



Taxi Insurance Checker (TIC)

Online Portal Information Pack

Plan Insurance Brokers outline the design of a simple and effective online portal that will prevent Taxi and Private Hire insurance fraud.

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Contents

Contact Information	2
Who are Plan?	4
Why is TIC needed?	6
Evading the system	10
The solution	12
TIC explained	14
TIC workflow	16
Next steps	22
Stakeholders	24
Relevant articles	26
Useful tools	27

Plan are market leading brokers of commercial motor insurance.

We have over 25 years of experience working with the Public & Private Hire industries.

The level of expertise and depth of knowledge required to operate profitably within the taxi industry is only achievable by a specialist.

Our I.T. know-how and expert knowledge of the workings of public and private hire insurance lends itself perfectly to consulting on the proposed online portal.



Plan were invited to present at the Insurance Times Broker Technology conference in 2015.



We are finalists in the Tech & Innovation Awards 2016 for the work we have put into this TIC proposal.

Innovation & I.T.

Plan stands out from its competitors because its young, dynamic management team sees value in developing online services:

Software Development

Over the last decade our in-house developers have created a sophisticated bespoke back office system which is exclusive to Plan. As a result we are an incredibly agile business that is not beholden to software houses.

We are FCA approved and are familiar with adhering to strict data protection procedures.

Digital Services

As well as an active and engaged following on social media our websites are built in-house to be ecommerce capable and provide self-service functionality for clients via online portals.

3rd Party System Integration

We have handled motor insurance database (MID) compliance on behalf of insurers and continue to transact high volumes of business electronically via webservices and EDI.

Streamlining

Improving the efficiency of processes is always at the top of Plan's priority list. This was demonstrated as far back as 2006 when we led the motor trade insurance market away from lengthy, time consuming, hand written proposal forms to electronically generated statement of facts.

Why is TIC needed?

There are now over 300,000 drivers licenced to carry passengers for the purposes of hire and reward on the UK's roads.

It is of utmost importance that robust systems exist to ensure they are operating with at least the minimum required levels of insurance cover in place.

The most recent available stats come from an audit in 2011 that was leaked to the BBC. Of 1200 drivers stopped in a nationwide inspection, it was found that 93% of drivers had either invalid or expired cover. Since then, driver numbers have surged and systems of detection remain the same.

The proposed TIC system is similar in concept to the DVLA's online driving license checker portal and the motor insurance bureau's (MIB) motor insurance database.

Both have benefitted motorists and authorities by streamlining processes and reducing the abuse of antiquated monitoring systems.

TIC will help authorities address the following areas of concern:

Public Safety

- Members of the general public being driven in uninsured vehicles
- Licensed drivers not being "fit and proper" persons
- Illegal touts targeting vulnerable passengers

In 2011 the Metropolitan Police estimated that in London alone 1,125 incidents of sexual assault had been committed by private hire touts (based on figures from the Safer Transport Intelligence Unit.)

Much has been done to try to prevent these crimes but, with a surge in public demand for private hire services a significant threat to public safety remains. The potential for passengers to be victims of other types of violent crime and theft are additional considerations.

The construction of the online "TIC" portal will provide compliance officers with immediate proof of a tout's contravention of their minimum insurance requirements. This will empower offices to take assertive action against uninsured touts without the need for a police presence.

Delayed Compensation Payouts

The importance for passengers of taxi and private hire drivers having valid cover in place lies in the speed of claims settlement.

Any compensation claim that arises from an incident that occurred whilst being driven in an uninsured vehicle faces potential delay whilst it goes through the Motor Insurance Bureau.

Liability is either accepted by the last known insurer of the vehicle involved, or settlement is provided by the Untraced Driver's Agreement protocol. However neither process is as straight forward as if valid cover had been in place at the outset.

Higher Motor Insurance Premiums

It is also worth considering that motor insurance premiums across the board will be subsidising the cost of any claims that arise from uninsured taxi and private hire drivers. With over 300,000 licenced vehicles on the road the sums involved could be considerable if the problem of drivers not having adequate insurance to cover for the purposes of "hire and reward" is as wide spread as many fear.

