



Learning Outcome

Assessment Criteria

Indicative Content

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1 12 questions	Understand the general principles in the claims handling process	1.1	Describe the legal requirements for a valid claim.	1.1.1	What requirements the insured needs to prove a valid claim.
				1.1.2	What the duties and responsibilities of the insurer are when assessing a claim.
		1.2	Describe the different types of policy conditions relating to claims.	1.2.1	The types of policy conditions and their relevance to claims, and the consequences of non-compliance.
				1.2.2	What is meant by the terms express condition and implied condition, and the difference between the two.
				1.2.3	Unfair or hidden terms and conditions.
				1.2.4	The duties of an insured after a loss.
		1.3	Describe what documentary and supporting evidence are required when notifying a claim.	1.3.1	Methods for giving first notice of loss.
				1.3.2	Claim forms and content.
				1.3.3	Supporting evidence.
		1.4	Explain what is meant by proximate cause and how it is applied.	1.4.1	Proximate cause and its application to a given set of circumstances.
2 13 questions	Understand insurance products and associated services	2.1	Know the features, extensions and exclusion of motor policies.	2.1.1	Private (Road Traffic Act, third party only, third party, fire and theft, comprehensive).
				2.1.2	Road Traffic Act requirements.
				2.1.3	Motorcycle.
				2.1.4	Commercial.
		2.2	Know the features, extensions and exclusions of household policies, gadget policies, travel policies, pet policies and extended warranties.	2.2.1	Household - Buildings and contents.
				2.2.2	Gadget – laptop, mobile phones, etc.
				2.2.3	Travel.
				2.2.4	Pet.
				2.2.5	Extended warranty.
		2.3	Know the features, extensions and exclusions of commercial property and pecuniary policies.	2.3.1	Commercial Property - combined property, all risks, theft, glass, money.
				2.3.2	Pecuniary - business interruption, legal expenses and creditor insurance.
		2.4	Know the features, extensions and exclusions of commercial liability policies.	2.4.1	Liability – employers' liability, public liability, product liability, professional indemnity, cyber liability.



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3 13 questions	Understand claims considerations and administration	2.5	Know the features, extensions and exclusions of health policies.	2.5.1	Health - personal accident, sickness, medical expenses.
		3.1	Describe the role of the claims department.	3.1.1	Function of the claims department and staff responsibilities.
		3.2	Explain the importance of service standards and managing customer expectations.	3.2.1	Why good customer service is important.
				3.2.2	Typical service standards content.
				3.2.3	How can service standards benefit both the insurer and insured.
		3.3	Understand the different parties to an insurance claim.	3.3.1	Describe the first, second and third parties in an insurance claim.
				3.3.2	How third party claims differ from first party claims.
				3.3.3	Explain how third party claims are managed by insurers.
				3.3.4	The various services available to third party claimants when dealing with litigation costs.
		3.4	Explain the importance of claims estimating and how the process of reserving operates.	3.4.1	Understand why claims estimating and reserving is important to the company.
				3.4.2	The process of individual case reserving.
				3.4.3	The process of actuarial or global reserving.
				3.4.4	Understand the need for static reviews.
		3.5	Understand how fraud affects insurance claims.	3.5.1	Fraud detection and indicators.
				3.5.2	Understand the various prevention methods.
				3.5.3	Detection databases.
				3.5.4	Consequences for the insurer and genuine policyholders.
				3.5.5	Consequences for third parties committing fraud.
				3.5.6	The consequences for policyholders committing fraud including application of Insurance Act 2015.
		3.6	Describe the main regulatory and legislative environment for claims handling.	3.6.1	Insurance: Conduct of Business sourcebook (ICOBS) as it relates to claims handling.
				3.6.2	The importance of Consumer Duty and positive customer outcomes.
				3.6.3	Implications of the Insurance Act 2015 as it relates to claims handling.
				3.6.4	The Enterprise Act as it relates to claims handling.
				3.6.5	The Consumer Insurance (Disclosure and Representations) Act 2012 as it relates to claims handling.



