

PII Renewal 2017

Introduction

We wanted to understand how CLC-regulated firms had found the renewal process to inform the work we carry out with the profession and insurers for the benefit of consumers.

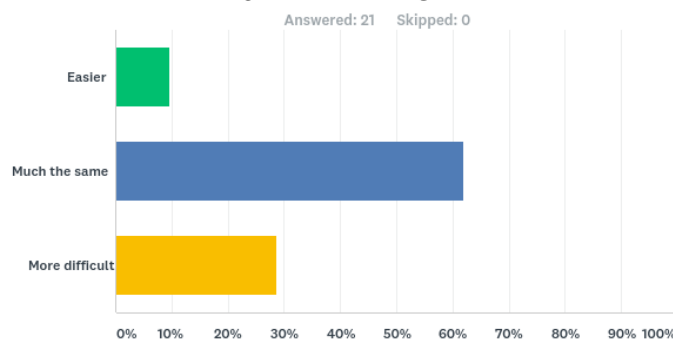
Methodology

The survey was carried out at the end of the 2017 PII renewal round, using SurveyMonkey. In all, 21 responses were submitted (63 in 2016) making direct comparisons with 2016 PII renewal problematic.

Comparative Ease of the New PII Renewal Process

We asked respondents how they found the new PII process in comparison with what was in place in 2016. 62% respondents found the process much the same as last year (52% in 2016). Just under 10% found it easier (32% in 2016) and 29% who found it more difficult (16% in 2016).

Q1 In comparison to last year's PII renewal process, how did you find the renewal process this year?

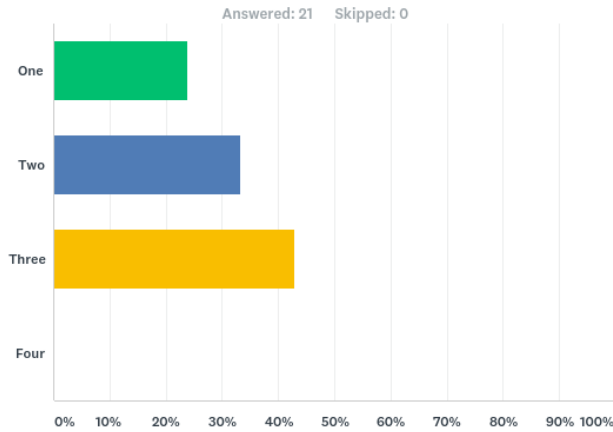


Number of Quotations Sought

Respondents were able to approach three different providers (2 in 2016). 24% respondents asked for a quotation from only one provider (36% in 2016) and 76% respondents asked for a quotation from two or three providers.



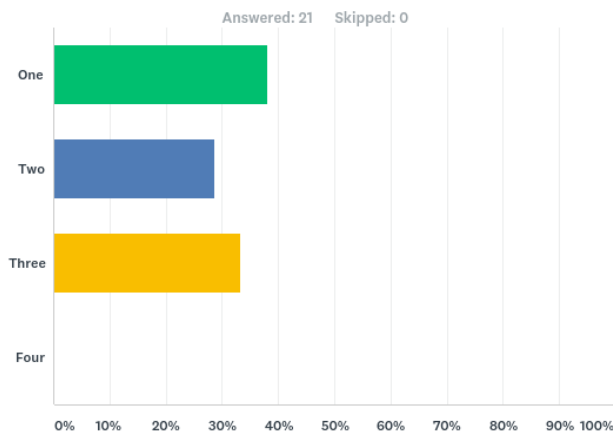
Q2 How many quotations for PII did you ask for this year?



Number of Quotations received

38% received one quotation (49% in 2016) and 62% received two or more quotations (51% in 2016). Some providers failed to provide quotations requested, as mentioned in the comments in response to Question 6 below.

Q3 How many quotations for PII did you receive this year?

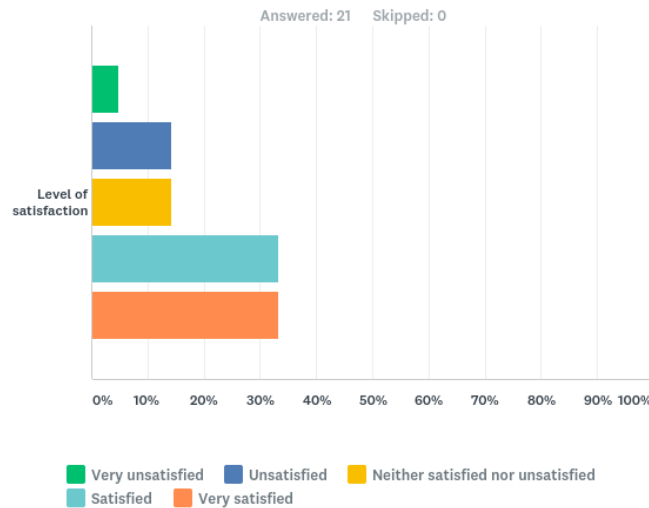


Satisfaction with the PII Renewal Arrangements 2017

The levels of satisfaction reported were much the same as for 2016: satisfied or very satisfied 67% (68% in 2016), neither satisfied nor unsatisfied 14% (8% in 2016), and unsatisfied or very unsatisfied 19% (24% in 2016).



Q5 How satisfied were you with the PII renewal round this year?



Q6 What could be done to improve it?

About the proposal form

- A universal questionnaire, common to all insurers would be very welcome
- Fewer questions and requirements

About the quotation

- Explanation why they failed to return a quote
- Consistency with the quotations
- The insurers quoting different excesses made comparison difficult
- ...and a keener quote

About service levels

- Time taken to return quotes (some providers took much longer than others)
- Much more contact. We had to chase and chase - we only received the policy at the last minute
- It was nothing that the CLC did or did not do, but we had great difficulty in getting [provider] to respond to communications
- I think that it was a rush in the end even though we answered the questions required immediately they were requested.

And a positive comment

- Happy with current process

Q7 If you have any other views on the CLC's PII arrangements, please share them here:

- The premium was based on turnover and not numbers of transactions. We re-negotiated the premium
- I am delighted that you have arranged for the inclusion of run-off cover in the annual premium. Very sensible.

Conclusion

The CLC is in regular contact with insurance brokers during the renewal period, principally to ensure that all practices are taking timely steps to effect PII renewal. Premiums have remained low with the exception of practices with claims which have seen their premiums increase. One practice was unable to obtain renewal terms from any of the brokers. Between 1 July 2016 and 30 June 2017 the CLC intervened into three practices (one because of the ill-health of the sole practitioner) and a further eight practices have had managed closures.

To date the profession has recognised and to a large extent mitigated much of the risk caused by cybercrime. This is an area of concern which needs to be constantly highlighted to clients and to everyone working in this area.