

Guidance on completing PPI compliance reports

Payment Protection Insurance Market
Investigation Order 2011

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Introduction

1. This guidance is to assist you to complete your Compliance Report. Please read this document carefully before completing a Compliance Report.
2. Completed reports should be sent to the CMA by email to Natalie Lam natalie.lam@cma.gsi.gov.uk and Bob MacDowall bob.macdowall@cma.gsi.gov.uk.
3. We would prefer not to receive hard copies but if you wish to send them please address them to: Natalie Lam, Competition and Markets Authority, Victoria House, Southampton Row, London, WC1B 4AD.
4. Please email Natalie Lam if you have any questions on PPI compliance reporting.
5. You should refer to Article 2 of the [PPI Market Investigation Order 2011](#) ('the Order') for definitions of all terms used in these guidance notes and in the compliance report form.

Name of Corporate Group / PPI Provider

6. If two or more PPI Providers are members of the same Corporate Group please provide the full name of the Corporate Group and list the full names of all PPI Providers within the Corporate Group. Please state whether they are a Distributor, an Intermediary, a Stand-Alone Provider or a Short-Term IP Provider or an Insurer.
7. For any other PPI Provider, please provide the full name of the firm and state whether you are a Distributor, an Intermediary, a Stand-Alone Provider or a Short-Term IP Provider or an Insurer.

Name and contact details of the Compliance Officer

8. Please provide the name and contact details (telephone number, email and postal address) of the Compliance Officer employed by each PPI Provider whose duties include those set out in Article 15.2 of the Order. If reporting on a Corporate Group basis then please provide the name of the appointed Compliance Officer responsible for the Corporate Group's submission of the Compliance Reports.

Date of report

9. Please state the date that the report was completed. The obligation to provide a Compliance Report will be satisfied if it is sent to the CMA within one week after the due date (please refer to Article 12.11 of the Order).

Size of PPI Provider and type of report

10. Identify what class of PPI Provider your firm / Corporate Group falls within.

PPI Data

11. Please provide the amount of Gross Written Premium in relation to the relevant reporting period.
12. In relation to Penetration Rates, and Claims Ratios, the percentages you provide should relate to the most recent complete business year preceding the date of the relevant Compliance Report.
13. The Order states (see Article 12.7 and Schedule 5(b)) that where PPI Providers are members of the same Corporate Group, only one Compliance Report for the Corporate Group must be submitted and the Compliance Report must identify the information in Schedule 5(b) separately for each PPI Provider. Therefore, where a Corporate Group is required to submit annual compliance reports (information under Schedule 5(b)), the compliance report must identify the information separately for each PPI Provider within the Corporate Group. You should include a separate copy of page 4 of the form (the table) for each relevant PPI Provider within the Corporate Group and fill in the name of the relevant PPI Provider(s) at the top of the table.
14. Information under Schedule 5(a) for six-monthly Compliance Reports can be submitted on a Corporate Group basis and without separately reporting compliance information for each PPI Provider within the Corporate Group.

Percentage of your PPI Policyholders for whom you are not the Credit Provider

15. Only Class A and B PPI Providers should supply this data. The percentage should relate to the relevant reporting period. For a Corporate Group, please provide separate data for each PPI Provider within the Corporate Group.
16. The percentage figure you provide should relate to those policies initiated in the preceding Business Year.

Data on PPI Policyholders for whom you are the Credit Provider

17. Only Class A and B PPI Providers should supply this information. The point of sale prohibition and the obligation to provide Personal PPI Quote commenced on 6 April 2012.
18. A Corporate Group should provide separate data for each PPI Provider within the Corporate Group. This means you should include separate copies of pages 4 and 5 of the Compliance Report form for each relevant PPI Provider and fill in the name of the relevant PPI Provider(s) at the top of each separate table completed.

Steps to ensure compliance

19. Only Class A and Class B PPI Providers should supply this information.
20. Please provide the following information in appendices or attachments to Compliance Reports:
 - Information on training of staff regarding compliance: please provide details of training of staff regarding compliance with reference to compliance with the prohibitions on point of sale of Credit and Single Premium sales and with the requirements relating to marketing statements, annual reviews, annual reminders and personal PPI quotes. PPI Providers will not need to provide information on these issues after they have stopped providing PPI or Short-Term IP products.
 - Internal compliance monitoring systems: please provide details of internal compliance monitoring systems. PPI Providers will continue to be expected to provide information on this item even if they have stopped providing PPI or Short-Term IP products.
21. A Corporate Group should include a separate copy of page 5 of the form for each relevant PPI Provider and fill in the name of the relevant PPI Provider(s) at the top of each page completed. With all pages, attachments or appendices please mark clearly to which PPI Provider in your Corporate Group the information relates.

Representative samples of Marketing Communications including sales scripts

22. Representative samples should be attached as part of the Compliance Report. Please note policy documents and policy summaries will be regarded as Marketing Communications if they amounted to an oral or written communication containing a Marketing Statement. PPI Providers will not need to provide information on this item if they no longer provide PPI or Short-Term IP products.
23. If you stop selling PPI product types and Short-Term IP products during a reporting period, please specify in the Compliance Report the date on which you stopped providing the relevant products. The CMA will contact you to discuss and confirm any future reporting requirements. This information will be requested under Schedule 6 (Supply of Information to the CMA) to the Order.

Detail of any incidences of non-compliance and steps taken to rectify this

24. PPI Providers are still expected to provide information to the CMA on any outstanding issues even when PPI Providers have stopped providing PPI or Short-Term IP products.

Further information required in Annual Compliance Reports

(a) Mystery shopping exercise

(Only Class A and B PPI Providers with GWPs of £60 million or more per annum to supply this information – see Article 13 of the Order)

25. Please attach the results of the mystery shopping exercise to the Compliance Report and mark clearly as 'REPORT ON MYSTERY SHOPPING EXERCISE [Relevant date]'.
26. The report on the mystery shopping exercise is to be provided with Annual Compliance Reports.
27. If you or a PPI Provider within a Corporate Group meet the threshold of a total PPI GWP of £60 million and are required to carry out a mystery shopping exercise, please contact the CMA to agree the format of your mystery shopping exercise.

(b) Annual report on clarity of marketing communications

(Class A, Class B and Class C PPI Providers to supply this information – see Article 14)

28. Please attach the Report on Clarity of Marketing Communications to the relevant Compliance Report and mark clearly as 'REPORT ON CLARITY OF MARKETING COMMUNICATIONS [Relevant date]'.
29. This report should refer to the Marketing Communications used in the previous year. Please state the name of (i) the independent organisation specialising in plain English use to certify marketing communications OR (ii) the Independent Market Research Agency if consumer testing carried out.

Signatories

30. All Class A, B and C PPI Providers to complete below. This is required under the provisions of Article 12.9(a, b and c) of the Order.
31. In the first row – print the name, company, address for the party that prepared the Compliance Report. The second row is for the signature of the appointed Compliance Officer responsible for the Compliance Report. Please attach a certificate (refer to Article 12.9 of the Order), report or letter from the independent party.
32. Digital signatories are acceptable on electronic versions of Compliance Reports.