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4 13 questions	Understand claims handling procedures and related claims services	3.7	Describe how disputes and complaints could be resolved.	3.7.1	The various ways in which first party disputes can be resolved.
				3.7.2	Arbitration and the arbitration clause.
				3.7.3	Alternative dispute resolution and litigation of third party claims.
				3.7.4	The Financial Ombudsman Service and its role in dispute resolution.
		3.8	Describe the concepts of good faith and the duty of fair presentation.	3.8.1	The duty of fair presentation.
				3.8.2	The consequences of a breach of the duty of fair presentation.
	Understand claims handling procedures and related claims services	4.1	Know claims handling procedures for motor policies.	4.1.1	Private (Road Traffic Act, third party only, third party, fire and theft, comprehensive).
				4.1.2	Road Traffic Act requirements.
				4.1.3	Motorcycle.
				4.1.4	Commercial.
				4.1.5	Uninsured loss recovery.
				4.1.6	Helplines, advice and assistance.
				4.1.7	Uninsured losses and rehabilitation.
		4.2	Know claims handling procedures for household, gadget, travel, pet and extended warranty.	4.2.1	Household - Buildings and contents.
				4.2.2	Gadget – laptop, mobile phones, etc.
				4.2.3	Travel.
				4.2.4	Pet.
				4.2.5	Extended warranty.
		4.3	Know claims handling procedures for commercial property and pecuniary policies.	4.3.1	Commercial Property - combined property, all risks, theft, glass and money.
				4.3.2	Pecuniary - business interruption, legal expenses and creditor insurance.
		4.4	Know claims handling procedures for commercial liability policies.	4.4.1	Liability – employers' liability, public liability, product liability, professional indemnity, cyber liability.
		4.5	Know claims handling procedures for health policies.	4.5.1	Health - personal accident, sickness, medical expenses.
		4.6	Know the Civil Procedure Rules.	4.6.1	Civil procedure rules.
				4.6.2	Personal Injury Pre-Action Protocol and Civil Liability Act 2018.
				4.6.3	Ministry Of Justice portal.



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5 6 questions	Understand claims handling operations	5.1	Describe the key features, structure and objectives of claims systems.	4.6.4	Small Claims Track.
				5.1.1	How volume and complexity influence the design of claims handling systems.
				5.1.2	The key information that needs to be stored in a claims handling system.
				5.1.3	Advantages and disadvantages of using electronic claims handling systems.
		5.2	Understand the importance of data protection legislation and enforcement.	5.2.1	Application and enforcement of data protection legislation.
				5.2.2	Classification of data.
				5.2.3	Data protection principles.
		5.3	Explain the roles of external support services used in the claims process.	5.3.1	Outsourcing companies.
				5.3.2	Loss adjusters.
				5.3.3	Loss assessors.
				5.3.4	Disaster recovery companies.
				5.3.5	Surveyors.
				5.3.6	Solicitors.
				5.3.7	Authorised repairers.
				5.3.8	Risk management in the context of preventing and mitigating claims.
				5.3.9	Experts used in the valuation of a third party claim.
		5.4	Describe the claims function as it appears in functional and divisional structures.	5.4.1	Know the different types of organisational structure and the advantages and disadvantages of each.
6 10 questions	Understand claims settlement	6.1	Describe the way that claims can be settled.	6.1.1	Payment of money.
				6.1.2	Payment directly to service provider for repairs, medical treatment or other service.
				6.1.3	Replacement and reinstatement.
		6.2	Describe why a full indemnity may not always be paid.	6.2.1	Limits.
				6.2.2	Average clauses.
				6.2.3	Betterment.
				6.2.4	Excesses and deductibles.
				6.2.5	Franchises.
		6.3	Explain how insurers can recover the cost of claims.	6.3.1	Understand subrogation.
				6.3.2	Understand salvage.
				6.3.3	Contribution and coinsurance.



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		6.4	Describe the provisions of the Motor Insurers' Bureau agreement for untraced and uninsured drivers.	6.4.1	Untraced Drivers' Agreement.
				6.4.2	Uninsured Drivers' Agreement.
7	Understand how expenses are managed	7.1	Describe the role of the claims manager.	7.1.1	Claims department strategies.
8				7.1.2	Cost and staffing.
questions				7.1.3	Skills, knowledge and qualifications of claims managers.
		7.2	Explain what leakage is and how to identify and reduce it.	7.2.1	Explain and identify the different types of leakage.
				7.2.2	How to prevent leakage.
				7.2.3	Consequences of leakage and improving management of leakage.
				7.2.4	Ex gratia payments.
		7.3	Explain the types of financial monitoring and how this can impact an insurance company results.	7.3.1	Why it is necessary to monitor a company's financial performance.
				7.3.2	Methods of financial reporting and control.
		7.4	Explain the basis and significance of reserving practice.	7.4.1	Outstanding loss reserves.
				7.4.2	Incurred but not reported reserves (IBNR).
				7.4.3	Incurred but not enough reported reserves (IBNER).
				7.4.4	Understand other reserves.