

# **Pearson BTEC Level 3 Award in Lloyd's and London Market Insurance**

## **Specification**

BTEC Specialist qualification

First teaching May 2012

Issue 4

## **Edexcel, BTEC and LCCI qualifications**

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This specification is Issue 4. Key changes are listed in the summary table on the next page. We will inform centres of any changes to this issue. The latest issue can be found on the Pearson website: [qualifications.pearson.com](http://qualifications.pearson.com)

This qualification was previously known as:

Pearson BTEC Level 3 Award in Lloyd's and London Market Insurance (QCF)

The QN remains the same.

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*All information in this specification is correct at time of publication.*

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## Summary of specification Issue 4 changes

<b>Summary of changes made between previous issue and this current issue</b>	<b>Page/section number</b>
All references to QCF have been removed throughout the specification	
Definition of TQT added	Section 1
Definition of sizes of qualifications aligned to TQT	Section 1
Credit value range removed and replaced with lowest credit value for the shortest route through the qualification	Section 2
TQT value added	Section 2
GLH range removed and replaced with lowest GLH value for the shortest route through the qualification	Section 2
Reference to credit transfer within the QCF removed	Section 5
QCF references removed from unit titles and unit levels in all units	Section 12
Guided learning definition updated	Section 12

Earlier issue(s) show(s) previous changes.

If you need further information on these changes or what they mean, contact us via our website at: [qualifications.pearson.com/en/support/contact-us.html](http://qualifications.pearson.com/en/support/contact-us.html).



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# Purpose of this specification

The purpose of a specification as defined by Ofqual is to set out:

- the qualification's objective
- any other qualification that a learner must have completed before taking the qualification
- any prior knowledge, skills or understanding that the learner is required to have before taking the qualification
- units that a learner must have completed before the qualification will be awarded and any optional routes
- any other requirements that a learner must have satisfied before they will be assessed or before the qualification will be awarded
- the knowledge, skills and understanding that will be assessed as part of the qualification (giving a clear indication of their coverage and depth)
- the method of any assessment and any associated requirements relating to it
- the criteria against which the learner's level of attainment will be measured (such as assessment criteria)
- any specimen materials
- any specified levels of attainment.

# 1 Introducing BTEC Specialist qualifications

## What are BTEC Specialist qualifications?

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BTEC Specialist qualifications are work-related qualifications available from Entry to Level 3 in a range of sectors. They give learners the knowledge, understanding and skills they need to prepare for employment in a specific occupational area. The qualifications also provide career development opportunities for those already in work. The qualifications may be offered as full-time or part-time courses in schools or colleges. Training centres and employers may also offer these qualifications.

## Sizes of Specialist qualifications

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For all regulated qualifications, we specify a total number of hours that learners are expected to undertake in order 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.

As well as TQT and GLH, qualifications can also have a credit value – equal to one tenth of TQT, rounded to the nearest whole number.

TQT and credit values are assigned after consultation with users of the qualifications.

BTEC Specialist qualifications are available in the following sizes:

- Award – a qualification with a TQT value of 120 or less (equivalent to a range of 1–12 credits)
- Certificate – a qualification with a TQT value in the range of 121–369 (equivalent to a range of 13–36 credits)
- Diploma – a qualification with a TQT value of 370 or more (equivalent to 37 credits and above).



## 2 Qualification summary and key information

Qualification title	Pearson BTEC Level 3 Award in Lloyd's and London Market insurance
Qualification Number (QN)	600/5155/3
Accreditation start date	01/05/2012
Approved age ranges	18+ 19+
Credit value	10
Assessment	Centre-devised assessment (internal assessment).
Total Qualification Time (TQT)	100
Guided learning hours	75
Grading information	The qualification and units are at pass grade.
Entry requirements	No prior knowledge, understanding, skills or qualifications are required before learners register for this qualification. However, centres must follow our access and recruitment policy (see <i>Section 10 Access and recruitment</i> ).

## **Qualification Number and qualification title**

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Centres will need to use the Qualification Number (QN) when they seek public funding for their learners. Every unit in a qualification has a unit reference number (URN).

The qualification title, unit titles and QN are given on each learner's final certificate. You should tell your learners this when your centre recruits them and registers them with us. There is more information about certification in our *UK Information Manual*, available on our website, [qualifications.pearson.com](http://qualifications.pearson.com)

## **Qualification objective**

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The Pearson BTEC Level 3 Award in Lloyd's and London Market Insurance is for learners who are new to the London insurance market, or who want to gain a wider understanding of how it operates.

It gives learners the opportunity to:

- gain an understanding of how the London insurance market works, how
- business is traded, and the roles and responsibilities of those involved
- learn about Lloyd's working practices and processes
- achieve a nationally recognised Level 3 vocationally-related qualification.

