

Chairman's Christmas Message & Review of 2019



From the conversations I've had throughout the year with AMII members and industry colleagues it's fair to say of 2019 – it's tough out there!

It strikes me that no sooner have we got to grips with some form of new legislation or regulation, then along comes another.

The Insurance Distribution Directive (IDD) finally arrived in October 2018, although its impact has been best felt by member firms in 2019. If the EU had to delay the introduction of IDD from February 2018 as a piece of legislation due to the magnitude of the work required, it was of little consequence to intermediary firms who had to contend with its implementation.



It is worth reflecting on four key Conduct of Business requirements the IDD makes as part of its general principles on how we should deal with our customers:

- To act honestly, fairly and professionally in the best interest of customers
- Communicate in a way which is clear, fair and not misleading with a further requirement to ensure marketing materials are clearly identified as such
- Remuneration of a distributor or its employees, and performance management of employees, must not conflict with the duty to act in a customer's best interests
- Introduction of a new "customer's best interest rule".

I am reminded of the commentary on the www.gov.uk website in relation to GDPR and the introduction of the new Data Protection Act 2018 in May 2018.

Digital technology has transformed almost every aspect of our lives in the twenty years since the last Data Protection Act was passed.

Our new Data Protection Act:

- *makes our data protection laws fit for the digital age in which an ever-increasing amount of data is being processed*
- *empowers people to take control of their data*
- *supports UK businesses and organisations through the change*
- *ensures that the UK is prepared for the future after we have left the EU*

As the digital age continues to have an ever-increasing impact on our lives, 2019 has seen us still coming to terms with the requirements of the Act and the resolution of some 'teething problems'.

In his recent presentation to the AMII Health & Wellbeing Summit, business commentator Simon Jack talked about the potential impact of Brexit on business under various political scenarios. Uncertainty seemed to be the single biggest concern, and with the greatest potentially damaging impact.

There is no doubt Brexit has been having a negative impact on consumer and business confidence, with an understandable reluctance to either spend or invest.

The outcome of the General Election appears to bring a degree of certainty in that in all likelihood we **will** be leaving the EU. However, it remains to be defined what Brexit may ultimately look like, and as a result we are likely to experience continued uncertainty for some time.

Each of the political parties, including the Conservatives, promised significant investment across the NHS, education, climate change and beyond, all of which will have to be paid for. We need to be diligent in our lobbying to ensure a further increase in Insurance Premium Tax (IPT) does not become a contributor to that expenditure in the Chancellor's spring budget.

The outcome of the HMRC review of IPT being conducted on behalf of HM Treasury remains outstanding, but there is a greater likelihood of the findings being published in the near future given the return of a Conservative government.

AMII continues to be at the forefront of the IPT debate, lobbying at every opportunity and making sure our voice is heard. However, we must remember there is so much more to our Association than just lobbying against increases in IPT.

AMII must build on what it has started if we are to enhance our reputation as the voice of the health and wellbeing industry.

We remain committed to improving professional standards across the industry and are currently working with one of our Corporate Members to create a digital learning platform for use by AMII Member firms and others. More of that in 2020!

In addition, we have plans to run International PMI and Protection Education events next year.

Feedback on the recent Health and Wellbeing Summit held at One Great George Street has been overwhelmingly positive. A number of you have commented on the quality and content of the speakers, and similarly of the venue.

As a result, we have already booked One Great George Street for our 2020 Health & Wellbeing Summit which will be held on **Wednesday 18th November 2020**. Please put that date in your diaries now.

Finally, as you prepare to sit down to eat your Christmas turkey, or nut cutlet, I hope you have successfully traversed the requirements of the new Senior Managers Certification Regime which came into effect for Intermediary firms on 9th December 2019.

I have no doubt 2020 will bring a new set of challenges on the business, regulatory and legislation front. However, I am sure we will rise to the challenge.

As we bring 2019 to a close, pour yourself a large one – you deserve it!

On behalf of your AMII Executive Team, General Secretary Michael Payne and I would like to wish you, your colleagues and your families our best wishes for the festive season and a healthy, happy and prosperous 2020.

Best wishes

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

Stuart Scullion

AMII Executive Chairman

December 2019