Institute of Accountants and Bookkeepers

IAB Level 4 Qualified Insurance Practitioner Qualification

IAB Qualification Specification

Contents

1. About the IAB Group

The IAB group comprises four divisions, each providing courses to support professional development. These are:

- IAB – Institute of Accountants and Bookkeepers
- IAAP – International Association of Accounting Professionals
- LCCI – London Chamber of Commerce and Industry
- PDI – Professional Development Institute

This qualification has been specifically developed by PDI to address the market needs relating to the insurance industry.

Whilst the Institute of Accountants and Bookkeepers (IAB) was established in 1973, its history can be traced back to 1916. It was formed in 1973 by the Council of the Institute of Administrative Accountants to retain its links with its history by having an organization with Bookkeepers in its title, having been set up in 1916 as the Institute of Bookkeepers – being a professional body for bookkeepers, the present-day equivalent to the 'in house accountant' working in industry and commerce.

The objective of the IAB was to offer basic qualifications in Bookkeeping at three levels, Preliminary, Intermediate and Final, with the final level being the equivalent to GCE A Level, a far cry from the breadth of qualifications now offered by the IAB, however this principle is firmly at the heart of the organisation.

In September 2022 the International Association of Bookkeepers (IAB) changed its name to the Institute of Accountants and Bookkeepers (IAB). This change was made to reflect the diversity of our membership and breadth of our qualification offering.
In 2023 the IAB celebrates its 50th year, the name change, specifically the word 'institute' endorses the heritage of the organisation and acknowledges the pioneering work that continues in education, Anti Money Laundering and the lobbying of legislation in government on behalf of the industry.

The IAB is recognised by HM Treasury to regulate our members for the purposes of the Money Laundering Regulations 2017 and 2019.

We represent our members at the following forums:

* HMRC Agent Support
* HRMC Compliance Reform
* HMRC Powers & Safeguarding
* HMRC Guidance Strategy Forum
* Anti-Money Laundering Supervisors Forum and Accountancy
* AML Supervisors' Group
* National Cross Sector SAR Forum and Advisory Reform
* Accountancy Intelligence Expert Working Group (ISEWG)
* Companies House Accountancy Stakeholder
* Anti-Money Laundering Supervisors Forum (by AMLSF)
* Accountancy AML Supervisors Group (AASG)

IAB qualifications

Practical business and management knowledge is globally sought after. Employers and companies alike need the exact skills which IAB qualifications offer. Not only designed to meet this growing demand, these world-renowned qualifications help build a secure future too. Offering a wide spectrum of choice - including business management, accountancy, banking and insurance - IAB qualifications give you a set of real-world skills with a competitive edge built-in.

The IAB team includes established academics from UK universities and industry experts who are responsible in overseeing our entire qualification development and assessment processes to meet our high standards.

IAB offers a wide range of qualifications, available at Levels 1 to 7 across a broad range of subject areas. They are regulated and approved by Ofqual (Office of the Qualifications and Examinations Regulation), as well as being a n awarding body for Qualifications Wales (QiW) and CCEA (Northern Ireland).

IAB is a full member of Federation of Awarding Bodies (FAB) and is an AML supervisory body, regulated by OPBAS, a subsidiary of the Financial Conduct Authority.

All our qualifications represent the latest in professional standards and provide opportunities for students to develop professional expertise. IAB has an outstanding history and an excellent global reputation. Our qualifications are designed to give you the best chance of achieving your full potential in your chosen career.

- The professionally designed qualifications give you the knowledge and skills you need to excel as a professional manager
- IAB is a not-for-profit organisation, offering cost-effective high-quality qualifications
- IAB's flexible approach offers fast track routes to degrees/master's degrees and are a less expensive route to gaining a qualification.
- Our Ofqual qualifications are recognised by colleges, universities, employers and governments around the world.
- For 50 years, learners around the world have been benefitting from IAB qualifications.

The qualifications have been designed to provide an ordered sequence of study that enables a student to progress from one academic level to another from UK recognised Level 4 (First Year undergraduate) to Level 6 (Final Year degree graduate) and a Level 7 Certificate (i.e. Postgraduate Masters taught modules).