## **Relationship with previous qualifications**

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This specification has been updated to Issue 3 as a result of an identified error. The Assessment of Unit 1 on page 9 has been corrected, as follows:

The assessment method for the unit within this qualification is centre devised.

## **Progression opportunities through Pearson qualifications**

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Learners who have achieved the Pearson BTEC Level 3 Award in Lloyd's and London Market Insurance could progress on to a Pearson Edexcel Level 3 Certificate in Providing Financial Services (General Insurance Pathway) that is designed to demonstrate occupational competency for the potential job roles listed below at this level, including an Advanced Apprenticeship in Providing Financial Services (General Insurance).

## **Industry support and recognition**

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Level 3 qualifications in this sector focus on those who deal with, assess, investigate and settle insurance claims, as well as those working in broking and in underwriting straightforward and complex business.

Potential job roles for those working towards this qualification include:

- Underwriter
- Broker
- Claims Official

This qualification is supported by the Financial Skills Partnership (FSP).

## **Relationship with National Occupational Standards**

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This qualification relates to the National Occupational Standards in General Insurance. The mapping document in *Annexe A* shows the links between the units within this qualification and the National Occupational Standards.

### 3 Qualification structure

#### Pearson BTEC Level 3 Award in Lloyd's and London Market Insurance

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The learner will need to meet the requirements outlined in the table below before Pearson can award the qualification.

Minimum number of credits that must be achieved	10
Number of mandatory units	1

Unit	Unit reference number	Mandatory units	Level	Credit	Guided learning hours
1	K/503/9670	Principles and Practices of the Lloyd's and London Insurance Market	3	10	75

Centres should be aware that within the Level 3 qualification in this specification, learners will be required to meet the demands of unit at Level 3. Centres are advised to consider the support, guidance and opportunities they give to learners to meet the demands of the higher-level unit during delivery and assessment of the qualification.

## 4 Assessment

The table below gives a summary of the assessment methods used in the qualification.

Units	Assessment method
Unit 1	Centre-devised assessment

### Centre-devised assessment (internal assessment)

Each unit has specified learning outcomes and assessment criteria. To pass an internally-assessed unit, learners must:

- achieve **all** the specified learning outcomes
- meet the standard determined by the assessment criteria by providing sufficient and valid evidence
- prove that the evidence is their own.

Centres need to produce assignment briefs for learners to show what evidence is required. Assignment briefs should indicate clearly which assessment criteria are being targeted. All assignment briefs created by centres should be fit for purpose and should be based on the unit assessment criteria.

Assignment briefs and evidence produced by learners must meet any additional requirements given in the *Information for tutors* section of each unit.

Assessment tasks and activities must enable learners to produce valid, sufficient, authentic and appropriate evidence that relates directly to the learning outcomes and assessment criteria within the context of the *Unit amplification*. When devising the assessments, centres need to look closely at the verb used for each assessment criterion to ensure that learners can provide evidence with sufficient breadth and depth to meet the requirements.

Unless otherwise indicated in *Information for tutors*, the centre can decide the form of assessment evidence (for example performance observation, presentations, projects, tests, written tasks or reports, reflective journals) as long as the methods chosen allow learners to produce valid, sufficient and reliable evidence to satisfy the assessment criteria.

Centres are encouraged to give learners realistic scenarios and to maximise the use of practical activities in delivery and assessment. Centres may find it helpful if learners index and reference their evidence to the relevant learning outcomes and assessment criteria.

To avoid over-assessment, centres are encouraged to link delivery and assessment across units.

There is more guidance about internal assessment on our website. For details please see *Section 13 Further information and useful publications*.

## Appeals

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Centres must have a policy for dealing with appeals from learners. Appeals may relate to incorrect assessment decisions or unfairly conducted assessment. The first step in such a policy is a consideration of the evidence by a Lead Internal Verifier or other member of the programme team. The assessment plan should allow time for potential appeals after learners have been given assessment decisions.

Centres must document all learners' appeals and their resolutions. Further information on the appeals process can be found in the document *Enquiries and appeals about Pearson vocational qualifications policy*, which is available on our website, [qualifications.pearson.com](http://qualifications.pearson.com)

## Dealing with malpractice in assessment

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Malpractice means acts that undermine the integrity and validity of assessment, the certification of qualifications and/or may damage the authority of those responsible for delivering the assessment and certification.

Pearson does not tolerate actions (or attempted actions) of malpractice by learners, centre staff or centres in connection with Pearson qualifications. Pearson may impose penalties and/or sanctions on learners, centre staff or centres where incidents (or attempted incidents) of malpractice have been proven.

