LIVERPOOL VICTORIA

Competition & Markets Authority

Private Motor Insurance Market Investigation
Remedies Implementation

LV= Response to further formal consultation on Draft Order

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Version	FINAL

General Comments

LV welcomes the CMA's proposal to extend the implementation deadline to 1 August 2016. However, we understand this falls short of broker software house requirements and there is a risk that a proportion of firms will not be fully compliant by the new deadline.

The position outlined in our submission, dated 9 February 2015, stands – key points below:

a) the FCA should assume full ownership and develop its own remedies in line with Remedy 4A

b) the G/PNCD remedy is untested and at odds with FCA thinking around disclosure

c) the CMA has not effectively assessed the full impact across the various consumer journey channels and media

d) significant development is required and the role of broker software houses has not been factored into cost impact analysis, or implementation timeframes

e) ongoing administration costs have not been mitigated.

We have supported the Association of British Insurers to develop the market response and will avoid restating the points covered in that document.

Given the significant concerns expressed by market participants, we strongly urge the CMA to reconsider its position and to adopt a proportionate approach.

With regard to compliance reporting, it is essential that the CMA utilises existing FCA reporting frameworks and capabilities, which are firmly embedded across the industry. It is a matter for the CMA to agree how this information is shared by the FCA. Developing new regulatory reporting structures to accommodate the CMA creates a layer of unnecessary administration that will further impact expenses.