

TERMS OF REFERENCE



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Distribution: **Process & Standards Group,
Standards & Governance Executive**

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| 1. PURPOSE | 2. BACKGROUND | 3. SCOPE |
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| <p>The purpose of this Terms of Reference document is to gain the Process & Standards Group (PSG) and the Standards and Governance Executive (SaGE) support for the proposed Scope, Objectives, Timescales, Resources and Approach for the Protection Policy Retention Standards Development project.</p> | <p>One of the key requirements of the Adviser protection policy retention process is obtaining early notification of any events that may have happened in relation to the policy.</p> <p>If Advisers are made aware early enough of events that have occurred, they could potentially discuss these with their clients and take steps to avoid the need for policy cancellation. This would ultimately mean clients remain protected through the intervention and support of the Adviser.</p> <p>Currently there is no standard mechanism for Providers informing Advisers of these events in time for mitigating action to be taken.</p> <p>The Standard will involve the notification of policy and possibly client related event data by Product Provider to a servicing Adviser.</p> <p>Introduction of this Standard would support the Protection Distributors Group ‘Client Retention Charter’, specifically relating to a daily notification of such events.</p> | <p>The Product scope is for individual Protection policies only, and the process scope covers servicing of policies after they are on risk. The context of the solution, for example how Advisers will ‘sign up’ for the service is also in scope.</p> <p>The scope of events to be covered by the Standard will need to be clearly defined at the outset. Similar initiatives have been considered in the past (e.g. Event Notification, STEVEN) and did not gain sufficient business appetite to be progressed, partly due to the wide range of events that were in scope.</p> <p>It is likely that events in scope will include: policy cancellations, failure to collect direct debit, cancelled direct debits.</p> <p>Events that could potentially be included are change of client details (e.g. contact details), direct debit reinstatement and changes to the cover, however it is recognised that notification of these type of events satisfy a much wider requirement than the primary and immediate focus of this Standard which is for policy retention purposes.</p> <p>As way of mitigation of the above, a 3 month scoping and design exercise should take place to define the target Standard and any subsequent roadmap at a high level.</p> |



| 4. OBJECTIVES | 5. TIMESCALES/RESOURCE REQUIREMENTS | 6. APPROACH |
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| <p>The project objectives are to:</p> <ol style="list-style-type: none">1. Understand the policy retention process including what events Providers could notify Advisers of that would assist;2. define the process requirements and detailed business data for the provision of a Standard to support Policy Retention;3. assess any additional security or legal considerations that emerge from these detailed requirements;4. identify any changes required to the Legal Framework Standard to support the Policy Retention Standard;5. identify which Solution Model or combination of Solution Models is most appropriate for the Standard to adopt;6. publish all business, technical and supporting artefacts required to support successful implementation of the Standard. | <p>Expected Start Date: June 2023</p> <hr/> <p>Elapsed Time: Following Working Group being established: 3 months scoping and design 3 months development.</p> <hr/> <p>Resource Types: Project Management Business Architect / Analyst Technical Analyst</p> <hr/> <p>External Parties: This development project will benefit from representation from Product Providers, Back Office System Suppliers, Advisers and Networks. Participating organisations will be expected to provide 1 – 2 days per month input to the project.</p> <hr/> <p>Proposer: Aviva, Paul Wood</p> <hr/> <p>Secondar: Legal & General, Remy Smits</p> | <p>Criterion will invite interested parties to form a Policy Retention Standards Development Working Group, to assist Criterion in the assessment and analysis of Policy Retention Standards requirements. The Working Group's involvement will be in gathering and validating the requirements, agreeing the events in scope, assisting in resolving any issues, reviewing and signing off the deliverables.</p> <p>The Working Group will meet when there are issues or activities which would benefit from discussion by the Group. These meetings are likely to be virtual, but may occasionally be in person if appropriate.</p> <p>Working Group members must make themselves aware of, and operate in compliance with, Criterion's Competition Act Policy Statement:</p> <p>https://www.criterion.org.uk/competition-act-policy/</p> |