Malpractice may arise or be suspected in relation to any unit or type of assessment within the qualification. For further details on malpractice and advice on preventing malpractice by learners please see *Pearson's Centre Guidance: Dealing with Malpractice*, available on our website.

The procedures we ask you to adopt vary between units that are internally assessed and those that are externally assessed.

### Internal assessment

Centres are required to take steps to prevent malpractice and to investigate instances of suspected malpractice. Learners must be given information that explains what malpractice is for internal assessment and how suspected incidents will be dealt with by the centre. The *Centre Guidance: Dealing with Malpractice* document gives full information on the actions we expect you to take.

Pearson may conduct investigations if we believe that a centre is failing to conduct internal assessment according to our policies. The above document gives further information and examples, and details the penalties and sanctions that may be imposed.

In the interests of learners and centre staff, centres need to respond effectively and openly to all requests relating to an investigation into an incident of suspected malpractice.

### External assessment

External assessment means all aspects of units that are designated as external in this specification, including preparation for tasks and performance. For these assessments, centres must follow the JCQ procedures set out in the latest version of the document *JCQ Suspected Malpractice in Examinations and Assessments Policies and Procedures* (available on the JCQ website, [www.jcq.org.uk](http://www.jcq.org.uk)).

In the interests of learners and centre staff, centres need to respond effectively and openly to all requests relating to an investigation into an incident of suspected malpractice.

### **Learner malpractice**

The head of centre is required to report incidents of suspected learner malpractice that occur during Pearson examinations. We ask centres to complete JCQ Form M1 ([www.jcq.org.uk/malpractice](http://www.jcq.org.uk/malpractice)) and email it with any accompanying documents (signed statements from the learner, invigilator, copies of evidence, etc) to the Investigations Team at [pqsmalpractice@pearson.com](mailto:pqsmalpractice@pearson.com). The responsibility for determining appropriate sanctions or penalties to be imposed on learners lies with Pearson.

Learners must be informed at the earliest opportunity of the specific allegation and the centre's malpractice policy, including the right of appeal. Learners found guilty of malpractice may be disqualified from the qualification for which they have been entered with Pearson.

### **Teacher/centre malpractice**

The head of centre is required to inform Pearson's Investigations Team of any incident of suspected malpractice by centre staff, before any investigation is undertaken. The head of centre is requested to inform the Investigations Team by submitting a JCQ M2(a) form (downloadable from [www.jcq.org.uk/malpractice](http://www.jcq.org.uk/malpractice)) with supporting documentation to [pqsmalpractice@pearson.com](mailto:pqsmalpractice@pearson.com). Where Pearson receives allegations of malpractice from other sources (for example Pearson staff, anonymous informants), the Investigations Team will conduct the investigation directly or may ask the head of centre to assist.

Incidents of maladministration (accidental errors in the delivery of Pearson qualifications that may affect the assessment of learners) should also be reported to the Investigations Team using the same method.

Heads of Centres/Principals/Chief Executive Officers or their nominees are required to inform learners and centre staff suspected of malpractice of their responsibilities and rights, please see *6.15 of JCQ Suspected Malpractice in Examinations and Assessments Policies and Procedures*.

Pearson reserves the right in cases of suspected malpractice to withhold the issuing of results/certificates while an investigation is in progress. Depending on the outcome of the investigation, results and/or certificates may not be released or they may be withheld.

We reserve the right to withhold certification when undertaking investigations, audits and quality assurances processes. You will be notified within a reasonable period of time if this occurs.

### **Sanctions and appeals**

Where malpractice is proven, we may impose sanctions or penalties.

Where learner malpractice is evidenced, penalties may be imposed such as:

- mark reduction for affected external assessments
- disqualification from the qualification
- debarment from registration for Pearson qualifications for a period of time.

If we are concerned about your centre's quality procedures we may impose sanctions such as:

- working with you to create an improvement action plan
- requiring staff members to receive further training
- placing temporary blocks on your certificates
- placing temporary blocks on registration of learners
- debarring staff members or the centre from delivering Pearson qualifications
- suspending or withdrawing centre approval status.

The centre will be notified if any of these apply.

Pearson has established procedures for centres that are considering appeals against penalties and sanctions arising from malpractice. Appeals against a decision made by Pearson will normally be accepted only from the head of centres (on behalf of learners and/or members or staff) and from individual members (in respect of a decision taken against them personally). Further information on appeals can be found in our Enquiries and Appeals policy, on our website. In the initial stage of any aspect of malpractice, please notify the Investigations Team (via [pqsmalpractice@pearson.com](mailto:pqsmalpractice@pearson.com)) who will inform you of the next steps.

