Insurance Industry Access to Driver Data

Business Process Questions
September 2013
INTRODUCTION

Background
The Insurance Industry Access to Driver Database (IIADD) programme will give insurers access to accurate data from the DVLA on motoring entitlements, convictions and penalty points when providing quotes for insurance policies.

The initiative will work by drivers providing their driving licence number (DLN) when they apply for insurance. An automatic check will then be made to the DVLA database, bringing back accurate information on licences. Information provided will include convictions; points; conviction dates; disqualifications; type of licence held; length of time licence held; and entitlement to drive (i.e. manual/automatic, motorbike, HGV, etc).

The IIADD Programme is a joint initiative of the DVLA, the Department for Transport and the insurance industry, represented by the ABI and the MIB. These organisations have been working together for four years to agree the scope of the service. Insurance brokers, comparison sites, and other industry bodies have also been involved in these discussions.

The purpose of this document
This document answers some of the frequently asked questions about how the IIADD programme will work. This document should be read alongside the IIADD Business Process Guide which provides a more detailed explanation of the process, and the MIB Hub Industry Interface Specification which details the technical requirements for providers to request and receive DVLA data.

That information is available in the External Interface Specification published by the MIB, which is available upon request from IIADD@mib.org.uk.

Intended audience
The guide is aimed at insurers, brokers, software houses and comparison websites.

Authors of the guidance
The document has been developed by the Association of British Insurers (ABI) and the Motor Insurer’s Bureau (MIB), in consultation with Polaris.
Contents

Background ........................................................................................................................................ 4
1. When will IIADD go live? ............................................................................................................. 4
2. Who can use the service? ............................................................................................................ 4
3. Who is paying for it? .................................................................................................................. 4
4. How accurate is the data available? .......................................................................................... 4

New Business .................................................................................................................................... 5
5. What information do we need from the driver? ....................................................................... 5
6. Do we need explicit consent in order to access the data? .......................................................... 5
7. Can the proposer choose to refuse access to their record and self-declare? ......................... 5
8. Can an insurer insist that a Driving Licence Number (DLN) is provided and refuse to quote if access to DVLA data is not possible? ........................................................................ 5
9. If the proposer or any named driver does not have a Great Britain (GB) Driving Licence Number (DLN), can the distributor capture and retain a foreign DLN against the record? ........................................................................... 5
10. Is there a requirement to validate the Driving Licence Number (DLN) at point of data capture? ........................................................................................................................................ 6
11. Will all UK Licence Holders’ information be available? .......................................................... 6
12. How will insurers establish whether the proposer holds a Great Britain (GB) licence? ....... 6
13. What information will be returned if the proposer submits a non-Great Britain (GB), UK licence number? .......................................................................................................................... 6
14. What information would be displayed to the proposer if DVLA data is unavailable? ............. 6
15. Can the distributor partially auto-fill the Driving Licence Number (DLN)? ......................... 7

Mid-Term Adjustments ..................................................................................................................... 7
16. Can DVLA data be accessed when additional named drivers are added to a policy? .......... 7
17. If a re-quote is issued following a mid-term adjustment, can the insurer refresh the DVLA data it holds? ....................................................................................................................... 7
18. Can underwriters view the data provided by the DVLA when making adjustments? ......... 7

Renewals ............................................................................................................................................ 7
19. Who can access DVLA data when the renewal is due? ......................................................... 7
20. When can DVLA data be accessed in order to generate a renewal quote? ......................... 8
Background

1. When will IIADD go live?

The project is now being implemented, and is due to launch in Q2 2014. Once the DVLA database and the MIB hub are prepared, insurers will be able to access the hub as soon as their systems are ready. Testing with the industry will commence in February 2014.

2. Who can use the service?

Any insurer, broker or software house with insurers or brokers as clients will be able to use the service by connecting to the MIB hub. Other third party providers can connect if they have been directly contracted by an insurer, broker or software house to access the MIB hub on their behalf, and they only access and process DVLA data for the purposes defined in that contract.

Prior to accessing the MIB hub, firms will need to complete an onboarding process managed by the MIB. This will involve meeting the technical standards to request and receive data; demonstrating that suitable security and data protection standards are in place; and ensuring that the full terms of the user agreement will be met.

Insurers and brokers can use third party providers to help rate and interpret the data if required. However, third party providers will not be able to connect directly to the MIB hub, nor will they be able to use data for any purpose other than for providing a quotation.

3. Who is paying for it?

The programme cost will be funded jointly by the DVLA and motor insurers. The cost will be shared across all insurers writing motor insurance policies (excluding fleet). Contributions will be based upon the Gross Written Premium of each individual insurer, and will be collected as a separately identified component of the MIB levy.

4. How accurate is the data available?

97% of fixed penalty notices are uploaded to the DVLA database immediately and the remaining 3% are completed within 24 hours. For convictions at court, 84% of endorsements are updated immediately and the remaining 16% are completed within 24 hours. The DVLA database contains an extremely low number of inaccuracies for conviction data and a process is in place for challenges to the data provided. Licence holders will be able to view the information contained about them via the DVLA. For roughly one per cent of all cases, the record will be suppressed and will not be available to insurers. This is typically due to the record being under maintenance (for example, an address is being changed), and the insurer should not infer anything from this response, other than the need for the individual to self-declare.
New Business

5. What information do we need from the driver?

Firstly, you will need to determine whether the proposer or any named drivers are Great Britain (GB) licence holders. You will then need to request the driving licence number, full name, date of birth and gender for each driver with a GB licence.

