

## Chairman's Christmas Message 2016



I doubt if any of us could have seen the political upheaval which has ensued as we entered 2016. Whilst Brexit has undoubtedly had the biggest impact on this side of the pond, in the USA they have had their own unexpected results with Donald Trump being voted President elect by the US electorate.

The Brexit result has had a huge impact on the political landscape in the UK with resultant changes to our Prime Minister and Chancellor of the Exchequer. Political instability appears to be the order of the day, with a leadership challenge in the Labour Party and changes at the top in both the Liberal Democrats and UKIP. These are turbulent times.

The impact has been to create a political and economic period of uncertainty we have not seen in a generation.

At an industry level taxation and regulation have had the greatest immediate impact on our industry.

I have commented publicly that the increases to Insurance Premium Tax (IPT) have been ill-conceived and ill thought through when considering the benefits to the government in the form of increased tax revenues versus the additional strain this will place on an already overstretched and financially unviable NHS.

Individuals who previously were prepared to spend their hard earned cash on private medical insurance are cancelling their policies because the cost has become financially unsustainable. As a result they are forced back into an NHS system which was already struggling to cope both operationally and financially. It makes no sense. Instead the government should be looking to introduce tax incentives for individuals and companies who have private health insurance as one means of reducing the strain on our national health service. I had already started lobbying in Parliament prior to the recent announcement of an additional 2% increase in IPT in the Chancellor's Autumn statement, and we will take further action over the coming weeks and months to raise public awareness.

From a regulatory perspective, the classification of PMI and Cash Plans as general insurance products does us no favours when considering the impact of new general insurance legislation. The recently announced FCA Policy Statement 16/21 is a prime example which will impact on both insurers and intermediaries operating in the healthcare market where the consultation and analysis has been conducted in the home and motor sectors.

The regulator must understand that just as we must consider each of our customer types in our conduct risk considerations, always with the interests of the consumer at the forefront of our minds, they too have a responsibility to consider the impact on everyone operating in a general insurance market and that they cannot just tar us all with the one brush. In a recent meeting with the FCA I made this point quite strongly and will engage with them formally to represent the interests of our sector moving forward.

We live in a democracy, and our society is much better for it. As AMII we must listen to the views and opinions of all our members, recognising the differences amongst us. We must not take a “them and us” approach, we should instead recognise the contribution each of us makes to the industry as a whole. Your Executive Committee are grateful to you for supporting the changes to our Constitution at the recent EGM which gives every member one vote and ensures the longevity of AMII for years to come.

At our Annual General Meeting to be held on 22nd March 2017 we will have to consider the positions of those members of the Executive Committee whose term of office comes to an end, or are seeking re-election, including that of Chairman. If you are prepared to give your time and bring your experience to serve as a member of the executive team for the benefit of the Association, and industry as a whole, we would like to hear from you.

The executive team has been working on a number of initiatives during the year following from feedback from the membership. These initiatives include establishing regional training events for employees of our member firms. The first of these, scheduled for Spring 2017, will be aimed at new entrants to the industry and further details will be announced early in the New Year.

Also, members who attended the AMII Summit last month will have seen the launch of a new benefit for our members – the AMII Business Support Service. Provided by the Qdos Group, this service aims to provide our members with support in the practical areas of running a business, including HR & employment issues, health & safety, legal and taxation. The service includes access to a telephone advice line and web-based document library. You will receive a personal email over the coming weeks with full details of this membership benefit and your personal log-in details and password for the service.

The executive team is continuing to look at additional ways we can support our members and is preparing to announce further enhancements to the membership offering at the AGM in March.

Finally, I would just like to take this opportunity to wish you, your colleagues and your families all best wishes for the festive season and to thank you for your continued support.

With my best wishes for a healthy, happy and prosperous 2017,

A handwritten signature in black ink, appearing to read 'Stuart Scullion', written over a horizontal line.

**Stuart Scullion**

AMII Chairman

The AMII logo, featuring the word 'amii' in a blue, lowercase, sans-serif font. The two 'i's at the end have yellow dots above them.