## **Reasonable adjustments to assessments**

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Centres are able to make adjustments to assessments to take account of the needs of individual learners, in line with the guidance given in the Pearson document *Supplementary guidance for reasonable adjustment and special consideration in vocational internally assessed units*. In most instances, adjustments can be achieved by following the guidance, for example allowing the use of assistive technology or adjusting the format of the evidence. We can advise you if you are uncertain as to whether an adjustment is fair and reasonable. Any reasonable adjustment must reflect the normal learning or working practice of a learner in a centre or working within the occupational area.

Further information on access arrangements can be found in the Joint Council for Qualifications (JCQ) document *Adjustments for candidates with disabilities and learning difficulties, Access Arrangements, Reasonable Adjustments and Special Consideration for General and Vocational qualifications*.

Both documents are on our website, [qualifications.pearson.com](http://qualifications.pearson.com)

## **Special consideration**

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Centres must operate special consideration in line with the guidance given in the Pearson document *Supplementary guidance for reasonable adjustment and special consideration in vocational internally assessed units*. Special consideration may not be applicable in instances where:

- assessment requires the demonstration of practical competence
- criteria have to be met fully
- units/qualifications confer licence to practice.



Centres cannot apply their own special consideration; applications for special consideration must be made to Pearson and can be made on a case-by-case basis only. A separate application must be made for each learner. Certification claims must not be made until the outcome of the application has been received.

Further information on special consideration can be found in the Joint Council for Qualifications (JCQ) document Adjustments for candidates with disabilities and learning difficulties, Access Arrangements, Reasonable Adjustments and Special Consideration for General and Vocational qualifications.

Both of the documents mentioned above are on our website, [qualifications.pearson.com](http://qualifications.pearson.com)

## 5 Recognising prior learning and achievement

### **Recognition of Prior Learning**

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Recognition of Prior Learning (RPL) is a method of assessment (leading to the award of credit) that considers whether a learner can demonstrate that they can meet the assessment requirements for a unit through knowledge, understanding or skills they already possess and so do not need to develop through a course of learning.

Pearson encourages centres to recognise learners' previous achievements and experiences in and outside the workplace, as well as in the classroom. RPL provides a route for the recognition of the achievements resulting from continuous learning.

RPL enables recognition of achievement from a range of activities using any valid assessment methodology. If the assessment requirements of a given unit or qualification have been met, the use of RPL is acceptable for accrediting a unit, units or a whole qualification. Evidence of learning must be sufficient, reliable and valid.

Further guidance is available in our policy document *Recognition of Prior Learning Policy and Process*, available on our website, [qualifications.pearson.com](http://qualifications.pearson.com)

## 6 Centre resource requirements

As part of the approval process, centres must make sure that the resource requirements below are in place before offering the qualification.

- Centres must have appropriate physical resources (for example IT, learning materials, teaching rooms) to support delivery and assessment.
- Staff involved in the assessment process must have relevant expertise and occupational experience.
- There must be systems in place that ensure continuing professional development (CPD) for staff delivering the qualification.
- Centres must have in place appropriate health and safety policies relating to the use of equipment by learners.
- Centres must deliver the qualifications in accordance with current equality legislation. For further details on Pearson's commitment to the Equality Act 2010, please see *Section 10 Access and recruitment* and *Section 11 Access to qualifications for learners with disabilities or specific needs*. For full details of the Equality Act 2010, please go to [www.legislation.gov.uk](http://www.legislation.gov.uk)

## **7 Centre recognition and approval centre recognition**

Centres that have not previously offered Pearson qualifications need to apply for, and be granted, centre recognition as part of the process for approval to offer individual qualifications.

Existing centres will be given 'automatic approval' for a new qualification if they are already approved for a qualification that is being replaced by a new qualification and the conditions for automatic approval are met.

Guidance on seeking approval to deliver BTEC qualifications is given on our website, [qualifications.pearson.com](http://qualifications.pearson.com)

### **Approvals agreement**

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All centres are required to enter into an approval agreement that is a formal commitment by the head or principal of a centre to meet all the requirements of the specification and any associated codes, conditions or regulations.

Pearson will act to protect the integrity of the awarding of qualifications. If centres do not comply with the agreement, this could result in the suspension of certification or withdrawal of approval.

## 8 Quality assurance of centres

Quality assurance is at the heart of vocational qualifications. The centre assesses BTEC qualifications. The centre will use quality assurance to make sure that their managers, internal verifiers and assessors are standardised and supported. Pearson use quality assurance to check that all centres are working to national standards. It gives us the opportunity to identify and provide support, if needed, to safeguard certification. It also allows us to recognise and support good practice.

For the qualifications in this specification, the Pearson quality assurance model will follow one of the processes listed below.