It's estimated that 1 million uninsured motorists increase premiums by £30/year. Taxi and private hire drivers have a higher volume of claims due to the increased number of miles they travel each year.

Their average claim sums are also above industry standards as they are liable for additional risks when carrying members of the public. Claims from uninsured taxi and private hire drivers are likely to account for a significant proportion of this figure.

The Motor Insurance Database (MID) - askMID

The only central record of all insured vehicles in the UK

Updated over 10,000 times an hour

Used by the Police and the DVLA to enforce motor insurance law

The Police use Automatic Number Plate Recognition (ANPR) technology with information from the Motor Insurance Database (MID) to identify those driving uninsured vehicles.

A lot has been done in the last 10 years to tackle the issue of uninsured drivers. The Motor Insurance Database was introduced for this reason.

More than 500 uninsured vehicles are seized every day, and one person every three minutes is convicted for uninsured driving. **London Specific Stats*

However, the MID doesn't currently hold accurate "class of use" data relating to each vehicle's insurance cover. Whether a vehicle is covered for "hire and reward" remains unknown.

TIC is a simple solution that will:

- Save time
- Reduce administration costs
- Prevent insurance fraud
- Be implementable nationwide
- Comply with data protection laws

False Insurance Documents

A minority of Private Hire Vehicle (PHV) drivers present false insurance documentation to their respective licensing authorities and/or operators. These drivers are being allowed to accept private hire fares without adequate insurance protection for their passengers.

They work on a self-employed basis for operators, having supplied invalid certificates. Their documents are either doctored copies of other driver's certificates, or have been fabricated entirely.

An additional issue of "identity mirroring" exists whereby uninsured drivers supply evidence of insurance obtained by a different licenced driver who shares a similar name, age and address.

Expired, Cancelled or Invalid Cover

Licenses to carry passengers are issued by licensing authorities on an annual basis. Therefore private hire drivers operating on short term insurance contracts for as little as a week to three months present additional issues.

There are also situations where private hire drivers have their annual insurance contracts cancelled mid-term (this may occur for various reasons such as failure to provide required documentation or missed payments) but fail to notify their licensing authority and/or operator employer. They then continue to operate illegally.

To avoid their vehicle showing up on the Police's Automatic Number Plate Recognition (ANPR) checks as uninsured, drivers may take out private car insurance which is cheaper but inadequate for their purposes. Their vehicle will be insured to drive on the road but not for carrying passengers on a "hire and reward" basis.

The difference in premium could be anywhere between £300 to £3000 and over.

Lack of enforcement resource and authority

The recent Law Commission's report recommended that enforcement powers be strengthened to enable licensing officers to stop licensed vehicles touting by impounding vehicles, issuing fixed penalty notices and cross border enforcement.

The problem is worst late at night in busy city centres at weekends and is a particular problem in London. During a meeting of the Greater London Assembly, member Valerie Shawcorss pointed out to the Mayor that in April, despite private hire driver numbers in London rising to almost 100,000, there were just 14 TFL compliance officers on duty at night.

She highlighted that there are two reported minicab related sexual assaults each week and said touts continued to operate unchecked. She complained that the problem is "massively under-enforced" and said TfL was failing to protect Londoners from the dangers of sexual predators.

Leon Daniels, Managing Director at Transport for London, when replying to the MP's questioning regarding TfL's ability to check the validity of insurance for private hire road users highlighted a:

"Laborious, hopeless manual system with a poor trust factor due to low levels of accuracy."

"The paper trail to follow those is quite difficult" due to "Contradictory answers from the same insurance company on the same day."

Plan Insurance Brokers propose an online portal that will provide all 389 licensing authorities across the U.K. access to real time data relating to a driver's insurance cover.

The system will supply authorities with the required information regarding the vehicle in question and the suitability of cover in place whilst safeguarding drivers' personal data.

