

SECOND PROGRESS UPDATE

2017

COST OF INSURANCE WORKING GROUP

REPORT ON THE COST OF MOTOR INSURANCE

Second Quarterly Update
JULY 2017



An Roinn Airgeadais
Department of Finance

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FOREWORD BY MINISTER OF STATE



I wish to first introduce myself as the new Chair of the Cost of Insurance Working Group and state my deep appreciation for the excellent work undertaken by my predecessor, Eoghan Murphy, T.D. I intend to build upon the substantial progress which the Working Group has achieved in first devising, and now implementing, the comprehensive set of recommendations contained in the Action Plan from the *Report on the Cost of Motor Insurance*. The actions are set to a detailed and ambitious timeline in order to effectively tackle those factors that are influencing the increasing cost of motor insurance.

This is the second of the quarterly updates reporting on the progress of the implementation of the Action Plan, in line with commitments made in the Report. It is a testament to the leadership shown by Minister Murphy in this area that all 17 actions scheduled for completion in Q2 2017 have been achieved. In addition, two of the three outstanding actions from Q1 have now been fully completed, while two actions which had a deadline of Q4 2017 have been completed ahead of schedule. Substantial work has also been undertaken in respect of a number of the other actions, including all nine which are classified as “ongoing” in the Action Plan.

It should be noted that the latest data from the Central Statistics Office indicates that private car premiums in June 2017 reduced by 10.2% year-on-year. I do, however, accept that while CSO statistics indicate a greater degree of stability on an overall basis, these figures only represent a broad average and there are many people who are still seeing increases. I take the view that while the greater stability in pricing is a good thing, premiums are still at a very high level and we must continue to strive, with the appropriate levels of commitment and cooperation from all relevant stakeholders, to achieve the objective of delivering fairer premiums for all consumers.

Michael D’Arcy, T.D.
Minister of State for Financial Services and Insurance

PROGRESS UPDATE: Q2 ACTIONS

Action	Title	Q2 2017
1	A protocol to be developed with Insurance Ireland to facilitate the communication of reasons for large increases in premiums to consumers	✓
11	Insurers to implement policies to fully accept driver experience from abroad when driver is coming from a country in which driving takes place on the left	✓
13	Insurance Ireland to submit a report to the Department of Finance on implementing Actions 10-12	✓
15	Insurance Ireland to submit first annual report to the Department of Finance in relation to the operation of the Declined Cases Agreement	✓
21	Advisory Committee on Small Public Vehicles to report to the Minister for Transport, Tourism and Sport	✓
26	Collation and analysis of completed key aggregated metrics template received from insurers	✓
27	Quarterly publication of key aggregated metrics commenced	✓
34	Review cases of non-attendance at medicals and refusal to provide details of special damages	✓
35	Publish Heads of Bill to enhance the powers of the Personal Injuries Assessment Board (PIAB)	✓
40	Implement the outcome of the PIAB legislative review	✓
44	Government approval of Heads of Bill to amend the <i>Insurance Act 1964</i>	✓
51	Determine the parameters of the insurance fraud database: who is to be responsible, how it will be funded, and who will have access	✓
52	Liaise with industry and An Garda Síochána to determine what type of data will be inputted into the insurance fraud database	✓
53	Liaise with the Data Protection Commissioner in relation to data sharing provisions in respect of the insurance fraud database	✓
55	Determine the mechanism for further co-operation between the insurance industry and An Garda Síochána	✓
65	National Vehicle and Driver File to submit detailed project plan in relation to the Master Licence Record to the Minister for Transport, Tourism and Sport	✓
70	Wording in respect of road safety to be provided by the Department of Transport, Tourism and Sport for inclusion in policy documents	✓
Key		
●	Action delayed beyond scheduled quarter	✓ Action completed
●	Action partially delayed	

The table above indicates that all 17 actions which were scheduled for delivery in Q2 2017 have been fully completed.

The table below indicates that two of the three actions which were outstanding from Q1 2017 have now been completed. The full completion of the remaining action (Action 45) is contingent on the establishment of the new Office of the Legal Costs Adjudicators (OLCA).

PROGRESS UPDATE: OUTSTANDING Q1 ACTIONS

Action	Title	Q1 2017	Q2 2017
20	Advisory Committee on Small Public Service Vehicles to meet with Insurance Ireland	●	✓
45	Establish reliable set of data and commence review of impact of legal and other fees on personal injury awards	●	●
69	Develop a protocol for the insurance industry to promote compliance with road safety legislation	●	✓
Key			
	●	Action delayed beyond scheduled quarter	
	●	Action partially delayed	
	✓	Action completed	

The table below indicates that two actions which had a deadline of Q4 2017 have been completed ahead of schedule. These both relate to the “returning emigrants” recommendation (Recommendation 6) and have been accomplished early because insurance companies will not distinguish between other jurisdictions on the basis of which side of the road driving takes place therein, as had been envisaged in the Report.

PROGRESS UPDATE: FUTURE ACTIONS COMPLETED AHEAD OF SCHEDULE

Action	Title	ORIGINAL DEADLINE	Q2 2017
10	Insurance Ireland to put in place a standard information protocol for consumers	Q4 2017	✓
12	Insurers to implement policies to take appropriate account of right-hand driving experience from abroad when a person has previous driving experience in Ireland	Q4 2017	✓
Key			
	✓	Action completed ahead of schedule	

PROGRESS UPDATE: ALL RECOMMENDATIONS

Objective 1 – Protecting the Consumer

This objective relates to protecting the consumer in the insurance purchasing process. Important issues in this regard include increasing levels of transparency in respect of premiums, improving access to insurance, and enhancing the quality of engagement with consumers. Other matters relate to the treatment of returning emigrants and the operation of the Declined Cases Agreement.