Why study with IAB

IAB has gained an excellent global reputation. Our qualifications are designed to give you the best chance of achieving your full potential in your chosen career. Our suite of qualifications provides a realistic and broad opportunity for learners seeking career and professional development.

To develop our qualifications in business, we collaborated with a wide range of students, employers, higher education providers, colleges and subject experts to ensure that the new qualifications meet their needs and expectations. Our qualifications are designed to adapt and develop in line with the needs and demands of employers now and in the future.

Our suite of qualifications provides a rich mix of disciplines and skills development opportunities. Learners will gain insight into the functioning, objectives and processes of organisations, appreciating their diversity and the influences and impact of external forces on them. The fast changing and complex business environment and different organisation's ability to stay resilient and respond positively to change and opportunities will be explored.

- We are approved and regulated by Ofqual (Office of the Qualifications and Examinations Regulation);
- Our graduates are accepted into corresponding degree and master's top-up programmes with advanced standing;

- An affordable pathway to a UK degree and masters (top-up) programme than the universities;
- Flexible study option through approved delivery centres globally & online;
- The curriculum has a combination of academic and professional elements;
- Learners will gain the professional skills expected by global employers;
- Option to become a professional member upon completion of certain level of our qualifications; and
- Increased potential for international career opportunities.
- You will receive International Recognition by application of designated letters.
- Increased employability and earnings potential.
- Become part of a worldwide community of professionals.
- Leading the way in sustainability.
- No barriers to entry for qualifications.

About the qualification

This professional certificate has been designed to provide participants with an introduction to the key principles of insurance practice. It will provide a comprehensive understanding of the key principles and techniques of insurance management, claims handling and underwriting.

This practical and interactive certification program has been specifically designed for professionals in the insurance sector in positions such as licensed agents, brokers and adjusters, as well as other insurance professionals.

The qualification covers the following key areas:

- Foundations of insurance company operations
- Insurance claims
- Personal residential, private automobile, and personal umbrella insurance
- Life, health, and retirement liability
- Commercial general liability
- Risk management in insurance
- Fraud detection and prevention
- Ethics

Pathways

The Level 4 Certificate has been carefully designed to generate interest for students in a variety of subjects at higher levels. Higher Level Certificates, therefore, offer two key pathways for study, i.e., a Business pathway (with a focus on Marketing and HR) or a Finance pathway (with focus on Accounting and Financial (Risk) Management). In either Certificate pathway, a student may also opt to refine their study further with optional themes of study, which enable individual students to build a portfolio of case studies through their pathway and option choices that will both suit their business needs and ambitions and enable differentiation from other graduates.

Progression

IAB’s framework of business management qualifications runs from Level 1, right through to Level 7. You can enter at Level 1 and progress all the way to Level 7, enabling you to accumulate the credits needed for a university top-up.

IAB has progression arrangements with several UK universities that acknowledge the ability of learners after studying Level 4 -7 qualifications to be considered for advanced entry into corresponding degree year/top up and Master’s/top-up programmes. Completion of this Level 4 Certificate will enable choice of a Level 5 Certificate in Business Management or Business and Finance.

2. Qualification summary

This professional certificate has been designed to provide participants with a holistic practical understanding of insurance principles of the insurance products and processes within their organisation, including the main regulatory and legal requirements that are applicable to them.

On completion of this course, learners will be able to

- Understand the key insurance principles and a range of insurance functions and products.
- Understand the agent role and workplace and prepare agents to progress to more detailed study of insurance concepts, market, processes and products.

This highly practical and interactive certification program has been specifically designed for professionals in the financial sector with positions such as licensed agents, brokers, loss adjusters and other insurance professionals

This specification sets out:

- the objectives of the qualification
- any other qualification(s) that a student must have completed before taking the qualification
- any prior knowledge and skills that the student is required to have before taking the qualification
- any other requirements that a student must have satisfied before they will be assessed or before the qualification will be awarded
- the knowledge, understanding and skills that will be assessed as part of the qualification
- the method of assessment and any associated requirements relating to it
- the criteria against which a student's level of attainment will be measured (such as assessment criteria).

