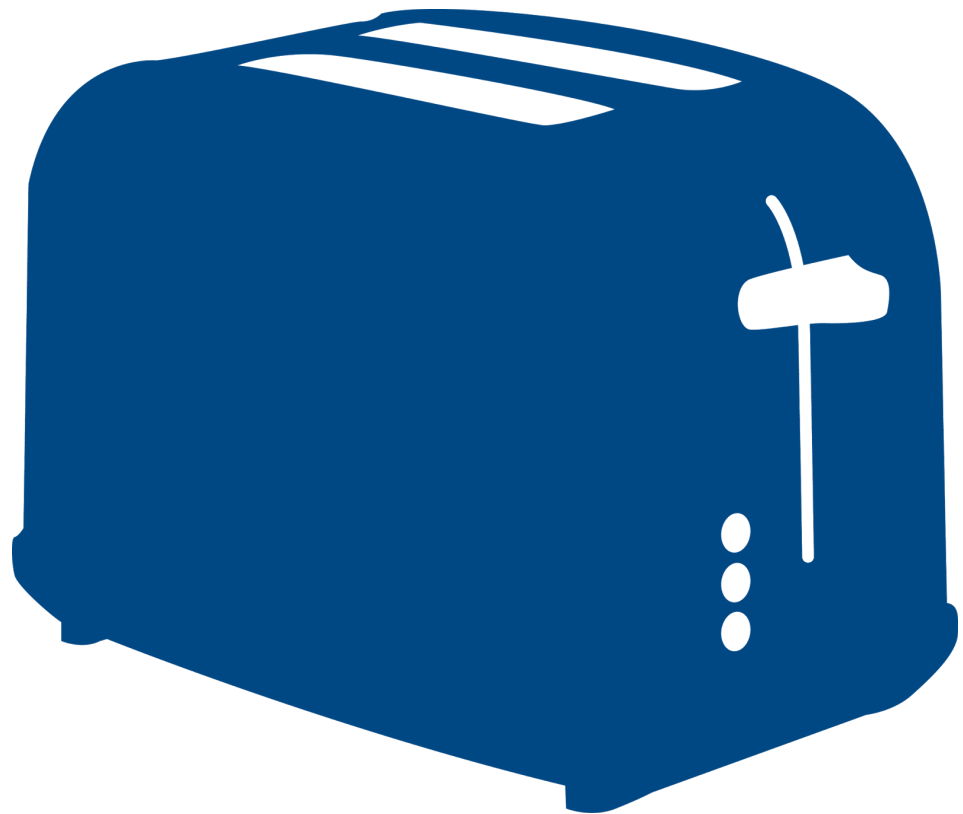


The insurance loyalty penalty

Unfair pricing in the home
insurance market



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citizens
advice

Citizens Advice: exploring the loyalty penalty in essential markets

This report is part of a programme of work examining how essential markets, including energy, telecoms and financial services, exploit consumer loyalty. Providers frequently tempt new customers with cheaper deals and then raise prices over time, taking advantage of the fact that consumers have busy lives and won't get round to switching until it is too late. As a result, loyal customers often end up on uncompetitive deals, paying far more for a service than a new customer would.

Our series of briefings on the loyalty penalty urges policymakers to take note. The loyalty penalty is not only unfair because it affects the vulnerable the most - it also suggests that competitive pressures do not apply to significant sections of essential markets.

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Summary

Home insurance is the most common insurance product held by UK households. It helps people cope with accidents, theft and unplanned expenses. But many pay over the odds simply for renewing their policy.

In the past 12 months, Citizens Advice has supported clients with over 20,000 insurance issues. These products are confusing, shopping around is time consuming, and many don't want to switch or renegotiate a policy that already suits their needs. But the Financial Conduct Authority (FCA) found that people who renewed their policy over 5 years paid, on average, 70% more than new customers - regardless of claims made or changes in circumstance.

This research examines this loyalty penalty and considers the impact of recent price disclosure regulations. It uses nationally representative polling, qualitative data from Citizens Advice and quantitative data from the FCA.

- **Across the UK, 12.9m households are paying a loyalty penalty - 63% of the home insurance market.** Someone with the average cheapest combined policy would pay an extra £13 after 1 year and £110 after 5.
- **1 in 3 customers purchased their policy over 5 years ago.** These people could be paying up to 70% more for a policy than a new customer.
- **Since new regulations came into force, people are more likely to notice price increases (24% vs 19%).** But 32% of consumers still renewed their policy without checking for better deals first. And a number of firms did not fully comply with the regulations.
- **Insurance markets are very complex.** Among those who identified an unexplained increase in their premium, only 7% renewed without shopping around. But just 53% of insurance customers are confident they could identify unfair charges - so many are unlikely to act.
- **People in vulnerable states are particularly likely to be penalised.** 32% of those paying the loyalty penalty are over 65, compared with 23% of the wider population. And those on low incomes or who are disabled are less likely to actively engage in the market when their policy renews.