Rec. 1 INSURERS TO SET OUT REASONS FOR LARGE INCREASES IN PREMIUMS TO CONSUMERS

UPDATE: A protocol has been agreed between Insurance Ireland and the Department of Finance which aims to explain how a premium is calculated and provides a list of reasons for large increases in premiums. This document will be provided to all policyholders on renewal and Insurance Ireland is working with its members on the rollout of this recommendation as it is implemented over the coming months. This is not a bespoke document but consumers will be provided with contact details of their insurance provider in order to enable them to receive more specific information if they do not believe any of the listed reasons apply to their situation. The main reason why a bespoke document cannot be provided is because the complexity of the interaction between the customer-facing systems and the underwriting systems in all modern insurance companies would make it impossible to delineate specific reasons for an individual premium increase. If insurers were to try and link these systems in order to address this issue, it would require very significant IT infrastructural changes at considerable cost, which would result in higher premiums. In addition, the Working Group believes that such an onerous requirement could result in the unintended consequence of discouraging new entrants to the market.

Related to this recommendation, Insurance Ireland has agreed to bring to its members for discussion a proposal to require the inclusion of the previous year's premium in renewal documentation for comparison purposes.

Rec. 2 INSURERS TO PROVIDE ADDITIONAL INFORMATION ON THE PREMIUM BREAKDOWN TO CONSUMERS

UPDATE: The Central Bank of Ireland is progressing with preparatory work, including a review of the current legal framework, to undertake consultation on the Non-Life Insurance (Provision of Information) (Renewal of Policy Insurance) Regulations 2007. The consultation will be public and published on the Central Bank's website in Q4 2017 with a three month consultation period provided. This is in line with the Central Bank's policy on consultations, which provides for clear and transparent engagement with stakeholders in fulfilling its financial regulation and supervisory objectives. It is envisaged that any ensuing required amendments to legislation will be made by the end of Q2 2018.

Rec. 3 EXTEND THE CURRENT RENEWAL NOTIFICATION PERIOD FROM 15 TO 20 WORKING DAYS

UPDATE: The Central Bank of Ireland is progressing with preparatory work, including a review of the current legal framework, to undertake consultation on the Non-Life Insurance (Provision of Information) (Renewal of Policy Insurance) Regulations 2007. The consultation will be public and published on the Central Bank's website in Q4 2017 with a three month consultation period provided. This is in line with the Central Bank's policy on consultations, which provides for clear and transparent engagement with stakeholders in fulfilling its financial regulation and supervisory objectives. It is envisaged that any ensuing required amendments to legislation will be made by the end of Q2 2018.

Rec. 4 TRANSPOSE THE INSURANCE DISTRIBUTION DIRECTIVE

UPDATE: A public consultation in relation to the potential impact for Ireland arising from the Insurance Distribution Directive, in particular regarding the discretions provided for in the Directive, was carried out in April. These discretions and the submissions received are being examined prior to a final approach being agreed. Overall, the Department is on schedule to complete this action on time, by the end of Q1 2018.

Rec. 5 SUPPORT EFFORTS TO IMPROVE CROSS-BORDER INSURANCE PROVISION AT EU LEVEL

UPDATE: The Department of Finance is monitoring developments at EU level on an ongoing basis and has instructed the Permanent Representation in Brussels to hold consultations with relevant institutions on issues raised in the report. The European Commission is due to publish a review of its Green Paper on Retail Financial Services which will contain an action on the need to complete an evaluation of the Motor Insurance Directive, in response to numerous complaints, particularly regarding no-claim bonuses on a cross-border level. The latest information is that it appears unlikely that a proposal will be finalised this year, as evaluations are still being carried out and that if it were to be this year, it would be in Q4. Separately, the Commission has stated that it is reviewing supervision and enforcement in relation to insurance companies operating on a cross-border basis in Member States, on foot of a number of concerns following recent bankruptcies of such companies. The Central Bank of Ireland has an ongoing engagement with the relevant European authorities in order to ensure common standards are applied consistently. In addition, the Central Bank fully participates in EIOPA (the EU overarching insurance regulatory body) to establish high quality common regulatory and supervisory standards and procedures. EIOPA is also due to report in 2019 on the barriers to providing cross-border insurance in general. The Department of Finance and the Central Bank will feed into the development of this report to ensure views expressed during the Working Group consultations are reflected.

Rec. 6 PROTOCOL TO ENSURE A GREATER CONSISTENCY OF TREATMENT FOR RETURNING EMIGRANTS

UPDATE: The Department of Finance and Insurance Ireland have agreed a protocol which commits insurance companies to accept claims-free driving experience in another country, subject to appropriate verifiable documentation being provided. Insurance Ireland are working with their members on the rollout of this recommendation as it is implemented over the coming months.

The guiding principle is to ensure that a returning emigrant is not treated any differently to any other driver, subject to verification of their continued driving experience and the normal acceptance criteria of the company. What this means is that the returning emigrant will not be disadvantaged from spending that time abroad. Furthermore, under the protocol insurance companies will not distinguish between countries on the basis of which side of the road driving takes place therein.

In addition to the above, insurance companies have agreed to provide relevant and helpful information on their websites to make it easier for consumers to understand the implications of their move abroad from a motor insurance perspective. As part of this exercise they will outline what people need to do under a number of different circumstances depending on the length of time they intend being away from Ireland.

In this regard, the Department of Finance's understanding is that insurance companies will make available relevant information to distinctive sub-groups of "emigrant" consumers, according to whether they are about to move abroad, are currently still abroad but intending to return to this country, or after they have returned. For example, prior to moving abroad, insurance companies will provide useful general information outlining possible options depending on the length of time the consumer intends to spend abroad. In all such instances, however, such consumers will be advised to first and foremost contact the insurance company directly in order to receive the most detailed information particular to their individual circumstances.

Overall, the two actions related to this recommendation which were due by the end of Q2 have been completed (i.e., Action Points 11 & 13), while another two which were due by the end of Q4 have also been completed, ahead of schedule (i.e., Action Points 10 & 12).