- 1 Delivery of the qualification as part of a BTEC Apprenticeship ('single click' registration):
  - an annual visit by a Standards Verifier to review centre-wide quality assurance systems and sampling of internal verification and assessor decisions.
- 2 Delivery of the qualification outside the Apprenticeship:
  - an annual visit to the centre by a Centre Quality Reviewer to review centre-wide quality assurance systems
  - Lead Internal Verifier accreditation – this involves online training and standardisation of Lead Internal Verifiers using our OSCA platform, accessed via Edexcel Online. Please note that not all qualifications will include Lead Internal Verifier accreditation. Where this is the case, each year we will allocate a Standards Verifier to conduct postal sampling of internal verification and assessor decisions for the Principal Subject Area.

For further details please see the *UK Vocational Quality Assurance Handbook* on our website, [qualifications.pearson.com](http://qualifications.pearson.com)

## 9 Programme delivery

Centres are free to offer this qualification using any mode of delivery (for example full-time, part-time, evening only, distance learning) that meets their learners' needs. Whichever mode of delivery is used, centres must make sure that learners have access to the resources identified in the specification and to the subject specialists delivering the units.

Those planning the programme should aim to enhance the vocational nature of the qualification by:

- liaising with employers to make sure that a course is relevant to learners' specific needs
- accessing and using non-confidential data and documents from learners' workplaces
- developing up-to-date and relevant teaching materials that make use of scenarios that are relevant to the sector
- giving learners the opportunity to apply their learning in practical activities
- including sponsoring employers in the delivery of the programme and, where appropriate, in assessment
- making full use of the variety of experience of work and life that learners bring to the programme.

Where legislation is taught, centres must ensure that it is current and up to date.

## 10 Access and recruitment

Pearson's policy regarding access to our qualifications is that:

- they should be available to everyone who is capable of reaching the required standards
- they should be free from any barriers that restrict access and progression
- there should be equal opportunities for all those wishing to access the qualifications.

Centres are required to recruit learners to BTEC Specialist qualifications with integrity.

Applicants will need relevant information and advice about the qualification to make sure it meets their needs.

Centres should review the applicant's prior qualifications and/or experience, considering whether this profile shows that they have the potential to achieve the qualification.

For learners with disabilities and specific needs, this review will need to take account of the support available to the learner during teaching and assessment of the qualification. The review must take account of the information and guidance in *Section 11 Access to qualifications for learners with disabilities or specific needs*.

Learners may be aged between 14 and 16 and therefore potentially vulnerable. Where learners are required to spend time and be assessed in work settings, it is the centre's responsibility to ensure that the work environment they go into is safe.

# 11 Access to qualifications for learners with disabilities or specific needs

Equality and fairness are central to our work. Pearson's Equality Policy requires all learners to have equal opportunity to access our qualifications and assessments and that our qualifications are awarded in a way that is fair to every learner.

We are committed to making sure that:

- learners with a protected characteristic (as defined by the Equality Act 2010) are not, when they are undertaking one of our qualifications, disadvantaged in comparison to learners who do not share that characteristic
- all learners achieve the recognition they deserve from undertaking a qualification and that this achievement can be compared fairly to the achievement of their peers.

For learners with disabilities and specific needs, the assessment of their potential to achieve the qualification must identify, where appropriate, the support that will be made available to them during delivery and assessment of the qualification. Please see the information on reasonable adjustments and special consideration in *Section 4, Assessment*.

Learners taking a qualification may be assessed in British sign language or Irish sign language where it is permitted for the purpose of reasonable adjustments.



# 12 Units

Units have the following sections.

## **Unit title**

This is the formal title of the unit that will appear on the learner's certificate.

## **Unit reference number**

Each unit is assigned a unit reference number that appears with the unit title on the Register of Regulated Qualifications.

## **Level**

All units and qualifications have a level assigned to them. The level assigned is informed by the level descriptors defined by Ofqual, the qualifications regulator.

## **Credit value**

When a learner achieves a unit, they gain the specified number of credits.

## **Guided learning hours**

Guided Learning Hours (GLH) is the number of hours 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.

## **Unit aim**

This gives a summary of what the unit aims to do.

## **Essential resources**

This section lists any specialist resources needed to deliver the unit. The centre will be asked to make sure that these resources are in place when it seeks approval from Pearson to offer the qualification.

## **Learning outcomes**

The learning outcomes of a unit set out what a learner knows, understands or is able to do as the result of a process of learning.

## Assessment criteria

Assessment criteria specify the standard required by the learner to achieve each learning outcome.

## Unit amplification

Unit amplification sets out the range of subject material required for the programme of learning and specifies the knowledge and understanding required for achievement of the unit. It enables centres to design and deliver a programme of learning that will enable learners to achieve each learning outcome and to meet the standard determined by the assessment criteria.

Where relevant and/or appropriate, unit amplification is informed by the underpinning knowledge and understanding requirements of related National Occupational Standards (NOS).