Qualification title

IAB Level 4 Qualified Insurance Practitioner

For all regulated qualifications, we specify the total number of hours that learners are expected to undertake to complete and show achievement for the qualification – this is the Total Qualification Time (TQT). The TQT value indicates the size of a qualification.

Within the TQT, we identify the number of Guided Learning Hours (GLH) that a centre delivering the qualification needs to provide. Guided learning means activities that directly or immediately involve tutors and assessors in teaching, supervising, and invigilating learners, for example lectures, tutorials, online instruction and supervised study.

As well as guided learning, there may be other required learning that is directed by tutors or assessors. This includes, for example, private study, preparation for assessment and undertaking assessment when not under supervision, such as preparatory reading, revision and independent research.

TQT and guided learning hours are assigned after consultation with users of the qualifications.

This qualification has a recommended TQT value of 360 hours and a GLH of a minimum of 130 hours.

The learning hours for this qualification are as follows:

Guided Learning Hours (GLH)	Total Qualification Time (GLH)
130 hours	360 hours

Qualification objectives

The purpose of the IAB Level 4 Qualified Insurance Practitioner (VRQ) is to give students a thorough foundation in insurance practices, including double-entry bookkeeping.

A review of the qualification requirements at this level identified the main functions of the insurance business. This qualification therefore includes content on these main functions:

- Basic principles of insurance
- Main legal principles related to insurance contracts
- Regulatory principles related to insurance business
- Key elements to protect consumers.
- Knowledge and understanding of the claims handling process
- Knowledge and understanding of the role of underwriting

This qualification is appropriate for students who are already in a role and for those aspiring to a role where they are responsible for the detailed assessment of risk and management of insurance, maintaining suitable records and analysis relevant data.

The IAB Level 4 Qualified Insurance Practitioner (VRQ) and the legacy qualification are established and valued by employers worldwide and recognised by professional bodies. All businesses require effective and appropriate understanding and management of risks and insurance.. Consequently, there is a demand for employees who possess these skills.

This qualification is particularly appropriate for:

- Anyone wishing to gain a broad understanding of insurance principles, key disciplines and products.

- Employees who have no formal insurance qualifications but who wish to objectively demonstrate insurance knowledge and understanding.
- Anyone working in specific technical claims handling or underwriting roles within a call or service centre environment.
- Insurance staff employed in support functions such as human resources, marketing, IT and finance, wishing to develop an understanding of the industry in which they work.
- Staff working for an organisation whose primary business is not insurance, but which offers insurance advice and products as part of its overall service to customers.

The IAB Level 4 Qualified Insurance Practitioner (VRQ) will allow progression to other insurance and professional body qualifications, as well as supporting progression to the job market. The IAB Level 4 Qualified Insurance Practitioner (VRQ) will support students who run their own business and who need to carry out their own risk assessment and those already working in insurance who would like to enhance their skills.

Eligibility criteria

There are no formal entry requirements for this qualification.

Students may be studying in a local language, but the assessment will be in English. IAB recommends students have B1 level of English on the Common European Framework of Reference (CEFR). This will support access to the assessment materials and be able to communicate responses effectively.

Knowledge, skills and understanding requirements

IAB qualifications are designed to allow students to pursue different routes as outlined below.

Enter a chosen field of work, pursue a promotion, or change their field of work:
The IAB Level 4 Qualified Insurance Practitioner supports progression into employment, for example to a risk management and insurance underwriting role in a broker or large company.

Using appropriate internal processes, centres must ensure they choose the most appropriate qualification level for their students' needs.

Progress to further study, such as the next level or externally with a professional body or education provider:
This qualification allows progression to higher business and management qualifications, such as the IAB Level 5 Diploma in Business and Management, as well as other qualifications across the IAB suites. Completing different IAB qualifications could potentially lead to gaining an IAB Diploma. Please refer to the 'Exemptions' section of this specification for information about IAB Diplomas.