Under this recommendation, there is still one outstanding future action which requires Insurance Ireland to submit a report to the Department of Finance before the end of Q4 2017 on the implementation of Actions 10, 11 and 12. Insurance Ireland will provide an update in this report as to how the recommendation has been rolled-out amongst its members in practice, which will assist the Department of Finance in monitoring the implementation of the relevant actions.

Rec. 7 THE DECLINED CASES AGREEMENT TO BE SUBJECT TO ONGOING REVIEW TO ENSURE TRANSPARENCY

UPDATE: Insurance Ireland has submitted the first annual report on the operation of the Declined Cases Agreement (DCA) to the Department of Finance. The report provides data showing the increases in the numbers of consumers availing of the DCA, and a breakdown of the figures according to the category of driver. In the report, Insurance Ireland states that it *“believes that the time may be correct for a review of elements of the DCA”* and consequently calls on the Department of Finance *“to convene a series of workshops to review the operation and information flow between those organisations that play a role in the operation of the DCA”*. The Department of Finance will consider and act upon this proposal.

Rec. 8 PROTOCOL FOR POLICYHOLDERS TO BE NOTIFIED OF CLAIMS MADE AGAINST THEM BEFORE SETTLEMENT

UPDATE: Discussions in respect of this recommendation between Insurance Ireland and the Department of Finance have taken place as part of the joint sub-group on consumer recommendations. It is expected that the protocol will be developed in line with the end-of-year deadline and will involve the relevant policyholder being informed as soon as possible after both a claim is lodged and a claim is settled, and for the policyholder’s views to be taken into consideration.

Rec. 9 INSURANCE IRELAND TO ESTABLISH A FORUM FOR CONSUMER AND BUSINESS ISSUES

UPDATE: Insurance Ireland set up the forum in March and hosted the inaugural meeting on May 16th. The meeting was opened by the former Minister of State, Eoghan Murphy T.D. and was attended by representatives from the Department of Finance, the Central Bank of Ireland, the Financial Services Ombudsman, the Competition and Consumer Protection Commission, and the Consumers’ Association of Ireland. The first meeting concentrated on the motor insurance sector but it is intended to broaden the scope of the forum, both in terms of the types of insurance to be discussed and the range of participants therein. The forum is due to meet on a biannual basis with the next meeting provisionally scheduled for October/November this year.

Rec. 10 ADVISORY COMMITTEE ON SMALL PUBLIC SERVICE VEHICLES TO ENTER REGULAR DISCUSSIONS WITH INSURANCE IRELAND TO EXPLORE SOLUTIONS FOR DRIVERS IN THE SECTOR

UPDATE: Insurance Ireland met with the Advisory Committee on Small Public Service Vehicles, commonly known as the Taxi Advisory Committee (TAC), on May 22nd. The TAC submitted the required report in relation to this meeting on June 21st to the Minister for Transport, Tourism and Sport, who is currently considering same.

Objective 2 – Improving Data Availability

This objective focuses on the importance of improving transparency and data availability in the insurance sector. All of the insurance undertaking CEOs who met the Working Group stated that claims costs are a significant element in the price of motor insurance premiums. Indeed, the Joint Oireachtas Committee, in its own report, highlighted this as an issue that needed to be addressed as a matter of priority. In order to better understand how claims costs impact premiums, the Working Group decided that an incremental data gathering approach should be adopted to increase transparency and improve data availability across the insurance sector.

Rec. 11 ESTABLISH A NATIONAL CLAIMS INFORMATION DATABASE

UPDATE: The Department of Finance established a data sub-group at the beginning of the year to commence examination of issues with regard to the development of the National Claims Information Database. The sub-group is chaired by the Department of Finance, and includes membership from the Central Bank of Ireland, the Personal Injuries Assessment Board, the State Claims Agency and the Central Statistics Office. The Society of Actuaries has also attended and Insurance Ireland continue to be consulted to ensure a feasible framework is established.

In parallel with its work in completing the *First Motor Insurance Key Information Report* (see Recommendation 12), the sub-group has been looking at issues in relation to the development of the legislation to provide for the Database. The Central Bank has initiated a project internally to commence preparatory work in relation to the establishment of the Database and has led a number of workshop sessions to develop the precise specifications for the Database, while the Department of Finance have begun drafting the Heads of a Bill to provide for the establishment of the Database. There will be a public consultation launched on the Heads of the Bill once they are finalised.

Rec. 12 QUARTERLY PUBLICATION OF KEY AGGREGATED METRICS ON CLAIMS COSTS AND TRENDS WITHIN THE MARKET

UPDATE: Two actions under this recommendation have deadlines in Q2: the collation and analysis of the data from insurance companies and the publication of the first quarterly report on key aggregated metrics on claims costs and trends in the insurance market. The data was received from the insurance industry on June 13th and the sub-group charged with implementing the data transparency recommendations has analysed the data and produced a report, the *First Motor Insurance Key Information Report*, which has been approved by the Minister of State and published on the Department of Finance website.

Rec. 13 CONSIDER THE FEASIBILITY OF A LONGER TERM CLAIM-BY-CLAIM REGISTER

UPDATE: Work on this recommendation will be undertaken by a separate sub-group and is not due to commence until 2018, after the process of establishing the National Claims Information Database has been concluded.

Objective 3 – Improving the Personal Injuries Claims Environment

This objective focuses on the need for a Personal Injuries Commission to be established in order to investigate and make recommendations on processes in other jurisdictions which could enhance the claims process in Ireland.