6. Do we need explicit consent in order to access the data?

It is mandatory for fair processing notices to be presented to the customer, and for the customer to explicitly consent to the fair processing notice, in advance of any information being requested from the DVLA. It is strongly advised that this information is presented before any data is requested from the customer. A model fair processing notice will be provided by the MIB.

7. Can the proposer choose to refuse access to their record and self-declare?

Yes. If an individual does not agree to the fair processing notice, no data can be requested from the DVLA and the individual should be asked to self-declare their information. The customer should be advised that it would be to their advantage to provide access to their data.

8. Can an insurer insist that a Driving Licence Number (DLN) is provided and refuse to quote if access to DVLA data is not possible?

There will be instances where an individual will be a Great Britain (GB) licence holder, but is unwilling to provide their DLN. It is up to the distributor to decide if provision of the DLN should be mandatory for GB licence holders. Similarly, it is for each insurer to decide how they will treat GB licence holders who do not declare their DLN.

For non-GB Licence Holders, the IIADD programme will not change existing practices.

9. If the proposer or any named driver does not have a Great Britain (GB) Driving Licence Number (DLN), can the distributor capture and retain a foreign DLN against the record?

There is no requirement to collect non-GB licence numbers within the IIADD programme and there will be no way to validate these licences. If the data field can accommodate an alternative licence number format and the insurer has reason to use this as an identifier, they may request and keep other licence numbers against the record.
10. Is there a requirement to validate the Driving Licence Number (DLN) at point of data capture?

Yes. After collecting the full name (including initials), date of birth, gender and DLN for each Great Britain licence holder, the distributor is required to validate the first 13 characters of the DLN. If a DLN can’t be validated, the driver record must not be requested from the DVLA. If validation still fails after asking the individual to correct their details, the distributor should ask the individual to self-declare.

11. Will all UK Licence Holders’ information be available?

No. DVLA data will only be available for Great Britain (GB) licence holders (England, Scotland and Wales). When requesting information about the proposer and any named drivers, it will be necessary to first ask if each driver is a GB licence holder. Non-GB licence holders will need to self-declare their information. There might also be instances where a valid GB licence record is unavailable when requested. For example, the record will be suppressed in roughly one per cent of cases. This is typically due to the record being under maintenance (for example, an address is being changed), and the insurer should not infer anything from this response other than the need for the individual to self-declare.

12. How will insurers establish whether the proposer holds a Great Britain (GB) licence?

When requesting information about the proposer and any named drivers, it will be necessary to first ask if each driver is a GB licence holder (and to explain to the proposer what constitutes a GB licence). This might mean that some question sets will need to be revised to capture GB licences separately to other UK licences.

13. What information will be returned if the proposer submits a non-Great Britain (GB), UK licence number?

DVLA data will only be available for GB licence holders. If another UK licence number is provided (from Northern Ireland, Isle of Man or the Channel Islands) these will not conform to the DVLA format and so a request to the hub should not be made.

14. What information would be displayed to the proposer if DVLA data is unavailable?

If a driver record is not found or invalid, the distributor can then prompt the proposer to correct the details and resubmit them to the MIB. If the request is successful on a subsequent attempt, the application process can continue. If the request is not successful, the distributor has a choice of whether to ask the proposer to correct the details again, or self-declare.

If the record is suppressed due to the record being under maintenance (for example an address is being changed), the insurer should ask the individual to self-declare.
15. Can the distributor partially auto-fill the Driving Licence Number (DLN)?

Yes. The first 13 characters of the DLN could be completed based on the information provided by the customer. This may increase uptake but would be less effective as a fraud prevention tool.

Mid-Term Adjustments

16. Can DVLA data be accessed when additional named drivers are added to a policy?

Yes. In this situation, the insurer or broker would be expected to follow the same process as for a new quotation, but only for the additional driver. If the policyholder does not proceed with the addition of the new driver, the insurer or broker must delete the data relating to the new driver.

17. If a re-quote is issued following a mid-term adjustment, can the insurer refresh the DVLA data it holds?

No. Insurers and brokers must not refresh data for the policyholder and any existing drivers, as the contract was accepted on the basis of their data as provided at the inception of the policy. At the point of renewal, the holding insurer and/or broker will have an opportunity to refresh conviction data for all drivers on a policy.

18. Can underwriters view the data provided by the DVLA when making adjustments?

Under normal circumstances data must not be visible to individuals employed by, or acting on behalf of, the insurer. In exceptional cases it may be possible for individuals to view some of the data within the restrictions set out in the IIADD Business Process Guide. In these cases, visibility must only be granted for the process it is necessary for, and access must be restricted by user profile, with individual records kept of why DVLA data was viewed.

Renewals

19. Who can access DVLA data when the renewal is due?

Automatic requests for DVLA data at the point of renewal can only be made by the holding insurer or broker. Any organisation processing DVLA data for the purpose of generating a renewal quote must have the consent of the proposer before the Driving Licence Number (DLN) of the proposer is processed. It is strongly recommended that the fair obtaining notice used during the new business process covers both the original quotation and any subsequent renewals for both the proposer and any named drivers.
While comparison websites, brokers and insurers that do not hold the business may retain the DLN (as it was self-declared), they must not use that DLN to gain refreshed DVLA records for a new quote unless the proposer explicitly agrees to the generation of a new quote immediately before the new quote is generated.

20. When can DVLA data be accessed in order to generate a renewal quote?

The renewal quote process should be completed in line with the timeframes set out for the issuing of renewal invitations, as stipulated in the rules and regulations set out by the Financial Conduct Authority and/or any other relevant body. The holding insurer may refresh the DVLA data at a time to suit their own process and can submit requests to the hub individually or by batch.