## Relationship between amplification and assessment criteria

Although it is not a requirement that all of the amplification is assessed, learners should be given the opportunity to cover it all. However, the indicative amplification (see below) will need to be covered in a programme of learning to enable learners to meet the standard required in the assessment criteria.

## Legislation

Legislation cited in the units is current at time of publication. The most recent legislation should be taught and assessed internally.

## Information for tutors

This section gives tutors information on delivery and assessment. It contains the following subsections.

- *Delivery* – explains the content's relationship to the learning outcomes and offers guidance on possible approaches to delivery.
- *Assessment* – gives information about the evidence that learners must produce, together with any additional guidance if appropriate. This section should be read in conjunction with the assessment criteria.
- *Suggested resources* – lists resource materials that can be used to support the teaching of the unit, for example books, journals, websites.

# **Unit 1: Principles and Practices of the Lloyd's and London Insurance Market**

**Unit reference number: K/503/9670**

**Level: 3**

**Credit value: 10**

**Guided learning hours: 75**

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## **Unit aim**

This unit is aimed at people who are new to the London insurance market or who want to gain a wider understanding of how it operates. It provides an essential grounding of Lloyd's working practices, developing learners' understanding of how business is traded in the London insurance market and the of the roles and responsibilities of those involved.

**This revised unit replaces the previous unit with the same title from 1 May 2012.**

## **Essential resources**

There are no special resources needed for this unit.

## Learning outcomes, assessment criteria and unit amplification

To pass this unit, the learner needs to demonstrate that they can meet all the learning outcomes for the unit. The assessment criteria determine the standard required to achieve the unit.

### On completion of this unit a learner should:

Learning outcomes	Assessment criteria
1 Understand insurance concepts	1.1 Describe the primary and secondary functions of insurance, emphasising the transfer of risk 1.2 Explain the basic purpose and nature of insurance 1.3 Differentiate between insurable risks and uninsurable risks 1.4 Summarise the basic methods of premium calculation 1.5 Explain physical and moral hazard and the relationship between them 1.6 Describe what is meant by a claim, the importance of claims reserving and the basic features of claims management
2 Understand the main classes of business	2.1 Explain the main classes of risk written in the London market 2.2 Summarise the significant features of cover given under the main classes 2.3 Describe the losses and liabilities which may give rise to claims under the main classes 2.4 Differentiate between long tail and short tail business
3 Understand the legal principles affecting insurance	3.1 Explain the legal principles governing insurance transactions 3.2 Explain the significance of utmost good faith in the relationship between underwriter and broker 3.3 Describe the purpose and effect of warranties, conditions and exclusions 3.4 Describe the essential elements of contract law 3.5 Explain the basic features of the law of agency

Learning outcomes	Assessment criteria
4 Understand reinsurance	4.1 Explain why insurers seek reinsurance 4.2 Describe the main methods of reinsurance: treaty and facultative proportional and non-proportional 4.3 Analyse the main methods of reinsurance suitable for each class 4.4 Calculate amounts ceded to reinsurers 4.5 Explain the main terms used in connection with reinsurance transactions
5 Understand London market regulatory requirements	5.1 Summarise the role of the UK's and major international regulators 5.2 Explain the UK regulator's statutory objectives, Principles for Businesses and Handbook structure 5.3 Describe the regulator's approach to regulation of financial services 5.4 Describe the changes to the UK Financial Services regulatory structure 5.5 Summarise the principles of Solvency II 5.6 Explain the role of the Financial Ombudsman Service, the Financial Services Compensation Scheme and the Data Protection Act 1998 5.7 Identify the regulatory requirements for an insurer to be authorised 5.8 Describe the fundamental risks and issues presented to the market by financial crime
6 Understand the structure of the London market	6.1 Describe the London market, and its importance in global markets 6.2 Identify the key parties involved 6.3 Summarise the roles of market associations 6.4 Describe the purpose and aims of the process of market modernisation initiatives
7 Understand the governance and operation of Lloyd's	7.1 Explain the purpose and nature of the governance of the Lloyd's market 7.2 Describe the roles of the Council of Lloyd's and Franchise Board 7.3 Describe the roles and duties of members' and managing agencies 7.4 Explain the security underlying policies at Lloyd's 7.5 Explain the main features of regulatory oversight of Lloyd's 7.6 Summarise the concept of open years management and Reinsurance to Close