Rec. 14 ESTABLISH A PERSONAL INJURIES COMMISSION

UPDATE: The Personal Injuries Commission (PIC) was established in January by the Minister for Jobs, Enterprise and Innovation, with former President of the High Court, Mr Justice Nicholas Kearns appointed as chair. The other members are representatives from stakeholders that include the medical, legal and insurance sectors as well as relevant Government Departments and Agencies. Some of its tasks involve analysing personal injury award levels and settlement systems in other jurisdictions and assessing whether objective medical diagnosis of soft tissue injuries in Ireland can be improved in personal injury cases. The first meeting of the Commission was held on February 10th, at which a Work Plan was agreed. Monthly meetings have taken place since and will continue for the duration of the PIC. In line with its terms of reference, the PIC has been examining the assessment of soft tissue injury with regard to international experience, diagnosis and treatment, standardised medical reporting and the use of objective tests. The PIC is on target to deliver its first report by the end of the year. That report will outline the benefits and risks associated with carrying out any such recommendations and an indicative timeline for their implementation. A report in respect of the second phase will be provided by March 2018 with a final report due in Q2 2018.

Objective 4 – Reducing the Costs in the Claims Process

This objective focuses on seeking to reduce the levels of legal and non-legal costs within the personal injury claims process, which had been highlighted as a key element in the pricing of motor insurance premiums.

Rec. 15 ASSESS, WITHIN THE CURRENT REVIEW OF PIAB LEGISLATION, CASES OF NON-COOPERATION SUCH AS NON-ATTENDANCE AT MEDICALS AND REFUSAL TO PROVIDE DETAILS OF SPECIAL DAMAGES

UPDATE: The General Scheme of the Personal Injuries Assessment Board (Amendment) Bill was approved by Government on June 27th and published on the website of the Department of Jobs, Enterprise and Innovation on June 30th. The purpose of the General Scheme is to strengthen the operational powers of the Personal Injuries Assessment Board (PIAB) in order to ensure greater compliance with the PIAB process and encourage more claims to be settled through it. The Bill will address the recommendations in the Report relating to cases of non-cooperation, such as non-attendance at medicals and failure to provide details of special damages or loss of earnings. The Bill will also give the Board power to obtain information from individuals and organisations in order to provide data for the purpose of the Board fulfilling its functions. The General Scheme has been sent to the Office of the Parliamentary Counsel for drafting and has also been sent to the Joint Oireachtas Committee on Jobs, Enterprise and Innovation for pre-legislative scrutiny.

Rec. 16 ASCERTAIN AND SET OUT THE MEASURES NECESSARY TO IMPLEMENT PRE-ACTION PROTOCOLS FOR PERSONAL INJURY CASES

UPDATE: The Department of Jobs, Enterprise and Innovation and the Department of Justice and Equality are involved in working on this recommendation. Part 15 of the Legal Services Regulation Act 2015 provides for the implementation of Pre-Action Protocols (PAPs) in medical negligence cases and this is currently being developed. The Regulations on PAPs for medical negligence actions are being drafted at present and, following a short consultation process, are expected to be put in place during Q3 2017. This process will assist in determining the necessary measures for implementing PAPs in personal injuries cases by the end of Q3 2017. It is envisaged that Heads of Bills extending PAPs to personal injuries cases will then be published before the end of 2017.

Rec. 17 FULLY ASSESS VIABLE OPTIONS FOR REFERRING REJECTED PIAB ASSESSMENTS TO JUDICIAL PROCESS ON APPEAL BASIS SO THAT FACTS ESTABLISHED IN PIAB PROCESS DO NOT REQUIRE TO BE RE-ESTABLISHED

UPDATE: The Department of Jobs, Enterprise and Innovation and the Department of Justice and Equality are considering this issue. A report is due to be submitted during the final quarter of this year.

Rec. 18 EXPLORE WITH THE JUDICIARY HOW FUTURE REVIEWS OF THE BOOK OF QUANTUM / GUIDELINES MIGHT INVOLVE APPROPRIATE JUDICIAL INVOLVEMENT IN ITS COMPILATION OR ADOPTION

UPDATE: An initial meeting was held between the PIAB and the Judiciary to initiate discussions on the next review of the Book of Quantum. Further engagement will take place over the coming months where the matter will be discussed further.

Rec. 19 EXAMINE THE FREQUENCY OF FUTURE BOOK OF QUANTUM UPDATES IN TERMS OF ANY FUTURE CHANGES TO ITS PRODUCTION

UPDATE: As stated above in relation to Recommendation 15, the General Scheme of the Personal Injuries Assessment Board (Amendment) Bill was approved by Government on June 27th and published on the website of the Department of Jobs, Enterprise and Innovation on June 30th. As well as the details relevant to Recommendation 15, the General Scheme will also provide that the Book of Quantum is reviewed every three years. The General Scheme has been sent to the Office of the Parliamentary Counsel for drafting and has also been sent to the Joint Oireachtas Committee on Jobs, Enterprise and Innovation for pre-legislative scrutiny.

Rec. 20 INTRODUCE MORE GRANULARITY INTO THE BOOK OF QUANTUM

UPDATE: This matter will be considered in the context of the next review of the Book of Quantum, taking account of any recommendations which may emerge from the work of the Personal Injuries Commission.

Rec. 21 IMPLEMENT THE *REVIEW OF THE FRAMEWORK FOR MOTOR INSURANCE COMPENSATION IN IRELAND* RECOMMENDATIONS

UPDATE: The Government approved Heads of a Bill to amend the Insurance Act legislation on July 5th in order to implement the *Review of the Framework Insurance Compensation In Ireland* report. The General Scheme has been sent to the Office of the Parliamentary Counsel for drafting and will shortly be sent to the Joint Oireachtas Committee on Finance, Public Expenditure and Reform, and Taoiseach for pre-legislative scrutiny.