Recommendations

1. The FCA should require firms to ensure vulnerable consumers are on good value deals.
2. Insurance providers should work with the FCA to improve market-wide systems for flagging vulnerability.
3. The FCA should regard the loyalty penalty as a breach of their regulatory principle that firms must treat customers fairly.

Background

In the past 12 months, Citizens Advice has supported clients with over 20,000 insurance issues. This gives us access to unrivalled data about the problems people face. Previous Citizens Advice research has found that loyal customers are often charged more than new customers for the same product or service in a number of markets.¹ Evidence from our service, from news outlets and from the Financial Conduct Authority (FCA) suggests this is also a problem in home insurance.²

After finding evidence of large increases in renewal premiums, the Financial Conduct Authority introduced new rules to increase price transparency in insurance markets. These rules require general insurance providers to:

- Disclose last year's premium so it is comparable with the new one
- Encourage consumers to check their cover and shop around
- Identify consumers who have renewed four or more consecutive times, and give them an additional prescribed message encouraging them to shop around.

These regulations came into effect in April 2017. They have now been in place for 6 months - and a number of firms did not fully comply without further intervention from the FCA.³

Price variations are a basic feature of the insurance market. Providers use data to determine someone's level of risk based on characteristics like age (for car insurance) and location (for home insurance). These factors then determine the price a consumer pays. Providers offer low premiums to low-risk customers and charge higher premiums for those more likely to make a claim.

A firm's ability to accurately gauge risk and set prices is fundamental to their success, so pricing practices are closely guarded. Even with access, these processes are difficult to understand and there is no easy way to confirm whether a price is an accurate reflection of a policy's cost. So a well functioning

¹ Citizens Advice, ['Exploring the loyalty penalty in the broadband market'](#), April 2017; ['Exploring the loyalty penalty in the mortgage market'](#), July 2017.

² The Guardian, [Don't change insurer regularly? It could be costing you more than £1,400](#), 8 May 2017; The Telegraph, [Britain's biggest insurer pledges to fix 'rollover rip-off'](#), 11 May 2017; BBC, ['Car insurance market is 'dysfunctional', says Aviva'](#), 3 August 2017; The Daily Mail, ['Three million drivers pay £800m too much on their car insurance each year by letting it automatically renew'](#), 11 September 2017.

³ FCA, [Firms falling short of renewal expectations](#), October 2017.

insurance market requires consumers and regulators to have some degree of trust in firms to set prices responsibly.

But data can also reveal how likely a person is to move if prices go up. So providers can reserve competitive deals for people who are price sensitive while those who are unlikely to move pay more. Such 'dual pricing' has been a feature of insurance markets for a number of years.⁴ The FCA has responded to the issue by announcing an investigation into pricing practices at general insurance firms.⁵

In the meantime, the newly implemented regulations on price disclosure at renewal are intended to reduce the detriment caused by the loyalty penalty. This research examines the penalty in light of the FCA's new regulations, considers their impact so far and questions whether more needs to be done.

⁴ Chartered Insurance Institute, [Consumer Vulnerability: how well is insurance responding?](#), January 2017.

⁵ As laid out in their [Regulation round-up](#), April 2017.

Research method

This report focuses on the loyalty penalty in buildings, contents and combined home insurance markets. These are the most commonly held insurance products across UK households.⁶ This is also the market where existing evidence for the loyalty penalty is the most robust.⁷

Unlike energy, mortgages or broadband, the complexity of the products and lack of publically available pricing data makes it difficult to robustly quantify the scale and size of the loyalty penalty in the insurance market

Therefore, to estimate the size and scale of the loyalty penalty, we used data previously collected by the FCA as part of an investigation into renewal pricing among home and auto insurers.⁸ This data from three home and motor insurance providers, shows evidence that they use a loyalty penalty. It was not collected market-wide and so does not constitute evidence of a penalty across all providers. But the FCA's decision to implement a market-wide solution suggests the practice is in fact widespread.

We supplemented this with 2 surveys of 3,196 and 4,161 people respectively, both conducted by Populus and both representative of the UK population. Fieldwork for the first survey ran between 25 January and 2 February 2017, and for the second between 18 August and 28 August 2017.

The second survey was conducted 4 months after the FCA's regulations came into force, so enables us to evaluate the immediate impact of the changes. Combined with the FCA's existing evidence base, our polling presents a compelling case for the ongoing existence of a loyalty penalty.