Staffing and physical resource requirements for Centres

The IAB in line with regulatory requirements has a Centre Agreement in place which covers the two-way obligations between the IAB as the Awarding Body and each Centre. A key section of this agreement is to ensure a professional approach to the delivery of teaching, learning and assessment, leading to be best learner experience.

Each Centre engaged with the IAB is required to ensure viable levels of staffing, managerial and financial resources are in place to enable it effectively and efficiently deliver the qualifications as required by the Awarding Organisation.

RPL and APL

Recognition of prior learning (RPL), accreditation of prior learning (APL), and exemptions Localisation Qualification structure QAA benchmarking Credits, Guided Learning Hours (GLH) and Total Qualification Time (TQT).

Applicants without a degree, but with work experience in business management and business finance, at a sufficiently senior level in business organisations, or with other relevant experience, will also be considered according to the usual procedures for accreditation of prior/experiential learning (APL and RPL).

Qualification Time and Guided Learning hours

The Certificate amounts to a minimum of 130 Guided Learning Hours, with additional hours of directed and self-directed study.

Modes of study

The Certificate may be studied full-time or part-time, depending on the suitability of the timetable organised by each study centre or individual learners opportunities for self-study.

Assessment
Overview of assessment

- Three online, externally set and marked examination, contributing to 100% of the overall grade of the qualification
- The examinations comprise multiple choice questions.
- The examinations will each be of the durations indicated below.
- The examination contains the number of questions indicated below.
- Candidates are required to attempt all questions.
- Candidates will be graded Pass or Fail. A result of Fail will be recorded where candidates do not achieve the required marks for a Pass.
- Calculators may be used in the examination.
- Bilingual dictionaries are permitted for use in the examination.

The Certificate assessment process is summarised in the table below.

Level 4	Module	Assessment	Weight
LO1	General Insurance	Examination (45 questions)	40%
LO2	Insurance Claims Handling	Examination (30 questions)	30%
LO3	Insurance Underwriting	Examination (30 questions)	30%

Assessment of this specification will be in English only. Assessment materials will be published in English only and all work submitted for examination must be in English only.

Marking and moderation

Marking of assessments is usually undertaken by the module tutor. On occasion another marker may conduct the marking process.

Moderation is undertaken by a separate independent tutor, and is a process separate from the marking of assessments and acts as a filter, which ensures that an assessment outcome (e.g., mark and / or grade) is fair, valid, and reliable, and that assessment criteria have been applied consistently, and that any differences in academic judgement between individual markers can be acknowledged and addressed. It ensures consistency in marking within cohorts and throughout the academic year.

Exam non-disclosure

The Certificate examinations are non-disclosed examination, which means that current exam questions and answers will not be published or divulged.

NOTE: Exam topics and/or format are subject to change as approved by The IAAP's Professional Certification Board

Reasonable adjustments and special considerations

The IAB, in line with regulatory requirements has a number of policies in place to ensure we support learners who may have specific needs, for example a form of disability.

As an awarding organisation, the IAB has a duty not to discriminate against individuals in relation to conferring qualifications in respect of the protected characteristics set out in the Equality Act 2010 (an

Equality, Diversity and Inclusion Policy and Procedures are in place). The IAB will take steps when developing specifications, identifying the assessment criteria, and drafting assessment content to ensure that the impact on individuals with differing protected characteristics is minimised.

The duty for the IAB to make a reasonable adjustment will apply where assessment arrangements would put a learner who has a disability or learning need at a substantial disadvantage in comparison with a learner who does not have a disability or learning need. In such circumstances, the IAB is required to take steps to mitigate that disadvantage.

Appeals and enquiry of results

The IAB has an Enquiries and Appeals Policy in place which describes the process and procedures for enquiries about results and appeals against assessment decisions and Reasonable Adjustments and Special Considerations permissions.

Learners or centres may wish to submit an enquiry about results – for example, if results vary considerably from those expected. A clerical check of results may conclude the enquiry, or a learner/centre may decide to progress to appeal. An appeal against an assessment decision may be submitted without having already submitted an enquiry about results.