Rec. 22 EXAMINE THE IMPACT OF LEGAL AND OTHER FEES ON PERSONAL INJURY AWARDS

UPDATE: The review has been commenced. However, it has proven to be more difficult than anticipated to establish a reliable set of data and therefore the relevant action point has not been completed as scheduled in Q1. A data set based on the aggregation of cases submitted for adjudication will become available when the new Office of the Legal Costs Adjudicators (OLCA) is established in late 2017/early 2018. A steering group to migrate from the current Office of the Taxing Master to the OLCA was formed earlier this year and the underlying data requirements are being designed into the set-up process. Preparations continue to be made to set up the OLCA. The Office of the Taxing Master is at present setting up an interim manual data extraction system based on current records, with initial data expected to be available in July. This will relate only to a limited subset of cases that are actually taxed and will, at best, be a cross-check for the type of data which the insurance industry is being asked to supply on a regular basis.

Rec. 23 REVIEW THE IMPACT OF THE CHANGES TO THE COURT JURISDICTIONAL LIMITS AS THEY EVOLVE

UPDATE: The Department of Justice and Equality has indicated that the Courts Service has recently provided a first provisional data set to facilitate examination of jurisdiction changes. The objective is to establish a bespoke reporting system, subject to the limitations of the existing courts IT systems, to gather more refined data which will show case movements in the High Court, Circuit Court and District Court jurisdictions and which, together with other relevant data, will allow a full assessment on what, if any, effects of the 2014 changes are playing out on a sustained basis.

Rec. 24 EXAMINE THE SETTING OF THE DISCOUNT RATE (IN PERSONAL INJURY LUMP SUM AWARDS), WITHOUT PREJUDICE TO THE OUTCOME OF RELEVANT PROCEEDINGS, AND TO BE REVIEWED AT REGULAR INTERVALS

UPDATE: The Department of Justice and Equality has commenced examination of this issue in consultation with the Department of Finance and the State Claims Agency, taking into account the judgments in the case of *Gill Russell v HSE*, and the recent discount rate changes in England and Wales. Officials have engaged with counterparts from HM Treasury to discuss their experiences of reviewing and setting the discount rate in the UK. The State Claims Agency has also carried out some analysis on this subject. In the case of *Gill Russell v HSE*, the Court of Appeal upheld the determination of the High Court that the discount rate of 3% then being applied by the courts to personal injury lump sum awards was too high for cases involving significant long-term care needs. On February 1st, the Supreme Court refused the HSE leave to appeal the decision of the Court of Appeal. A key outcome of this process will be whether regulations should be brought forward to set the discount rate and if so at what rate should they be set.

Objective 5 – Reducing Insurance Fraud and Uninsured Driving

This objective focuses on the requirements for improved data sharing and other cooperative measures in order to effectively tackle the problems of insurance fraud and uninsured driving.

Rec. 25 ESTABLISH A FULLY FUNCTIONING INTEGRATED INSURANCE FRAUD DATABASE FOR INDUSTRY TO DETECT PATTERNS OF FRAUD

UPDATE: An Insurance Fraud Database Working Group, chaired by the Crime Division of the Department of Justice and Equality, has been established in order to assess the information that is required to allow insurance companies share information in order to combat fraud. It is comprised of representatives from Insurance Ireland, the MIBI, the Garda National Economic Crime Bureau and the Civil and Criminal Law Reform Divisions of the Department of Justice and Equality. It has met on seven occasions to date and has completed a report which includes the agreed parameters of the database, who is to be responsible, how it will be funded, and who will have access (as per Action Point 51). This report will be submitted to the Office of the Attorney General and the Office of the Data Protection Commissioner for their views.

The group had engaged in discussions with the Office of the Attorney General and the Office of the Data Protection Commissioner and the respective UK bodies dealing with insurance fraud (the Insurance Fraud Enforcement Department and the Insurance Fraud Bureau) as part of its work and this has informed the report. Accordingly, Action Points 52 & 53 have been completed.

Rec. 26 EXPLORE THE POTENTIAL FOR FURTHER COOPERATION BETWEEN THE INSURANCE SECTOR AND AN GARDA SÍOCHÁNA IN RELATION TO INSURANCE FRAUD INVESTIGATION

UPDATE: The implementation of this recommendation requires An Garda Síochána (AGS) to determine before the end of Q2 2017 whether there is a mechanism for further cooperation with the insurance industry in relation to fraud investigation. With the agreement of the Garda Commissioner, the Garda National Economic Crime Bureau (GNECB) within AGS has engaged with Insurance Ireland with a view to examining a proposal that Insurance Ireland would provide funding to set up a dedicated investigation unit within the GNECB, to focus exclusively on the investigation of insurance fraud. The Department of Justice and Equality has indicated that the GNECB has submitted a costed proposal to Insurance Ireland and it is hoped that the latter will revert to AGS in the near future so that this proposal can be progressed or another mechanism for cooperation explored.

Rec. 27 REVIEW OF SECTION 30 OF THE CIVIL LIABILITY AND COURTS ACT 2004

UPDATE: Section 30 of the Civil Liability and Courts Act 2004 provides for the Courts Service to establish and maintain a register of personal injury actions. The Courts Service has been requested to examine the requirements, including system development and resource issues, needed to enable the commencement of section 30. The Courts Service is actively looking at what is required to set up a register of personal injuries actions across court jurisdictions and the timeframe involved, with a view to putting the register in place as quickly as possible. The sufficiency of the data required under section 30 will also be examined.

Rec. 28 ESTABLISH A FULLY FUNCTIONING DATABASE TO IDENTIFY UNINSURED DRIVERS COMPELLING INSURANCE COMPANIES TO PROVIDE THE DRIVER LICENCE NUMBER

UPDATE: The MTPL (Motor Third Party Liability insurance) Project Board has been appointed to oversee the implementation of this recommendation, assisted by a Project Team to implement the tasks (with a technical sub-team also in place). The Department of Transport, Tourism and Sport, An Garda Síochána, the Motor Insurers' Bureau of Ireland (MIBI), Insurance Ireland, and individual insurance companies are all represented. A draft Project Definition Governance document is currently being considered and arrangements are being put in place for the MIBI to take ownership of the database. Currently, the database is still on schedule to "go live" in respect of privately-owned vehicles in Q3 2017, as per Action 61. However, Action 62 & Action 63 are likely to be delayed. Action 62 in relation to including the driver licence number and commencing the provision of the Road Traffic Act 2016 requiring insurance companies provide the driver licence number has been provisionally delayed until Q4 2020 as the insurance industry is requesting that two relevant additional pieces of legislation be introduced. There is no projected completion date for Action 63 in relation to a National Fleet Database, which has been delayed due to the differences between fleet and private motor insurance policies.