Learning outcomes	Assessment criteria
<p>8 Understand insurance intermediation in the London market</p>	<p>8.1 Explain the basic elements of the regulatory approach to insurance intermediaries, including the concept of risk transfer and the use of trust accounts</p> <p>8.2 Summarise the regulator’s classification of clients and its effects on the transaction of business</p> <p>8.3 Explain the role and responsibilities of brokers</p> <p>8.4 Explain the business process of broking and the parties involved</p> <p>8.5 Describe the purpose and function of a Terms of Business Agreement ('TOBA')</p> <p>8.6 Explain the main EU and UK legislative provisions applicable to insurance intermediaries</p> <p>8.7 Differentiate between the various categories of insurance intermediary</p>
<p>9 Understand how underwriting is carried out in the London market</p>	<p>9.1 Explain the role, responsibilities and duties of the London market underwriter</p> <p>9.2 Explain the insurance cycle and financial performance</p> <p>9.3 Explain the concept of underwriting risk</p> <p>9.4 Summarise the role of risk management</p> <p>9.5 Describe the purpose of loss and exposure modelling</p> <p>9.6 Describe the concept of reserving and the need to make provision for outstanding liabilities</p> <p>9.7 Explain security ratings, their impact on business and the use of security committees</p> <p>9.8 Explain the structure and operation of a subscription market</p> <p>9.9 Explain the particular responsibilities of the lead underwriter</p>

Learning outcomes	Assessment criteria
<p>10 Understand how insurance business is transacted in the London market</p>	<p>10.1 Summarise the role of the proposal form and the main questions contained therein</p> <p>10.2 Describe the role of the slip (Market Reform Contract) and the main purpose of the headings</p> <p>10.3 Explain the operation of the General Underwriters' Agreement (GUA)</p> <p>10.4 Demonstrate when a London market underwriter is on risk</p> <p>10.5 Explain the basic procedures for preparing a policy</p> <p>10.6 Demonstrate what is meant by contract certainty</p> <p>10.7 Explain the broker's role in the handling of premiums</p> <p>10.8 Describe the importance of prompt and efficient transfer of premiums</p> <p>10.9 Summarise the role of Xchanging Ins-sure Services</p>
<p>11 Understand delegated underwriting</p>	<p>11.1 Differentiate between the various types of delegated underwriting used in the London market (binding authorities, line slips, consortia, service companies)</p> <p>11.2 Define what a coverholder is and the benefits of the coverholder model</p> <p>11.3 Explain what a binding authority is, including the key contractual provisions</p> <p>11.4 Summarise Lloyd's Delegated Underwriting Standards and the Code of Practice for Delegated Underwriting</p> <p>11.5 Identify the key compliance and control areas for coverholders</p> <p>11.6 Explain the premium, claims and risk standards for binding authorities</p>
<p>12 Understand claims handling</p>	<p>12.1 Explain the importance to the market of prompt and efficient handling of claims</p> <p>12.2 Explain the role and responsibilities of the broker in the claims process</p> <p>12.3 Describe the role of experts in claims handling</p> <p>12.4 Explain the London market claims processes for notification, submission and settlement of claims</p> <p>12.5 Summarise the role performed by Xchanging Claims Services and other service providers in the market</p>

## 13 Further information and useful publications

To get in touch with us visit our 'Contact us' pages:

- Edexcel, BTEC and Pearson Work Based Learning contact details: [qualifications.pearson.com/en/support/contact-us.html](http://qualifications.pearson.com/en/support/contact-us.html)
- books, software and online resources for UK schools and colleges: [www.pearsonschoolsandfecolleges.co.uk](http://www.pearsonschoolsandfecolleges.co.uk)

Key publications:

- Adjustments for candidates with disabilities and learning difficulties – Access and Arrangements and Reasonable Adjustments, General and Vocational qualifications (Joint Council for Qualifications (JCQ))
- Equality Policy (Pearson)
- Recognition of Prior Learning Policy and Process (Pearson)
- UK Information Manual (Pearson)
- UK Quality Vocational Assurance Handbook (Pearson).

All of these publications are available on our website.

Publications on the quality assurance of BTEC qualifications are available on our website at [qualifications.pearson.com](http://qualifications.pearson.com)

Our publications catalogue lists all the material available to support our qualifications. To access the catalogue and order publications, please go to [qualifications.pearson.com](http://qualifications.pearson.com)

### **Additional resources**

If you need further learning and teaching materials to support planning and delivery for your learners, there is a wide range of BTEC resources available.

Any publisher can seek endorsement for their resources, and, if they are successful, we will list their BTEC resources on our website, [qualifications.pearson.com](http://qualifications.pearson.com)



## 14 Professional development and training

Pearson supports UK and international customers with training related to BTEC qualifications. This support is available through a choice of training options offered on our website: [qualifications.pearson.com](http://qualifications.pearson.com)

The support we offer focuses on a range of issues, such as:

- planning for the delivery of a new programme
- planning for assessment and grading
- developing effective assignments
- building your team and teamwork skills
- developing learner-centred learning and teaching approaches
- building in effective and efficient quality assurance systems.