Where an associated investigation leads to the discovery of a failure in its assessment process, the IAB will take all reasonable steps to:

- identify any other learner who has been affected by the failure
- take corrective action or, where no corrective action can be taken, mitigate as far as possible the effect of the failure
- ensure that such a failure cannot reoccur.

Grade descriptors

Grade	Pass	Fail
	50% and above	49% and below

Results and certification

Marking of all assessments is automatic and, before release to candidates, will be checked by moderators. Moderation is undertaken by a separate independent tutor, and is a process following the marking of examinations and acts as a filter, which ensures that an assessment outcome (e.g., mark and / or grade) is fair, valid, and reliable, and that assessment criteria have been applied consistently, and that any differences in academic judgement between individual markers can be acknowledged and addressed. It ensures consistency in marking within cohorts and throughout the academic year.

Moderation is planned to take place before External Examiners review the operation of the marking and internal moderation process.

Continuing Professional Education (CPE)

Upon certification, Qualified Insurance Practitioners are required to maintain their knowledge and skills and stay abreast of improvements and current developments by satisfying relevant professional development requirements.

3 Unit specifications

1	Qualification Title	**Qualified Insurance Practitioner**
2	Qualification Code	tbc
3	Level	4 – Professional qualification
4	Pre-requisite Module/s	not applicable
5	Outline	The Qualified Insurance Practitioner is a core qualification for insurance staff working across all sectors of the profession. The qualification develops core knowledge and confidence of the key disciplines needed before you focus your subsequent studies and specialise according to your ambitions and career requirements. It provides an introduction to basic general insurance principles including the regulatory environment, key disciplines of underwriting and claims, in addition to popular products such as motor, household, healthcare and packaged commercial insurances.
6	Course structure	The course consists of the following three units: 1. General Insurance 2. Insurance Claims Handling 3. Insurance Underwriting
7	Learning Outcomes: At the end of this module, the student will	
	Unit 1	**LO1 - Understand the principles of general insurance** *Assessment criteria:* AC1.1 Explain the nature and main features of risk and insurance AC1.2 Identify the structure and key features of the insurance market AC1.3 Describe main legal and regulatory principles governing insurance contracts and insurance transactions AC1.4 Explain ethics, corporate governance and internal controls affecting insurance transactions

		Indicative content: • Risk and risk perception. • Different categories of risk • Risk management function and process. • Principles of risk • The need for insurance - co-insurance, dual insurance and self-insurance • Main classes of insurance • The insurance market - types of insurers, distribution channels used for • The selling of insurance • Key roles within the insurance profession • Essentials of a valid contract of insurance – offer, acceptance, binding agreement, termination • Duties of an agent and a principal • Principles of disclosure and representation in contracts of insurance • Proximate cause and how it is applied to non-complex claims • Principle of indemnity and how it is provided under most insurance contracts. • Underinsurance and average. • Principle of contribution and how it applies to the sharing of claim payments in • straightforward property cases • Principle of subrogation • Regulation of the insurance industry • Establishing and maintaining capital adequacy • Fraud and how it impacts the insurance industry - the importance of combating financial crime • Fair treatment of customers and positive customer outcomes • Objectives of 'fit and proper' requirements and the risks of unsuitability • Internal control systems
	Unit 2	**LO2 - Understand processes involved in insurance claims handling** *Assessment criteria:* AC2.1 Identify insurance products and associated services AC2.2 Explain the general principles in the claims handling process AC2.3 Describe the claims function and how it may be structured