Through the 12 million clients we advise each year, Citizens Advice has unrivalled qualitative evidence about the problems people face. All case studies in this report come from Evidence Forms submitted by our advisers after the FCA's new regulations came into force. These case studies show the loyalty penalty's impact on vulnerable people, bringing into focus the human impact of sharp practice.

⁶ According to the FCA's [Financial Lives Survey](#) 2017, 67% of consumers have either buildings & contents insurance, contents insurance only or buildings insurance only. The next most common form of insurance is motor insurance, held by 61% of consumers.

⁷ FCA, [Price discrimination and cross-subsidy in financial services](#), September 2016.

⁸ FCA, [Encouraging customers to act at renewal](#), December 2015.

1. Loyal customers pay more for their home insurance

The standard length of a home insurance policy is 1 year. After 12 months, most policies renew automatically unless the customer chooses another option.⁹ And average prices tend to rise over time, even for those who negotiate lower premiums.¹⁰ Changes in risk factors should lead to higher or lower prices for many customers at renewal. But research conducted by the FCA suggests that the *average* expected cost of claims does not increase with the length of the policy. Of the 20.4 million UK households with some form of home insurance, it's likely that 12.9 million have experienced premium hikes at renewal.¹¹ That means almost 2 in 3 home insurance customers could be paying a loyalty penalty.



Meera has recently been widowed and lives alone. She came to Citizens Advice after worrying about the cost of various essential services. Meera had been with her home insurance provider for 12 years and her premium had just risen to over £800 per year. After contacting an alternative insurer, Meera's advisor found a policy for £450 per year - almost half what Meera had previously been paying.

The FCA has found that customers who renew their policy after 1 year pay on average 8% more than a new customer.¹² And those who renew their policy over 5 years pay, on average, 70% more than new customers. Someone with the average cheapest premium for combined home insurance pays an extra £13 after 1 year and £110 after 5 - regardless of claims or changes in circumstance.¹³

This includes people who lowered their premiums by negotiating as well as those who did not - so some people pay even more. And similar price hikes were found in travel, legal expenses and home emergency insurance.¹⁴ This data has its limitations, since it was collected before the introduction of new

⁹ According to the FCA, 'The majority of home and motor insurance policies automatically renew annually'. [Encouraging consumers to act at renewal](#), December 2015.

¹⁰ FCA, [Encouraging consumers to act at renewal](#), December 2015.

¹¹ This is an estimate based on polling conducted by Citizens Advice.

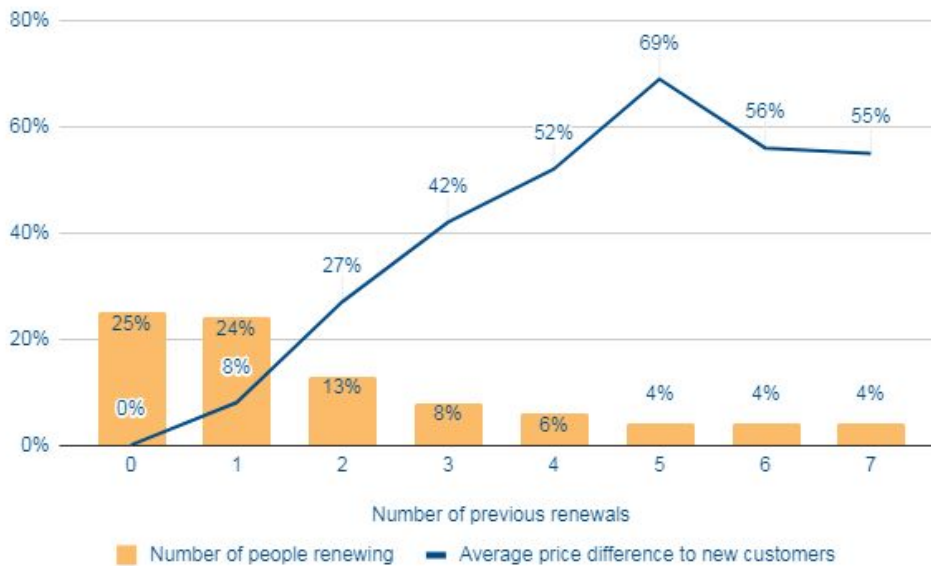
¹² This evidence comes from aggregated premiums across three home insurance providers, as collected by the FCA, [Encouraging consumers to act at renewal](#), December 2015.

¹³ According to the [AA British Insurance Premium Index](#), the average cheapest premium in Q2 2017 was £157.59. 8% of this is £13 and 70% is £110.