The system will require all insurers that offer "hire and reward" insurance to taxi and private hire drivers to be registered on a database of approved suppliers.

Once approved, insurers will be granted access to a code generation tool that will provide encrypted reference identifier.

This unique identifier will need to be printed on the certificate and policy documentation that is issued to their policy holder.

When entered into the online portal by the licensing authority agent (or any approved registered user) this unique identifying code will provide the required information to confirm or refute whether suitable cover is in place.

British Insurers currently providing Public & Private Hire Insurance

Based on our experience as specialist brokers of public and private hire insurance we have identified the below list of 25 insurance suppliers:

Alpha	Octane
Antilio	Premier
Aviva	QBE
AXA	Qudos
Catlin	RSA
Chaucer	Sabre
Collingwood	Sumit
Ecclesiastical	Tradewise
Enterprise	Tradex
KGM	Trident
LV=	Walsingham
Markerstudy	Westminster
Nelson	

We apologise if any providers have been overlooked but we're not currently aware of a centralised database where this information can be accessed.

Plan Insurance Brokers have contacted The Association of British Insurers for assistance with the process of lobbying their members that offer taxi and private hire policies.

It is hoped that out of both civic mindedness and due to the potential for the system to significantly improve the profitability of their taxi insurance products, with what should be a relatively low investment in I.T. required in exchange, they will be supportive of the proposals for a TIC system.

The Taxi insurance Checker (TIC) is a proposed web portal which will decode unique identifiers on policy documents to ensure the document is valid and un-tampered with.

Once decrypted this code will enable a knowledge database to be cross referenced allowing the powers that be access to salient information.



Data Protection

To avoid issues with data protection we propose that once a code has been entered into the web portal it will only display the following results:

- Insurer name
- Inception date of the policy
- Make of the vehicle
- 2 characters of the vehicle registration number
- 2 characters of the policy number

We have considered the idea of the TIC being able to validate more i.e. name, address, date of birth (for all drivers on a policy), full vehicle registration; but these details could impede on data protection. It would also greatly complicate the build process and delay implementation.

Since the system is being proposed to help all people in the trade; from booking operators, testing centres and authorities, keeping it to these results should be enough to:

- a) Identify fake or fraudulent documents
- b) Act as a deterrent to people wishing to use or supply fraudulent documents


Step 1

Insurers/Licensing Authorities/Testing Centres/Operators/Police etc will need to register and be approved before access to TIC portal can be granted.



Step 2

Once registered, private and public hire insurers will be provided with software that will generate encrypted codes. Every insurance document issued by the insurer will contain a unique TIC identifier.

CERTIFICATE OF MOTOR INSURANCE		TWi
Tradewise Insurance Company Ltd		
Certificate number		
Policy number	123EXAMPLE	
1. Description of vehicle(s).	REG NUMBER HERE	
2. Insured	Mr John Doe	
3. Effective date of the commencement of insurance for the purpose of the relevant law.	14/03/2016 at 00:01	
4. Date of expiry of insurance.	14/03/2017 at noon	
5. Persons or classes of person entitled to drive.	Mr John Doe	
Provided that the person driving, as described above, holds a licence to drive the vehicle or has held and is not disqualified from holding or obtaining such a licence.		
6. Limitations as to use.	Use for social, domestic and pleasure purposes and for the business of the Insured including the carriage of passengers or goods for hire and reward by previous booking subject to all vehicles and drivers being appropriately licensed by the local council where legally required. Excluding hiring, the letting on hire, racing, pacemaking, use in any contest, reliability or speed trial, or use for any purpose in connection with the Motor Trade.	
Unique Encrypted TIC Code: 542 EJ1 T70 P78 HZR 2SD		
I hereby certify that the policy to which this Certificate relates satisfies the requirements of the relevant law applicable in Great Britain, Northern Ireland, the Isle of Man, the Island of Guernsey, the Island of Jersey and the Island of Alderney.		
For and on behalf of Tradewise Insurance Company Ltd and authorised Co-Insurers.		
Under this policy the proportionate liability of each insurer to the policyholder does not extend to the liability of any other insurer.		
 Authorised Insurers		
Issued through: Tradewise Insurance Services Ltd		
Note: This Certificate is evidence that you have insurance to comply with the law. It is not valid if changed in any way. For full details of the insurance cover reference should be made to the Schedule of Insurance and the Policy Booklet. Nothing contained in this Certificate affects your right as a Third Party to make a claim.		