The national programme of training we offer is on our website at: [qualifications.pearson.com](http://qualifications.pearson.com). You can request centre-based training through the website or you can contact one of our advisers in the Training from Pearson UK team via Customer Services to discuss your training needs.

### **BTEC training and support for the lifetime of the qualifications**

**Training and networks:** our training programme ranges from free introductory events through sector-specific opportunities to detailed training on all aspects of delivery, assignments and assessment. We also host some regional network events to allow you to share your experiences, ideas and best practice with other BTEC colleagues in your region.

**Regional support:** our team of Curriculum Development Managers and Curriculum Support Consultants, based around the country, are responsible for providing advice and support in centres. They can help you with planning and curriculum developments.

To get in touch with our dedicated support teams please visit: [qualifications.pearson.com](http://qualifications.pearson.com)

### **Your Pearson support team**

Whether you want to talk to a sector specialist, browse online or submit your query for an individual response, there's someone in our Pearson support team to help you whenever – and however – you need:

- **Subject Advisors:** find out more about our subject advisor team – immediate, reliable support from a fellow subject expert
- **Ask the Expert:** submit your question online to our Ask the Expert online service and we will make sure your query is handled by a subject specialist.

Please visit, [qualifications.pearson.com/en/support/contact-us.html](http://qualifications.pearson.com/en/support/contact-us.html)

## Annexe A

### Mapping with National Occupational Standards

The grid below maps the knowledge covered in the Edexcel BTEC Level 3 Award in Lloyds and London Market Insurance against the underpinning knowledge of the National Occupational Standards in General Insurance.

Centres can use this mapping when planning holistic delivery and assessment activities.

#### KEY

# indicates partial coverage of knowledge in the NOS unit

A blank space indicates no coverage of the knowledge

National occupational standards	BTEC unit
GIC01: Process straightforward new insurance claims notifications	#
GIC02: Settle straightforward insurance claims	#
GIC03: Deal with straightforward claims for insured losses	#
GIC04: Deal with complex claims for uninsured losses	
GIC05: Process straightforward claims for uninsured losses	
GIC06: Deal with complex claims for insured losses	#
GIC07: Carry out initial assessment and investigate complex insurance claims	#
GIC08: Settle complex insurance claims	#
GIC09: Agree settlement of straightforward claims for uninsured losses	
GII10: Evaluate insurance products and services	#
GII11: Process straightforward insurance business as an intermediary	#
GII12: Process straightforward insurance renewals as an intermediary	#
GII13: Process straightforward mid-term insurance amendments	#
GII14: Process complex new insurance business as an intermediary	#
GII15: Process complex insurance renewals as an intermediary	#
GII16: Process complex mid-term insurance amendments	#
GII17: Evaluate risk and advise other insurance intermediaries	#
GIU18: Underwrite straightforward new risks	#
GIU19: Process insurance policy documentation	#
GIU20: Process straightforward insurance renewals	#
GIU21: Underwrite complex new risks	#
GIU22: Prepare insurance policy documentation for complex new business	#
GIU23: Process complex insurance policy alterations	#

National occupational standards	BTEC unit
GIU24: Process complex insurance renewals	#
GIU25: Review underwriting decisions to accept risks	#
GIU26: Underwrite straightforward policy alterations	#

## Annexe B

### The Pearson Edexcel/BTEC qualification framework for the Finance and Accounting sector

Selected qualifications within the framework.

Level	General qualifications	BTEC full vocationally-related qualifications	BTEC specialist courses	NVQ/competence
5		Pearson Edexcel BTEC Level 5 Higher National Diploma in Business (Accounting)		
4				Pearson Edexcel Level 4 Certificate in Providing Financial Advice Pearson Edexcel Level 4 Diploma in Accounting
3		Pearson Edexcel BTEC Level 3 Certificate/Subsidiary Diploma in Personal and Business Finance Pearson Edexcel BTEC Level 3 Diploma/Extended Diploma in Business (Accounting)	Pearson Edexcel BTEC Level 3 Award in Financial Services Regulation, Ethics and Trends Pearson Edexcel BTEC Level 3 Certificate/Diploma in Insurance Claims Handling	Pearson Edexcel Level 3 Diploma in Accounting Pearson Edexcel Level 3 Certificate in Providing Mortgage Advice Pearson Edexcel Level 3 Award/ Certificate in Providing Financial Services
2				Pearson Edexcel Level 2 Certificate in Accounting Pearson Edexcel Level 2 Award/ Certificate in Providing Financial Services

**April 2017**

**For information about Edexcel, BTEC or LCCI qualifications visit  
[qualifications.pearson.com](http://qualifications.pearson.com)**

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