year* in which the firm is a relevant insurer please provide the following data:	19/20 (optional)	20/21	21/22	22/23	NB - only include data for policies governed by the law of England and Wales
a	Total gross amount of the ultimate value of claims under its private motor insurance policies*, in respect of personal injuries sustained by third parties, finally settled during the report year where the gross amount of each claim was more than £100,000					Settled means that there is no reserve left outstanding on the claim. In the case of PPOs, settled means that the PPO has been agreed in court - the amount to be included in this submission should be the total value of the PPO including all estimated future payments. Property damage payments should be excluded. All claims settled in the period are to be reported irrespective of when they were first reported.
b	Total legal costs* associated with such claims					
c	Total value of reinsurance recoveries* related to such claims					These recoveries should include amounts expected to be collected as well as those already collected.
d	Total number of such claims					Where there are a number of claims recorded on the firms systems which all arise from one incident then they should be aggregated and treated as one claim.
e	Mean amount of such claims					calculated as (a+b-c)/d
f	Total gross amount of the ultimate value of claims under its private motor insurance policies*, in respect of personal injuries sustained by third parties, finally settled during the report year where the gross amount of each claim was £100,000 or less.					Settled means that there is no reserve left outstanding on the claim. In the case of PPOs, settled means that the PPO has been agreed in court - the amount to be included in this submission should be the total value of the PPO including all estimated future payments. Property damage payments should be excluded. All claims settled in the period are to be reported irrespective of when they were first reported.
g	Total legal costs* associated with such claims					
h	Total value of reinsurance recoveries* related to such claims					These recoveries should include amounts expected to be collected as well as those already collected.
i	Total number of such claims					
j	Mean amount of such claims					calculated as (f+g-h)/i
k	Total Gross Premium* written for private motor insurance policies* that incepted in the report year					

* Please refer to "Instructions and Glossary" for further definition

l	Total number of such policies					
m	Mean premium per policy					calculated as k/l
3	Audit requirements					
a	For each report year* please provide a statement from a qualified auditor* verifying that the information provided in response to Question 2 has been audited					The statement should include the details of the qualified auditor who has audited the data
	Counterfactual Information					
4	For each report year* in which the firm is a relevant insurer* please provide the following data as if the Act had not been enacted:		20/21	21/22	22/23	The information provided for this question must be calculated using the same methodology as that used for obtaining the information in question 2. Where any of the information provided for this question relates to the personal injury discount rate provision in Part 2 of the Act, for the purposes of this regulation the underlying assumption must be that the discount rate which would apply had the Act not been enacted is the discount rate set by regulation 2 of the Damages (Personal Injury) Order 2017(3).
a	Total gross amount of the ultimate value of claims that the relevant insurer* might reasonably have been expected to pay for all claims under its private motor insurance policies*, in respect of personal injuries sustained by third parties, finally settled during the report year where the gross amount of each claim was more than £100,000					Settled means that there is no reserve left outstanding on the claim. In the case of PPOs, settled means that the PPO has been agreed in court - the amount to be included in this submission should be the total value of the PPO including all estimated future payments. Property damage payments should be excluded. All claims settled in the period are to be reported irrespective of when they were first reported.
b	Total legal costs* associated with such claims					
c	Total value of reinsurance recoveries* related to such claims					These recoveries should include amounts expected to be collected as well as those already collected.
d	Total number of such claims					Where there are a number of claims recorded on the firms systems which all arise from one incident then they should be aggregated and treated as one claim.
e	Mean amount of such claims					calculated as (a+b-c)/d
f	Total gross amount of the ultimate value of claims that the relevant insurer* might reasonably have been expected to pay for all claims under its private motor insurance policies*, in respect of personal injuries sustained by third parties, finally settled during the report year where the gross amount of each claim was £100,000 or less.					Settled means that there is no reserve left outstanding on the claim. In the case of PPOs, settled means that the PPO has been agreed in court - the amount to be included in this submission should be the total value of the PPO including all estimated future payments. Property damage payments should be excluded. All claims settled in the period are to be reported irrespective of when they were first reported.