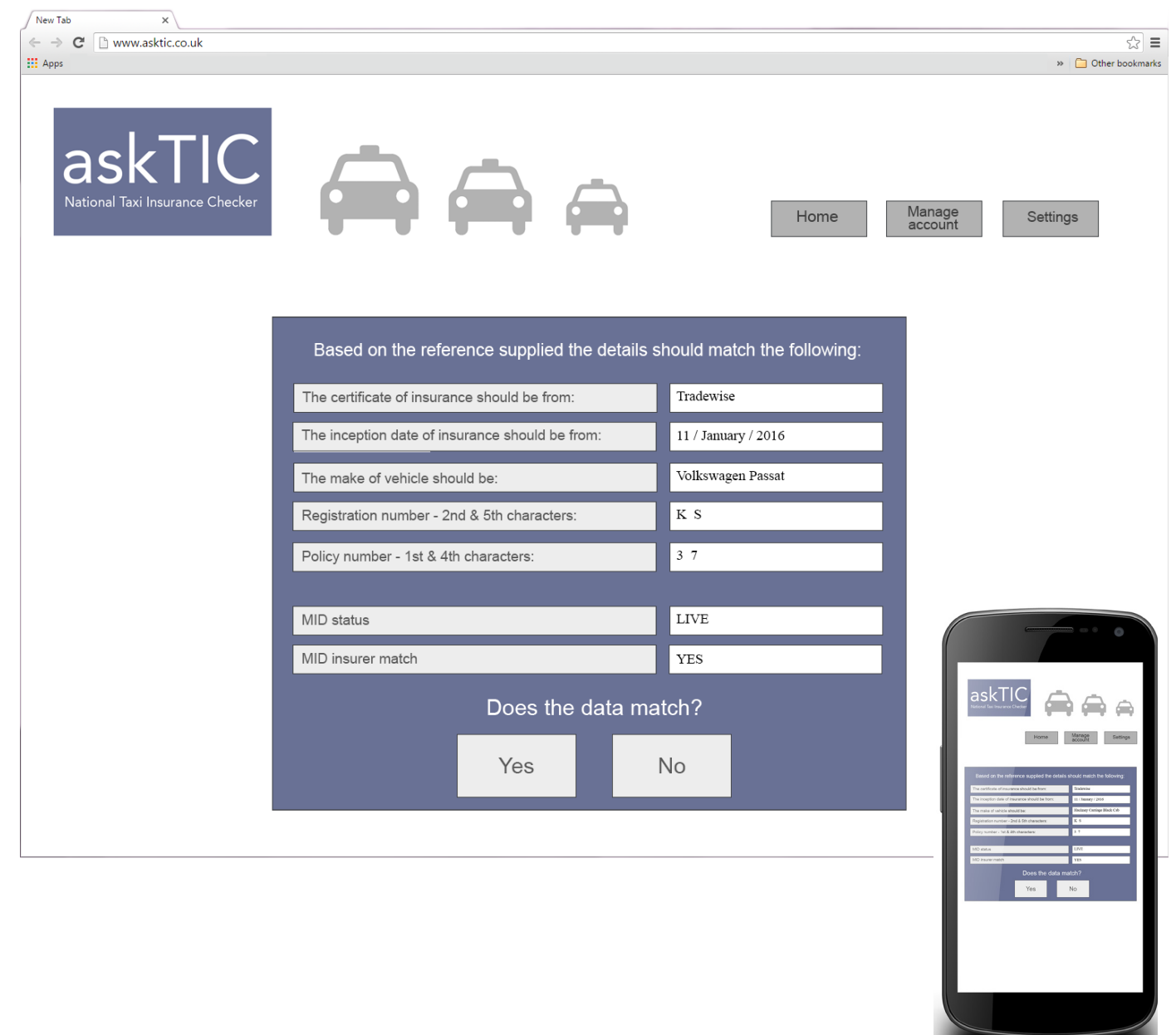
Step 3

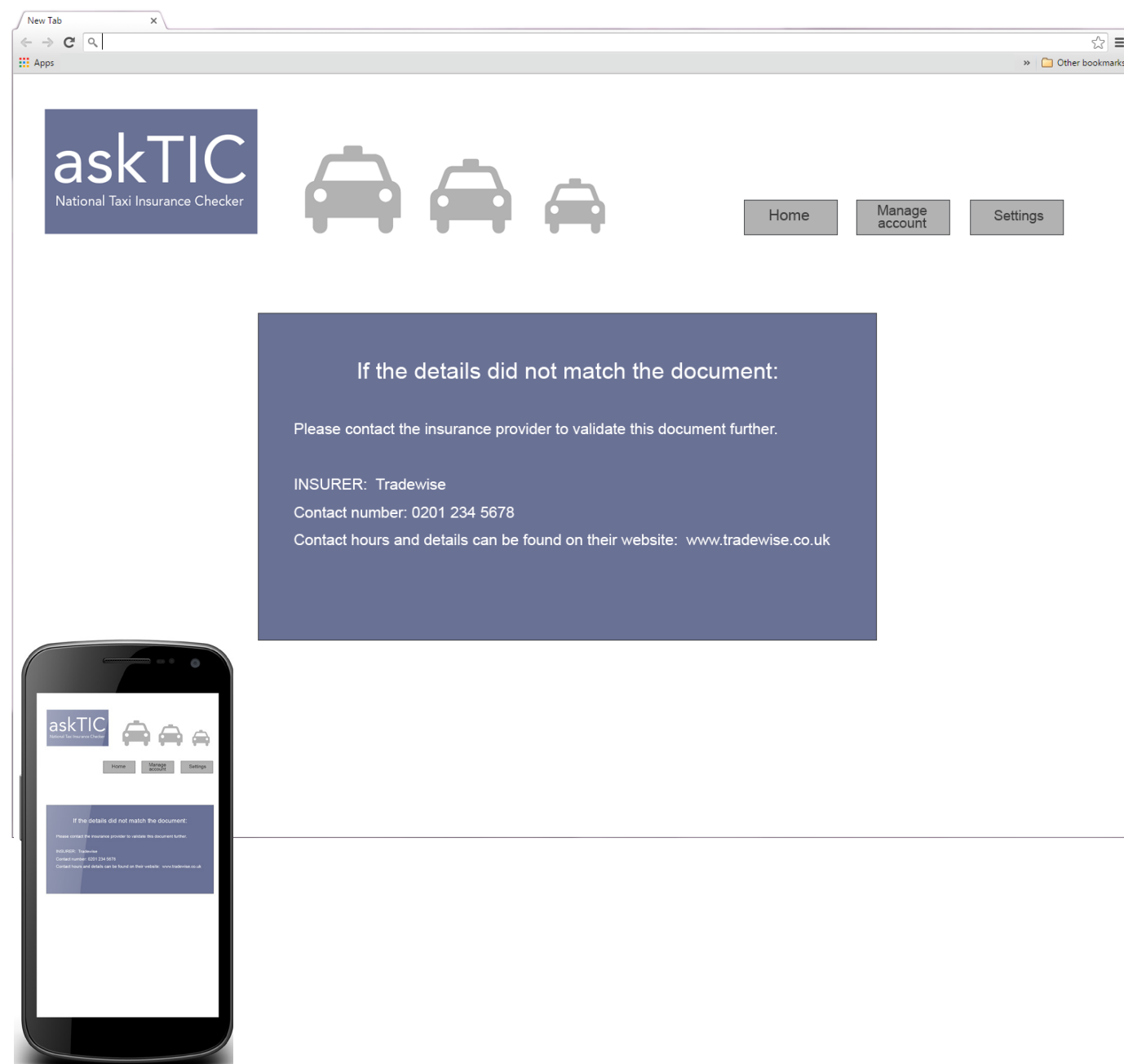
When required, the document is handed to a test centre/ employer / operator / TfL/ Police etc to be checked and the code on the document is input into TIC.