¹⁴ FCA, [Improving transparency and engagement at renewal](#), December 2015.

regulations. But qualitative evidence from our service shows people are still experiencing large price hikes at renewal. And our more recent polling reflects a similar number of people with the same policy for a number of years.

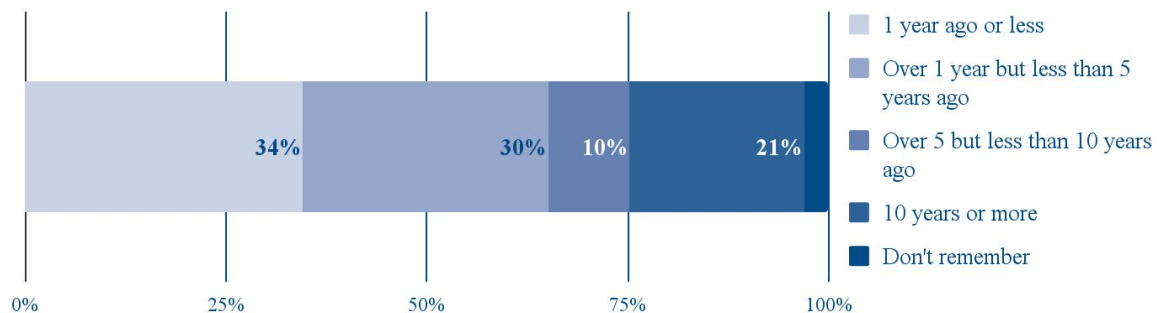
Figure 1: Average pricing structure across 3 home insurance providers



Source: FCA, [Price discrimination and cross-subsidy in financial services](#) September 2016. Further data from this study was then requested by Citizens Advice.

The data collected by the FCA suggests that 3 in 4 customers renewed their policy at least once. And 24% renewed their policy 5 or more consecutive times.¹⁵ Our polling suggests that across the home insurance market, 31% of people have had their policy for over 5 years.

Figure 2: 1 in 3 customers first purchased their policy over 5 years ago



Source: Survey conducted by Populus for Citizens Advice. Base: 2,955.

Overall, 63% of respondents with a home insurance policy first purchased it over 1 year ago. And just over 1 in 5 first purchased their policy 10 years ago or more.

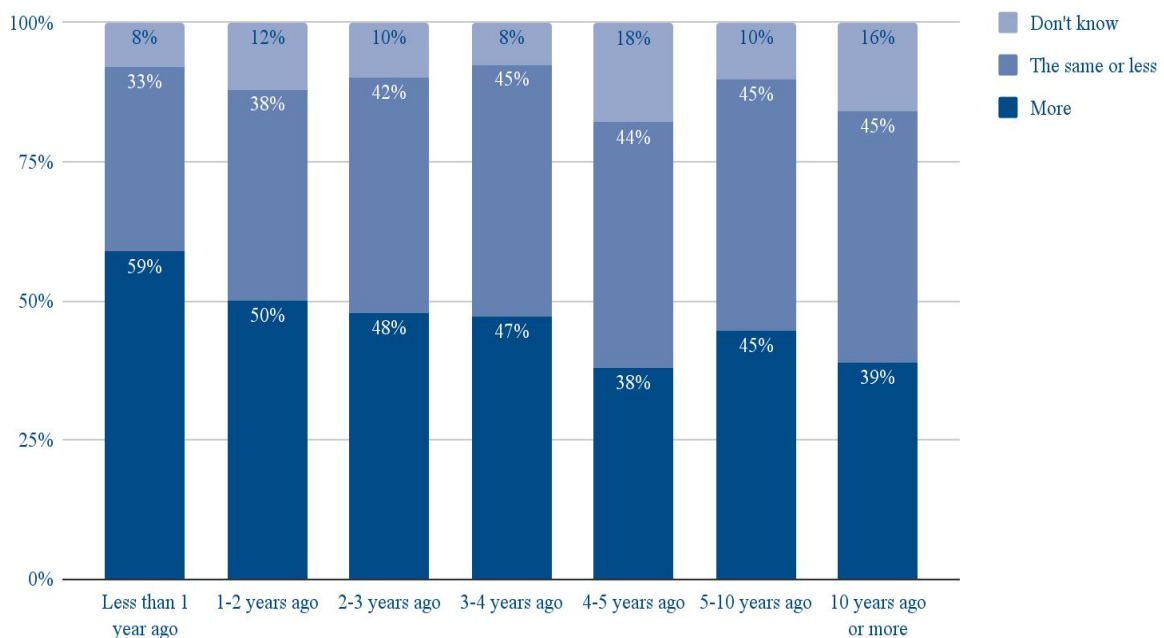
¹⁵ 25% of consumers have a new policy and 63% renewed between 1 and 7 times, so 12% of customers renewed more than 7 times.