Rec. 29 DEVELOP A PROTOCOL TO PROVIDE THAT INDUSTRY USE THE DRIVER LICENCE NUMBER TO CHECK DRIVER DETAILS ON THE NVDF (NATIONAL VEHICLE AND DRIVER FILE)

UPDATE: The Department of Transport, Tourism and Sport has flagged that the expected delays in fully establishing the uninsured drivers' database will have a knock-on effect upon the timelines for this recommendation. The NVDF is looking at putting regulations in place for the use of its web server.

Rec. 30 EXPEDITE THE DEVELOPMENT OF THE MASTER LICENCE RECORD

UPDATE: The Department of Transport, Tourism and Sport (DTTAS) has indicated that the business case for the Master Licence Record (MLR) implementation is a multi-annual programme of activity which has been signed off by the Minister of Transport, Tourism and Sport and the Minister for Justice and Equality based on a set budget and timescale for delivery. The DTTAS has also stated that the MLR project cannot be expedited but currently the focus of the project is in relation to the linking of driver and vehicles records and that the primary risk in relation to the MLR project is the timescales provided by insurers for provision of driver details, and that therefore the MLR project is provisionally delayed until Q4 2020, as per Rec 28 / Action 62.

Objective 6 – Protecting Road Safety and Reducing Collisions

This objective focuses on the important societal issue of road safety and the possible use of technology in relation to improving same.

Rec. 31 PROTOCOL IN REGARD TO INSURANCE COMPANIES REQUIRING PROOF OF NCT/CRW

UPDATE: The Department of Transport, Tourism and Sport (DTTAS) has indicated that work on this recommendation – due for completion by the end of Q4 2018 – cannot be undertaken until the Master Licence Record (MLR) has been fully established. The DTTAS has also stated that the MLR business case does not cater for any NCT/CRW elements and this requirement is not part of the project; that if this requirement is to be added to the scope of work for the NVDF then a protocol would need to be agreed with the insurance industry in relation to this, and a detailed and costed design would require approval from a resource and budget perspective; and that there is currently no resource or budget available to action this within the NVDF.

Rec. 32 REQUIRE THE INSURANCE INDUSTRY TO PROMOTE COMPLIANCE WITH ROAD SAFETY LEGISLATION

UPDATE: Insurance Ireland and the Department of Transport, Tourism and Sport (DTTAS) have agreed a protocol which will ensure that the appropriate wording provided by the Road Safety Authority (RSA) promoting compliance is now included in policy documents and that appropriate mechanisms for insurance companies to further promote compliance – in line with the relevant recommendation of the Road Safety Strategy 2013-2020 – be considered. A working group comprising of representatives from the DTTAS, the RSA and Insurance Ireland is to be formed to detail the process involved in any future campaigns.

Rec. 33 SUPPORT THE USE OF TECHNOLOGY TO BENEFIT CONSUMERS

UPDATE: Insurance Ireland is reviewing this recommendation and has committed to reporting before the end of the year.

ACTION PLAN MONITORING DASHBOARD

Objective 1: Protecting the Consumer

Rec.	Action	Title	Deadline	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q3 2018	Q4 2018
1 INSURERS TO SET OUT REASONS FOR LARGE INCREASES IN PREMIUMS TO CONSUMERS											
1	Develop a protocol with Insurance Ireland to facilitate the communication of the reasons for large increases in premiums to consumers		Q2 2017		✓						
2	Develop legislation to underpin the protocol		Q4 2017				●				
2 INSURERS TO PROVIDE ADDITIONAL INFORMATION ON THE PREMIUM BREAKDOWN TO CONSUMERS											
3	Central Bank of Ireland to undertake consultation		Q4 2017				●				
4	Central Bank of Ireland to amend legislation		Q2 2018						●		
3 EXTEND THE CURRENT RENEWAL NOTIFICATION PERIOD FROM 15 TO 20 WORKING DAYS											
5	Central Bank of Ireland to undertake consultation		Q4 2017				●				
6	Central Bank of Ireland to amend legislation		Q2 2018						●		
4 TRANPOSE THE INSURANCE DISTRIBUTION DIRECTIVE											
7	Department of Finance to transpose the Insurance Distribution Directive		Q1 2018						●		
5 SUPPORT EFFORTS TO IMPROVE CROSS-BORDER INSURANCE PROVISION AT EU LEVEL											
8	Monitor EU developments		Ongoing	✓	✓	→	→	→	→	→	→
9	Make representations as necessary with EU Commission and EU Parliamentarians		Ongoing	✓	✓	→	→	→	→	→	→
6 PROTOCOL TO ENSURE A GREATER CONSISTENCY OF TREATMENT FOR RETURNING EMIGRANTS											
10	Insurance Ireland to put in place a standard information protocol for consumers		Q4 2017				✓				
11	Insurers to implement policies to take full account of left-hand driving experience from abroad when a person has previous driving experience in Ireland		Q2 2017		✓						
12	Insurers to implement policies to take appropriate account of right-hand driving experience from abroad when a person has previous driving experience in Ireland		Q4 2017				✓				
13	Insurance Ireland to submit report to Department of Finance on its implementation of actions 10, 11 & 12		Q2 2017 Q4 2017		✓		●				