Step 4

The results are then compared from TIC and the document(s) presented.





Step 5

If all details match, then the document and cover is decreed valid.
If details fail to match then the discrepancy will be flagged.

Guidelines on how to handle incorrectly matching details should be formulated in detail.

TIC will communicate with the MID to identify uninsured vehicles. It will also highlight any discrepancies between the information held on the two databases.



Initial talks with TfL proved positive.

They saw particular value in the system for Operators.

This is due to data protection laws preventing access to this section of the trade to “class of use” information that ultimately should be held on the MIB.

If more responsibility is handed to operators to monitor their drivers, they need a system to empower them and inform them if the onus is on them.

TfL informed us that they are working with MIB to obtain and hold accurate information regarding “class of use” data. Operators won’t be able to access it due to data protection.

However, as a major broker of public and private hire who handles IT compliance on behalf of an insurer, no contact has been made yet by the MIB.

To the best of our knowledge, we have listed in the next section - ‘Stakeholders’ - a number of relevant organisations that they believe will have a vested interest in the development of a system such as TIC.

Plan are encouraging public and private hire drivers to contact their trade representatives to raise awareness of the issue of taxi insurance fraud.

Should TIC meet with approval from these organisations Plan Insurance Brokers would make themselves available to consult with authorities and regulators to progress the development of such a system.

The following organisations will have their ability and desire to take the necessary actions required to implement the simple, cost effective TIC system aimed at safeguarding the public's interests.

TfL

The local government organisation responsible for most aspects of London's transport system. It is estimated that 35% of all licenced vehicles are regulated by TfL.
<https://tfl.gov.uk/>

GMB Union Professional Drivers' Branch

Provides advice, support and representation as well as organising campaigns and negotiating to improve and protect their members pay and terms and conditions of employment.
<http://www.gmbdrivers.org/>

Association of British Insurers

Promotes best practice, transparency and high standards within the industry. As a forward-thinking organisation, they work with government, regulators and policymakers – both in the UK and internationally – to ensure the insurance industry meets the highest standards.
<https://www.abi.org.uk/About>

National Association of Licensing and Enforcement Officers

Promotes a better understanding of taxi and private hire licensing matters - and the challenges of working in isolation
<http://www.naleo.org.uk/>

Motor Insurance Bureau

Reduces uninsured driving, compensating victims of uninsured and untraced drivers, managing insurance data for the industry.
<https://www.mib.org.uk/>

National Police Chiefs' Council (NPCC)

Helps police cut crime and keep the public safe by providing a joined up operational response
<http://www.npcc.police.uk/>

Insurance Fraud Bureau

An organisation leading the insurance industry's collective fight against insurance fraud
<https://www.insurancefraudbureau.org/>

BIBA

Represent the interests of insurance brokers, intermediaries and their customers by campaigning on all aspects of insurance to ensure the industry is united and working for brokers and customers alike.
<https://www.biba.org.uk/>

Local Government Association

The national voice of local government, that works with councils to support, promote and improve local government. Links below present their views on Deregulation of Taxi Licensing Bill of 2014
<http://www.local.gov.uk/>

IFIG

Insurance Fraud Investigation Group is a Members' Organisation dedicated to the detection and prevention of Insurance Fraud. It is a non-profit making organisation created to tackle the growing problem of Insurance Fraud in the UK and distrust insurance fraudsters.
<https://www.ifig.org/>