2. Many aren't aware of this penalty

This research finds that loyal customers are less likely to be aware of the loyalty penalty and more likely to renew their policy without checking for a better deal elsewhere. And the longer someone remains loyal, the higher the penalty.

Those who have their policy for longer are less likely to be aware of the penalty. 2 in 5 customers who have had their policy for over a year think insurance providers generally charge loyal customers the same or less than new ones. Among those who purchased their policy less than a year ago, this falls to 1 in 3.

Figure 3: People who purchased their policy recently are more likely to be aware of the loyalty penalty



Question: Do you think long standing customers are likely to pay more or less than newer customers? Source: Survey carried out by Populus for Citizens Advice. Base: 3154.

Awareness of the loyalty penalty is lowest among people who first purchased their policy over 4 years ago. Among these groups, only 2 in 5 believe loyal customers pay more for their home insurance than new customers - despite the fact that some of these people could be paying up to 70%.

Our subsequent survey found that 31% of those who purchased their policy more than 4 years ago renewed it without checking for better deals elsewhere. This falls to 18% among those who took out their policy less than 4 years ago.

Unlike in broadband or mortgage markets, this increase is incremental. It can be difficult for people to register the true size of the increase when they are faced with the choice to renew, renegotiate or switch. Behavioural science suggests consumers are less likely to switch or renegotiate in response to price rises that seem relatively small.¹⁶



Angela is 90. When she came to Citizens Advice, she had had her combined home insurance policy for over 10 years. The policy was imminently due for renewal at a premium of £357 - a £30 increase on the previous year's premium. Angela's advisor called up her insurance provider to see if there was a better deal available. The provider informed them that Angela could get better cover with a newer policy. Eventually, the advisor obtained a new premium of £227 per year with much better coverage and a lower excess.

Together, these findings suggest that people facing the loyalty penalty in home insurance are likely to be overcharged for a number of consecutive years - making their cumulative penalty very large.

¹⁶ Max Bazerman and Francesca Gino, ['When misconduct goes unnoticed: The acceptability of gradual erosion in others' unethical behavior'](#), April 2009. This is also supported by findings from a field trial conducted by the FCA, as outlined in [Encouraging consumers to act at renewal](#), December 2015.

3. Better information can help - but it's not enough

Our evidence suggests the FCA's intervention has improved awareness of price changes. However, there is no statistical evidence that this awareness has translated into more switching or renegotiating.

Many home insurance customers are currently paying a loyalty penalty. Among those who renewed their policy in the past year, 30% said they renewed without looking for a better deal elsewhere. Of these, more than half (52%) originally purchased their policy 5 or more years ago and are therefore likely to be paying up to 70% more than their original premium.



Stephen had been paying £623 per year for a combined home insurance policy. When he looked on comparison sites, he found prices of £80-120 per year for the same coverage. Stephen had assumed there would only be a small advantage in switching, but by his estimate, he has overpaid by about £5,000 over the years. After discovering the scale of the penalty, he contacted the Citizens Advice consumer service to see if they could help.

People who renewed since April 2017 are more aware of price changes. They were more likely to recall an increase in their premium since the previous year (53% vs 47%) and to report an increase they couldn't account for (24% vs 19%). This increase of 6% is statistically significant, and in line with the FCA's predicted impact.¹⁷

However, there was no significant difference in the overall proportion of people who reported switching or renegotiating. Among those who renewed after the regulations were in place, 32% did so without looking for a better deal, compared to 28% of those who renewed before the regulations took effect.

Those who noticed an unexplained price increase were less likely to renew their policy without shopping around. Of all those who took out or renewed an insurance policy this year, 30% renewed their existing policy without checking for a better deal elsewhere. However, this falls to 7% for customers who said

¹⁷ FCA, [Encouraging consumers to act at renewal](#), December 2015.

their premium had increased but didn't know why. This suggests that despite improvements to price transparency, many consumers either don't notice price rises, or don't question them.

It is likely this is partly because a number of firms did not fully comply with the regulations.¹⁸ In that case, switching and renegotiating rates are likely to increase as compliance does. But this also suggests that providers have not prioritised the issue - a worrying sign for consumers and regulators. And for people in vulnerable states, engaging in the insurance market is still far too difficult.

¹⁸ FCA, [Firms falling short of renewal expectations](#), October 2017.

4. Insurance markets are complex and opaque

Better information helps make consumers aware of price details. But price aside, insurance is a very complex product. Many consumers struggle to identify a 'fair' price, and are therefore unlikely to realise the full benefits of shopping around. Our research suggests that improving the information provided at renewal is unlikely to fully resolve the issue.