Rec.	Action	Title	Deadline	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q3 2018	Q4 2018
7	THE DECLINED CASES AGREEMENT TO BE SUBJECT TO ONGOING REVIEW TO ENSURE TRANSPARENCY										
	14	Insurance Ireland to provide information on its website	Q1 2017	✓							
	15	Insurance Ireland to submit report to Department of Finance annually	Q2 2017		✓						
8	PROTOCOL FOR POLICYHOLDERS TO BE NOTIFIED OF CLAIMS MADE AGAINST THEM BEFORE SETTLEMENT										
	16	Insurance Ireland to consult with the Department of Finance in relation to the development of a general protocol	Q3 2017			●					
	17	Insurance Ireland to put in place a general protocol	Q4 2017				●				
9	INSURANCE IRELAND TO ESTABLISH A FORUM FOR CONSUMER AND BUSINESS ISSUES										
	18	Forum to be established by Insurance Ireland for consumer and business issues	Q1 2017	✓							
	19	Forum to meet twice yearly	Ongoing		✓		●		●		●
10	ADVISORY COMMITTEE ON SMALL PUBLIC SERVICE VEHICLES TO ENTER REGULAR DISCUSSIONS WITH INSURANCE IRELAND TO EXPLORE SOLUTIONS FOR DRIVERS IN THE SECTOR										
	20	Advisory Committee on Small Public Service Vehicles to meet with Insurance Ireland	Q1 2017	●	✓						
	21	Advisory Committee on Small Public Service Vehicles to report to the Minister for Transport, Tourism and Sport	Q2 2017		✓						

Objective 2: Improving Data Availability

Rec.	Action	Title	Deadline	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q3 2018	Q4 2018
11	ESTABLISH A NATIONAL CLAIMS INFORMATION DATABASE										
	22	Specify the key aggregated metrics for immediate publication and commence the development of a national claims information database	Q1 2017	✓							
	23	Legislation in place for a national claims information database	Q4 2017				●				
	24	National claims information database established	Q2 2018						●		
12	QUARTERLY PUBLICATION OF KEY AGGREGATED METRICS ON CLAIMS COSTS AND TRENDS WITHIN THE MARKET										
	25	Key aggregated metrics template to issue to insurance undertakings for completion and submission	Q1 2017	✓							
	26	Collation and analysis of submissions received from insurance undertakings	Q2 2017		✓						
	27	Quarterly publication of key aggregated metrics commenced	Q2 2017		✓						
13	CONSIDER THE FEASIBILITY OF A LONGER TERM CLAIM-BY-CLAIM REGISTER										
	28	Establish sub-group to consider feasibility of a longer term claim-by-claim register	Q1 2018					●			
	29	Report on claim-by-claim register delivered	Q3 2018							●	

Objective 3: Improving the Personal Injuries Claims Environment

Rec.	Action	Title	Deadline	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q3 2018	Q4 2018
14	ESTABLISH A PERSONAL INJURIES COMMISSION										
	30	Establish a Personal Injuries Commission (PIC)	Q1 2017	✓							
	31	PIC to investigate processes in other jurisdictions and make recommendations which could enhance the claims process in Ireland	Q4 2017				●				
	32	PIC to benchmark international PI awards with those in Ireland and report on alternative compensation and resolution models	Q1 2018					●			
	33	PIC to deliver its third report	Q2 2018						●		

Objective 4: Reducing the Costs in the Claims Process

Rec.	Action	Title	Deadline	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q3 2018	Q4 2018
15	ASSESS, WITHIN THE CURRENT REVIEW OF PIAB LEGISLATION, CASES OF NON-COOPERATION SUCH AS NON-ATTENDANCE AT MEDICALS AND REFUSAL TO PROVIDE DETAILS OF SPECIAL DAMAGES										
	34	Review cases of non-attendance at medicals and refusal to provide details of special damages	Q2 2017		✓						
	35	Publish Heads of Bill to enhance the powers of PIAB	Q2 2017		✓						
16	ASCERTAIN AND SET OUT THE MEASURES NECESSARY TO IMPLEMENT PRE-ACTION PROTOCOLS FOR PERSONAL INJURY CASES										
	36	Ascertain and set out the necessary measures to implement Pre-Action Protocols in personal injury cases	Q3 2017			●					
	37	Publish Heads of Bill to extend Pre-Action Protocols to personal injury cases	Q4 2018				●				
17	FULLY ASSESS VIABLE OPTIONS FOR REFERRING REJECTED PIAB ASSESSMENTS TO JUDICIAL PROCESS ON APPEAL BASIS SO THAT FACTS ESTABLISHED IN PIAB PROCESS DO NOT REQUIRE TO BE RE-ESTABLISHED										
	38	Review potential legal and constitutional constraints to the appeal style system	Q4 2017				●				
18	EXPLORE WITH THE JUDICIARY HOW FUTURE REVIEWS OF THE BOOK OF QUANTUM/GUIDELINES MIGHT INVOLVE APPROPRIATE JUDICIAL INVOLVEMENT IN ITS COMPILATION OR ADOPTION										
	39	Consultation with the Judiciary	Ongoing	✓	✓	→	→	→	→	→	→
19	EXAMINE THE FREQUENCY OF FUTURE BOOK OF QUANTUM UPDATES IN TERMS OF ANY FUTURE CHANGES TO ITS PRODUCTION										
	40	Implement the outcome of the PIAB legislative review	Q2 2017		✓						
20	INTRODUCE MORE GRANULARITY INTO THE BOOK OF QUANTUM										
	41	Consult with the PIC and implement any recommendations arising from its Report	Ongoing	✓	✓	→	→	→	→	→	→
	42	Enhance the Book of Quantum upon each publication	Ongoing	✓	✓	→	→	→	→	→	→