DVLA

Maintains registers of drivers and vehicles in Great Britain. This information helps us improve road safety, reduce vehicle related crime, support environmental initiatives and limit vehicle tax evasion.
<https://www.gov.uk/government/organisations/driver-and-vehicle-licensing-agency>

LTDA

The Licensed Taxi Drivers Association is the largest union of London black cab drivers.
<http://www.ltta.co.uk/>

National Taxi Association

The National Taxi Association has become a body which is well respected by Statutory Authorities, and is consulted on all aspects of taxi legislation in England and Wales.
<http://www.national-taxi-association.co.uk/>

United Cabbies Group

The United Cabbies Group was formed by Licensed London Taxi drivers who are concerned with the current state that the taxi trade finds itself in. Every member of the UCG Committee is a working Taxi driver.
<http://ucg-london.co.uk/>

LPHCA

The Licenced Private Hire Car Association represents providers of Private Hire Vehicle and Taxi services that the travelling public can pre-book.
<http://www.lphca.co.uk/>

MET Police

Today, the Metropolitan Police Service employs around 31,000 officers together with about 13,000 police staff and 2,600 Police Community Support Officers (PCSOs). The Metropolitan Police Services covers an area of 620 square miles and a population of 7.2 million.
<http://content.met.police.uk/Home>

Plan Insurance Brokers have, to the best of their knowledge, listed in the next section - 'Stakeholders' - a number of relevant organisations that they believe will have a vested interest in the development of a system such as TIC.

Plan Insurance Brokers would be prepared to consult with these organisations to bring about TIC.

We believe the next steps would be in four phases:

Please find below links to useful articles containing salient background information:

<http://www.bbc.co.uk/news/technology-34002051>

<http://www.theguardian.com/politics/2014/oct/20/lords-vote-reduced-taxi-regulation-criticised-by-labour-charities>

<http://www.theguardian.com/technology/video/2015/jun/12/how-tested-uber-system-checking-taxi-cab-drivers-investigation-video>

<http://www.planinsurance.co.uk/blog/tfl-plan-to-tackle-insurance-fraud/>

<http://www.local.gov.uk/documents/10180/5533246/211014+LGA+Briefing+for+Deregulation+Bill+Taxi+and+PHV+clauses+FINAL.pdf/22f34625-8694-44c5-849a-d59bfb2f4870>

http://www.local.gov.uk/media-releases/-/journal_content/56/10180/6203905/NEWS

<http://www.planinsurance.co.uk/blog/stick-to-black-cab-insurance-policies/>

<http://www.bbc.co.uk/news/uk-england-11850908>

<http://www.theguardian.com/uk/2004/mar/19/transport.politics>

<https://www.gov.uk/government/collections/taxi-statistics>

<http://www.local.gov.uk/documents/10180/5533246/211014+LGA+Briefing+for+Deregulation+Bill+Taxi+and+PHV+clauses+FINAL.pdf/22f34625-8694-44c5-849a-d59bfb2f4870>

http://www.local.gov.uk/media-releases/-/journal_content/56/10180/6203905/NEWS

<http://www.mib.org.uk/Customer+Services/en/Making+a+claim/Claims+Explained/Claims+Questions.htm>

<http://www.popcenter.org/library/awards/goldstein/2011/11-18.pdf>

Please find below some useful tools:

Transport for London - Driver, Vehicle and Operator Checker

<https://tfl.gov.uk/info-for/taxis-and-private-hire/licensing/licence-checker>

Vehicle and Operator Services Agency - HGV & PSV License Checker

http://www.tan.gov.uk/tanen/vosa_anonymousoperatorsearch_new.asp

Motor Insurance Database Checker - free check to ensure your own vehicle is listed

<http://ownvehicle.askmid.com/>

Government website enabling drivers to view or share their driving record

<https://www.gov.uk/view-driving-licence>

The public can report touting or illegal cabs on the TfL website here

<https://TfL.gov.uk/forms/12368.aspx>



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