Providers are obliged to inform people when prices change. But 27% of home insurance customers couldn't remember the last time their provider contacted them in any way.



Ihsaan is registered blind and diabetic. He called up his bank to discuss his bank statement and was informed that his monthly home insurance had risen from £6.50 (£78 per year) to £9.50 (£114 per year). Ihsaan doesn't know why this has happened and claims his insurance provider didn't inform him of the increase.

While 69% of home insurance customers are confident they are getting a good deal, only 53% are confident they could identify unfair charges in their premium. So even if consumers are aware of price increases, they may not identify them as 'unfair' and so are unlikely to take action to lower their costs.¹⁹



When choosing an insurance policy, it's important to consider the coverage on offer and payout rate of the firm alongside your premium. But the only way to

¹⁹ This supports existing evidence from the FCA, which suggests people tend to underestimate the potential benefits of shopping around. FCA, [Encouraging customers to act at renewal](#), December 2015.

obtain coverage information is through gathering personalised quotes. And it is very difficult to weigh up the benefit of high coverage with a low payout rate, or vice versa. Price comparison websites make this process slightly easier for consumers. But people are still left with vast quantities of information to process. With no easy way to understand what represents 'good value' in these areas, it is unsurprising that almost 12 million people with insurance or general protection products would 'go for the cheapest' rather than compare coverage.²⁰



Jane's most recent insurance premium was £900 - double what it was previously. She asked her provider how they came to this figure, but they have refused to explain it to her. Jane contacted the Citizen's Advice consumer service to find out how she could complain.

This also makes it difficult to quantitatively prove that UK insurance providers are unfairly penalising loyalty. However, there is evidence of these practices in the United States - showing it is both possible and profitable.²¹

²⁰ FCA, [Understanding the financial lives of UK adults](#), October 2017.

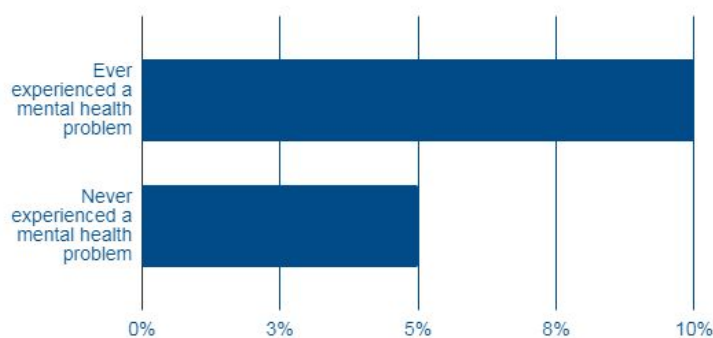
²¹ Consumer Reports, [The truth about car insurance](#), July 2015. Investigations by the Consumer Federation of America have also uncovered the use of [marital status, race, gender and age](#) as factors in auto insurance pricing, October 2017.

5. People in vulnerable states struggle even more

Previous Citizens Advice research has shown those in vulnerable states find it particularly difficult to engage with fundamental elements of essential service markets.²² And research from the FCA and the National Audit Office (NAO) has found that engagement in insurance markets is particularly difficult for those in a vulnerable or insecure state due to the complexity of tariffs and information.²³

People with mental health problems are less likely to have a home insurance policy than those who have never experienced a mental health problem (72% vs 85%). And they are much less likely to remember renewing their policy than those who have never experienced a mental health problem.

Figure 4: % of respondents who don't remember when their insurance policy was renewed