*** Please refer to "Instructions and Glossary" for further definition**

g	Total legal costs* associated with such claims					
h	Total value of reinsurance recoveries* related to such claims					These recoveries should include amounts expected to be collected as well as those already collected.
i	Total number of such claims					
j	Mean amount of such claims					calculated as (f+g-h)/i
k	Expected Gross Premium* <i>which might reasonably been written</i> for private motor insurance policies* that incepted in the report year					
l	Total number of such policies					
m	Mean premium per policy					calculated as k/l
5	Audit requirements					
a	For each report year* please provide a statement from a qualified auditor* providing an assurance that the requirements in the above note to Question 4) have been taken into account in preparing the information provided in the responses.					The statement should include the details of the qualified auditor who has provided the assurance
6	Additional information which may be taken into account					
a	Please provide a description of benefits, other than a reduction in premium price, which, due to savings resulting from the Act, have been passed on during the report period to individuals purchasing private motor insurance policies.					This question is compulsory
b	You may provide any other information which is, in your reasonable opinion, relevant to the aim of assessing whether benefits from such savings made from the reforms under the Act have been passed on to individuals purchasing private motor insurance policies during the report period.					"This question is optional but may include information about: (a) trends in the motor insurance market; (b) third party costs such as reinsurance or intermediary costs; (c) pricing or reserving actions taken in response to events which may have affected the price of premiums offered to purchasers of private motor insurance policies where those events occurred during the report period or the two years immediately preceding the report period; and (d) wider economic factors."

*** Please refer to "Instructions and Glossary" for further definition**

Instructions and Glossary

The Act	The Civil Liability Act 2018.
Private motor insurance policy	<p>a relevant third party personal injury policy of insurance which is a policy of insurance against losses arising from the death of, or bodily injury to, any person, or damage to property that is supplied to, or acquired by, the user of a privately owned motor vehicle which—</p> <p>(a) restricts the insurance of the person insured by the policy to use of the vehicle for specified purposes (in particular, social, domestic and pleasure purposes) of a non-commercial character; or</p> <p>(b) which excludes—</p> <p>(i) use of the vehicle for hire or reward;</p> <p>(ii) business or commercial use of the vehicle; or</p> <p>(iii) use of the vehicle for specified purposes of a business or commercial character.</p> <p>For the purposes of this data collection, policies that include cover for commuting and/or incidental business usage are included. The key point is that they are not business/commercial policies.</p>
Report year	any one of the three 12 month periods commencing 01/04/2020, 01/04/2021 and 01/04/2022. If the firm wishes it may provide data for the year commencing 01/04/2019 to present the position before the commencement of the reforms.
Relevant insurer	<p>An insurer who—</p> <p>(a) has effected or carried out contracts of insurance in England and Wales for a period including at least one report year; and</p> <p>(b) has issued 100,000 or more private motor insurance policies where the period of cover for those policies began in a single report year.”</p>
Gross Premium	The amount charged to the customer for their policy - excluding the premium for any optional add-ons and excluding IPT.
Legal costs	All costs, in addition to the actual indemnity, which are specifically linkable to a particular claim, thus including legal and medical costs, court fees etc., including disbursements, VAT, and insurers' own solicitors' fees where a case goes to court. In other words all the amounts that a firm would record on its systems to be included in the Ultimate Gross amount recorded for each claim. Legal (and other) costs recorded centrally should not be included.
Qualified auditor	means a person who is eligible for appointment as a statutory auditor under part 42 of the Companies Act 2006.
Reinsurance recoveries	Firms will have varying reinsurance programmes, including individual loss, whole account and quota share protections. For this data provision they should apply best endeavours to allocate the appropriate amount of their total recoveries to the reported claims.
Adjustment for Inflation	The information provided as answers for questions 2, 4 and 6 must be adjusted for inflation in accordance with the relevant measure of inflation for each report year. The adjustment should restate the actual figures from the second and third years back to the equivalent of the first year.
Relevant measure of inflation	The average of the consumer prices index figures over that report year. (NB to ensure consistency the relevant figures will be provided with the survey)



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