		AC2.4 Explain claims settlement and how expenses are managed *Indicative content:* • Legal requirements for a valid claim • Types of policy conditions relating to claims - documentary and supporting evidence for a claim • Proximate cause and how it is applied • Features, extensions and exclusions of motor policies, household policies, gadget policies, travel policies, extended warranties commercial property and pecuniary policies, commercial liability policies, health policies • Role of the claims department • Service standards and customer expectations • Parties to an insurance claim • Claims estimating and reserving • How fraud affects insurance claims - ways in which a claims department may ensure that customers are treated, how disputes and complaints could be resolved or escalated • Claims-handling procedures for different policies • Key features, structure and objectives of different claims systems • Settlement of claims - why a full indemnity may not always be paid • How insurers can recover the cost of claims • Mitigating risk of untraced and uninsured drivers • Role of the claims manager • Claims leakage • Financial monitoring - impact an insurance company results
	Unit 3	**LO3 - Understand the concept of insurance underwriting** *Assessment criteria:* AC3.1 Describe policy procedures relating to the insurance underwriting process AC3.2 Describe the main support and ancillary services available in the insurance industry AC3.3 Identify underwriting considerations in relation to the insurance underwriting process AC3.4 Discuss the principles and practices of pricing within the context of

		the insurance underwriting process *Indicative content:* • Material facts and information in assessing a risk – methods for obtaining them, legal and contractual significance • Disclosure and representation - to whom these apply and how the duties may be modified • Peril and hazard and the relationship between them • Moral and physical hazard • General and specific questions asked of proposers. • Quotations - good practice, guidelines • Premiums – calculation, taxation implications, relevance of premium payment for valid cover, instalment facilities • Temporary evidence of cover - cover notes, policies and certificates of insurance. • Policy form - structure, functions, content, policy exclusions and conditions, excesses, deductibles, franchises • Distinction between warranties, conditions and representations. • Renewals - legal processes, cancellation clauses • Basic features and typical insurance policy cover • Additional ‘support’ type insurance services available - help lines, authorised repairers and suppliers, risk control/advice, uninsured loss recovery services • Underwriting criteria: • Motor insurance, health insurance, personal insurances, extended warranties • Commercial property insurance (including fire and special perils, theft insurance, glass insurance and money insurance) • Pecuniary insurances (including legal expense insurance and business interruption insurance) • Liability insurance (including employers’ liability, public liability, pollution liability, product liability and professional indemnity) • Fraudulent claims – detection, consequences for the insurer, their insureds and the fraudulent party • Fair treatment of customers and positive customer outcomes • Sources, availability and types of data and its importance to the underwriting process and premium rates • Risk relating to frequency and severity of claims, claims loss ratio on premiums, acceptance of risk • Distinction between underwriting year, policy year, accounting year and calendar year • Key features of risk premium

		• Reporting factors of expenses, return on capital, investment income, tax and intermediary remuneration • Factors influencing the market cycle • Principles of risk accumulation. • Reinsurance considerations
8	Transferable Skills (if applicable)	1 Information management and lifelong learning skills 2 Problem solving and decision-making skills 3 Communication skills
9	Indicative Assessment	The assessment strategy for this module is designed to test all the learning outcomes. Learners must demonstrate successful achievement of all learning outcomes to pass the module. A number of formative exercises will guide the student to evaluate and analyse appropriate knowledge of the subject matter before attempting the exam and/or summative assignment.

No	Indicative Assessment Type	Weighting	Type/Duration/Words
LO1	Examination	40%	60 mins
LO2	Examination	30%	45 mins
LO3	Examination	30%	45 mins

10	Indicative Reading List	**Essential Reading** Dionne, G. (2013) Handbook of Insurance. New York: Springer Gladney, J. (2012) A Beginner's Guide to the Insurance Profession. New Delhi: World Technologies Merkin, R. (2014) Insurance Law: an introduction. London: Routledge **Suggested Reading** Birds, J. Et al (2022) Bird’s Modern Insurance Law. 12th ed. Sweet and Maxwell Borscheid, P. & Haueter, N (2012). World Insurance: the evolution of a global risk network. Oxford: Oxford University Press

		Mance, J., Goldrein, I. & Merkin, R. (2011) Insurance Disputes. 3rd ed. London: Informa Merkin, R. (2016) Colinvaux's Law of Insurance. 11th ed. L ondon: Sweet & Maxwell Padfield, A. (2021) Insurance Claims. 5th ed. Bloomsbury Professional Thoyts, R. (2020) Insurance Theory and Practice. Routledge West, R. et al. (2018) Claims Handling Law and Practice. London: Kennedys Law LLP
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