Rec.	Action	Title	Deadline	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q3 2018	Q4 2018
21	IMPLEMENT THE REVIEW OF THE FRAMEWORK FOR MOTOR INSURANCE COMPENSATION IN IRELAND RECOMMENDATIONS										
	43	Continue to implement the recommendations of the Review	Ongoing	✓	✓	→	→	→	→	→	→
	44	Government approval of Heads of Bill to amend the Insurance Act 1964	Q2 2017		✓						
22	EXAMINE THE IMPACT OF LEGAL AND OTHER FEES ON PERSONAL INJURY AWARDS										
	45	Establishment of reliable set of data and commence review	Q1 2017	●	●						
	46	Report to be submitted to the Cost of Insurance Working Group	Q2 2018						●		
23	REVIEW THE IMPACT OF THE CHANGES TO THE COURT JURISDICTIONAL LIMITS AS THEY EVOLVE										
	47	Review to be commenced	Q1 2017	✓							
	48	Report to be submitted to the Cost of Insurance Working Group	Q2 2018						●		
24	EXAMINE THE SETTING OF THE DISCOUNT RATE (IN PERSONAL INJURY LUMP SUM AWARDS), WITHOUT PREJUDICE TO THE OUTCOME OF RELEVANT PROCEEDINGS, AND TO BE REVIEWED AT REGULAR INTERVALS										
	49	Review to be commenced	Q1 2017	✓							
	50	Report to be submitted to the Cost of Insurance Working Group	Ongoing	✓	✓	→	→	→	→	→	→

Objective 5: Reducing Insurance Fraud and Uninsured Driving

Rec.	Action	Title	Deadline	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q3 2018	Q4 2018
25	ESTABLISH A FULLY FUNCTIONING INTEGRATED INSURANCE FRAUD DATABASE FOR INDUSTRY TO DETECT PATTERNS OF FRAUD										
	51	Determine the parameters of the database to be established; who is to be responsible, how it will be funded, and who will have access	Q2 2017		✓						
	52	Liaise with industry and An Garda Síochána to determine what type of data will be input into the database	Q2 2017		✓						
	53	Liaise with the Data Protection Commissioner in relation to data sharing provisions	Q2 2017		✓						
	54	Prepare criminal justice legislation if required and implement the database	Q2 2018 Q4 2018						●		●
26	EXPLORE THE POTENTIAL FOR FURTHER COOPERATION BETWEEN THE INSURANCE SECTOR AND AN GARDA SÍOCHÁNA IN RELATION TO INSURANCE FRAUD INVESTIGATION										
	55	Determine mechanism for further cooperation	Q2 2017		✓						
	56	Approval of the Garda Commissioner for the mechanism chosen	Q3 2017			●					
	57	Approval of the Minister for Justice and Equality for the mechanism chosen	Q3 2017			●					
	58	Liaise with industry	Ongoing	✓	✓	→	→	→	→	→	→
27	REVIEW OF SECTION 30 OF THE CIVIL LIABILITY AND COURTS ACT 2004										
	59	Review to be commenced to determine necessary amendments, if any	Q4 2017				●				
	60	Report to be submitted to the Cost of Insurance Working Group	Q1 2018					●			
28	ESTABLISH A FULLY FUNCTIONING DATABASE TO IDENTIFY UNINSURED DRIVERS COMPELLING INSURANCE COMPANIES TO PROVIDE THE DRIVER LICENCE NUMBER										
	61	Complete Phase 1 - Go Live (in relation to privately owned vehicles)	Q3 2017			●					
	62	Complete Phase 2 - include driver licence number and commence provision of Road Traffic Act 2016 requiring insurance companies to provide driver licence number	Q3 2018 Q4 2018							●	●
	63	Establish protocol with the insurance industry to advise fleet customers that vehicles will not be covered by the fleet policy if not entered on the National Fleet Database	Q4 2018								●

Rec.	Action	Title	Deadline	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q3 2018	Q4 2018	
29	DEVELOP A PROTOCOL TO PROVIDE THAT INDUSTRY USE THE DRIVER LICENCE NUMBER TO CHECK DRIVER DETAILS ON THE NVDF (NATIONAL VEHICLE AND DRIVER FILE)											
	64	Establish a protocol with the insurance industry to provide that industry use the driver licence number to check and verify driver details on the NVDF	Q4 2018									●
30	EXPEDITE THE DEVELOPMENT OF THE MASTER LICENCE RECORD											
	65	NVDF to submit detailed project plan to the Minister for Transport, Tourism and Sport who will provide a report to the Cost of Insurance Working Group	Q2 2017		✓							
	66	Department of Transport, Tourism and Sport to expedite the implementation of the Master Licence Record	Q4 2018									●

Objective 6: Promoting Road Safety and Reducing Collisions

Rec.	Action	Title	Deadline	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q3 2018	Q4 2018	
31	PROTOCOL IN REGARD TO INSURANCE COMPANIES REQUIRING PROOF OF NCT/CRW											
	67	Expedite the Master Licence Record - this will provide insurers with the facility to check the NVDF for proof of NCT/CRW	Q4 2018									●
	68	Insurance Ireland to put in place a general protocol in regard to insurance companies requiring proof of NCT/CRW	Q4 2018									●
32	REQUIRE THE INSURANCE INDUSTRY TO PROMOTE COMPLIANCE WITH ROAD SAFETY LEGISLATION											
	69	Develop a protocol for the insurance industry to promote compliance with road safety legislation	Q1 2017	●	✓							
	70	Wording to be provided by Department of Transport, Tourism and Sport for inclusion in policy documents	Q2 2017		✓							
33	SUPPORT THE USE OF TECHNOLOGY TO BENEFIT CONSUMERS											
	71	Insurance Ireland to review the current use of telematics by industry and report to Cost of Insurance Working Group	Q4 2017				●					
Key ● Action delayed beyond scheduled quarter ● Action partially delayed / at risk of being delayed ● Action on track ✓ Action completed ➔ Action ongoing ✓ Action completed ahead of schedule												