

Unit: LT5 Authorise the alteration of existing long term contracts

Overview

Customers with existing long term contracts may wish to amend these, by making changes to the amount of premium they pay, making changes to the term of the contract, arranging for increments or decrements or by changing the cover provided. This unit covers the work involved in ensuring that proposed alterations are acceptable and carrying out the alteration itself. You will make sure that the customer's request for an alteration has been correctly determined, that all documents, records and calculations relating to the proposed alteration are accurate and that the proposed alteration complies with the law, the restrictions of regulation and that they are acceptable under the scheme's rules before you allow the quotation for the alteration to be issued. When documents have been returned after the quotation has been issued, you make sure that they are in order. You will then authorise the alteration. You identify any omissions or errors in documents, records and calculations and have these corrected before you authorise an amendment. Documents endorsing or amending the existing contract will then be issued to the client.

Outcomes of effective performance

- LT5/O1 You make sure that requests to make alterations have been accurately determined
- LT5/O2 You identify and correct any inaccuracies in documents, records and calculations
- LT5/O3 You make sure that proposed amendments comply with limits or restrictions set down by law, regulation, your organisation's procedures and the rules of the scheme
- LT5/O4 You authorise the issue of the quotation for the alteration
- LT5/O5 You authorise the alteration of the contract in accordance with your organisation's procedures
- LT5/O6 You authorise and issue amendments to the contract in accordance with your organisation's procedures
- LT5/O7 You advise appropriate people within your organisation of any changes to documents and records
- LT5/O8 You ensure that all records and documents are updated accurately
- LT5/O9 You comply with legal requirements, industry regulations, organisational policies and professional codes

Behaviours which underpin effective performance

- LT5/B1 You make information available to those who need it and have a right to it
- LT5/B2 You pay attention to details that are critical to your work
- LT5/B3 You use information and knowledge effectively, efficiently and ethically
- LT5/B4 You carry out tasks with due regard to your organisation's policies and procedures, including those covering health and safety at work

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Knowledge and understanding

Procedures, systems and products

1. Policy and procedures for supplying information to customers and others and keeping records of requests
2. Guidelines on disclosure of information to others
3. Standard alteration procedures, including any associated essential information required from the customer
4. Procedures for gaining the agreement of interested parties to an alteration
5. Procedures for dealing with the following types of amendment: changes to amount of premium; changes to term of the contract; increments; decrements; changes to cover provided
6. Policy and procedures regarding writing to customers
7. Filing and information retrieval systems
8. Customer service procedures (including dealing with complaints)
9. Sources of advice and information
10. Your organisation's time-scale standards and procedures
11. The purpose, location and how to use guidelines to decide if an alteration can be accepted
12. The limits of your own personal authority and the action required if a proposed alteration is beyond them
13. The essential information and procedures used to calculate premiums
14. Your work role and the responsibilities it places upon you
15. How to interpret direct debit information
16. Available customer help-lines
17. Your organisation's procedures for dealing with the interests of interested parties.
18. How to deal with lost documents

19. Your organisation's requirements relating to the application of codes, laws and regulatory requirements, including health and safety, as they impact on your activities

Information regarding current and non-current products of your organisation:

1. Detailed information on contract cover
2. Standard contract wording
3. Optional extensions
4. Limitations
5. Other standard endorsement wordings
6. Underwriting criteria
7. Standard renewal questions and acceptable answers
8. Your organisation's procedures for dealing with alterations on contracts that are re-assured
9. Rules for qualifying policies

Industry products and practices

1. The principles affecting: underwriting; policy terms; premium and rating factors; extent of cover in products
2. The principles of insurance: utmost good faith; insurable interest; proximate cause; the structure of standard policies

Regulation and legal requirements

1. The relevant legal and regulatory requirements affecting your work and how to meet them
2. The role of the financial ombudsman service
3. HM Revenue and Customs regulations which apply to claims on long term contracts