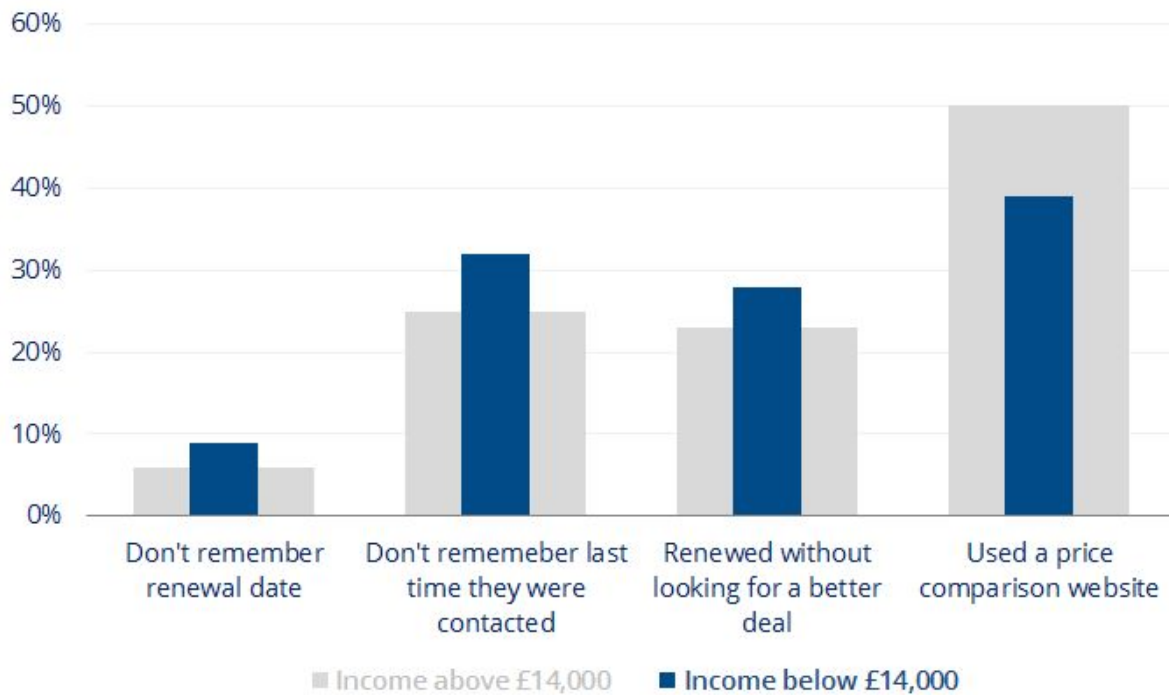
Source: Survey conducted by Populus for Citizens Advice. Base: 1,846.

A similar trend is present among those on low incomes. People with an annual income of £14,000 or under who had some form of home insurance were more likely to say they couldn't remember renewing their insurance policy compared to those earning over £14,000.

²² Citizens Advice, [Joining the Dots: integrating practical support in mental health settings in England](#), October 2017.

²³ NAO, [Vulnerable consumers in regulated industries](#), March 2017; FCA, [Consumer Vulnerability](#), February 2015.

Figure 5: Those earning less than £14,000 are less likely to engage in the insurance market



Source: Survey conducted by Populus for Citizens Advice. Bases: 1,846 (don't remember renewal date), 3,047 (don't remember last time they were contacted), 2,955 (actions at renewal).

While those over 65 are just as likely to remember policy details and check for better deals as those under 65, they are disproportionately likely to ask Citizens Advice for help with home or vehicle insurance issues (21% vs 14% overall).

And 32% of those paying the loyalty penalty are 65 or over, while this age group only accounts for 23% of survey respondents overall. Those over 65 are also more likely to have had their policy for a long time.

Figure 6: Proportion of people who have had their policy for over 10 years



Finally, 31% of those who reported having a disability said they renewed their most recent policy without looking for better deals elsewhere, compared to 22% of those who did not report a disability.



Jacob is partially blind and wears two hearing aids, so can't contact his insurance provider without help. His wife struggled to navigate the automated call systems, so Jacob turned to Citizens Advice. The provider refused to take Jacob's instruction and insisted on revising his quote. The call took a long time and Jacob became increasingly agitated. Jacob's advisor eventually managed to reduce his insurance quote from £447.45 to £155 for exactly the same cover.

The Association of British Insurers (ABI) and the British Insurance Brokers Association (BIBA) have encouraged firms to improve their systems for flagging and supporting potentially vulnerable people.²⁴ And their Good Practice review suggests some providers are improving.²⁵ However, our evidence suggests many people are not receiving the support they need.

²⁴ ABI and BIBA, [Code of good practice regarding support for potentially vulnerable motor and household customers at renewal](#), January 2016.

²⁵ ABI and BIBA, [Review of the ABI and BIBA Code of Good Practice](#), January 2017.

Case study: capping energy prices for vulnerable consumers

A cross-sector approach allows us to apply lessons from different markets. In this case, we can learn from progress to more effectively identify and support vulnerable energy consumers.

Energy is a homogenous product and switching rates are low, making a price cap both feasible and worthwhile.²⁶ By contrast, home insurance switching rates are much higher and the product is personalised, meaning an absolute cap is unlikely to be the best solution.²⁷ However, there are lessons to be learned from the progress made in energy policy.

Energy prices will soon be capped for certain vulnerable groups

By February 2018, the core group of customers eligible for the Warm Homes Discount (WHD) will benefit from a 'safeguard tariff' for their energy.²⁸ This is an interim step to ensure vulnerable people are swiftly protected from high prices. In the meantime, work continues on an absolute price cap.²⁹

Data sharing between government and energy suppliers

The Department of Work and Pensions (DWP) shares data with energy suppliers so that those who receive Pension Credits automatically receive the WHD.³⁰ Ofgem and Department for Business, Energy and Industrial Strategy (BEIS) could implement a more comprehensive cap for vulnerable consumers by extending these data sharing permissions.

With intervention from the Secretary of State, DWP could also share data on other groups who are likely to struggle with energy bills (such as all eligible for the WHD, or in receipt of certain benefits). Energy suppliers could then place them on a capped tariff.

There are specific legislative arrangements to allow data sharing between government and energy suppliers, for the sake of alleviating fuel poverty. However, using data is an effective way to identify and protect vulnerable consumers. Insurance providers and the FCA can learn from progress made in other essential markets.³¹

²⁶ [According to Ofgem](#), the annual switching rate for energy is around 16%, February 2017.

²⁷ See Figure 1: 25% of insurance customers took out their policy this year.

²⁸ Ofgem, [Statutory consultation for a vulnerable consumer safeguard tariff](#), October 2017.

²⁹ BEIS, [Energy Price Cap bill announcement](#), October 2017.

³⁰ Ofcom, [Warm Home Discount: guidance for suppliers](#), September 2016.

³¹ UKRN, [Making better use of data: identifying customers in vulnerable situations](#), October 2017.

6. Conclusion

This report highlights the ongoing detriment faced by loyal home insurance customers, despite interventions to prevent this. And it shows this detriment is particularly likely to be experienced by people in vulnerable or insecure states.

This penalty needs to be addressed. But solutions can be difficult and superficially attractive options could have unintended consequences. Some of the issues are present in other markets, like the difficulty in identifying people who are potentially vulnerable or the risk of dampening competition. Others are more specific to insurance:

- **Policies vary widely - and the cheapest is not necessarily the best.** Too strong an emphasis on price could lead to people buying policies that aren't fit for purpose. Overly restrictive regulations could lead to higher premiums for those with low risk profiles or less choice for high risk consumers, if providers decide it's not profitable to insure them.
- **It is difficult to quantify what is being sold.** The total cost of a policy is only known once claims are factored in. And there are many legitimate reasons for prices to change.
- **Some personalisation and opacity is necessary.** A firm's ability to set prices accurately is central to their success, so pricing structures are closely guarded. In any case, these algorithms are so complex that neither consumers nor regulators can be expected to unpick them.

But this complexity does not excuse inaction. And while information remedies are useful, they can only achieve so much. The FCA needs to take bolder steps to protect vulnerable people and to end the loyalty penalty in home insurance.

The UK insurance market faces a number of challenges. But protecting consumer rights is key to ensuring competition works effectively and that insurance markets are sustainable.

Recommendations

1. As a first step, the FCA should end the loyalty penalty for vulnerable consumers.

The FCA should require providers to review the details of longstanding home insurance customers and identify those who:

- Are aged over 75
- Did not purchase their policy online
- Have requested special assistance, for instance receiving accessible billing or with a deputised third party.

These people fit the FCA's most recent definition of vulnerable consumers.³² Providers should individually review their policies at renewal and ensure their premiums are equivalent to those paid by a new customer with a similar risk profile. These customers should be protected from future price rises unless their circumstances change. Firms should consider this a minimum requirement. Where other potentially vulnerable customers can be identified, such as those earning less than £14,000 or with a disability, firms should protect them too.

2. Insurance providers should work with the FCA to improve market-wide systems for flagging vulnerability.

Although good practice for identifying and supporting vulnerable people does exist, it is patchy and inconsistent. In order to make the best use of the data they hold, systems for flagging vulnerability should be consistent across the products offered by a firm and across the market as a whole. The FCA should work with providers and the UK Regulator's Network to explore how advances in identifying vulnerable consumers in energy and water markets can be applied to financial services.³³

3. The FCA should stop firms from charging a loyalty penalty.

The loyalty penalty in home insurance merits market-wide action. In their regulation principles, the FCA requires firms to pay due regard to the interests of their customers and treat them fairly.³⁴ This is incompatible with firms charging a loyalty penalty for a significant proportion of their customers. Firms should therefore take responsibility for stopping the loyalty penalty. If they do not, this should be treated as a breach of the FCA's regulatory principles and the FCA should take appropriate enforcement action against firms. And in light of the findings in this report, the FCA should conduct a formal review of their rules on transparency in insurance renewals.

³² In [Our Future Approach to Consumers](#), November 2017, the FCA defines vulnerable consumers as 'people who can readily be identified as significantly less able to engage with the market'.

³³ UKRN, [Making better use of data: identifying customers in vulnerable situations](#), October 2017.

³⁴ FCA, [Principles for good regulation](#), April 2016, 'Principle 6: A firm must pay due regard to the interests of its customers and treat them fairly'.

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