

The Editor
The Times
1 Pennington Street
London E98 1TT

17 November 2009

Sir

Antonia Senior wrongly depicts the insurance industry as not wanting to pay out on insurance claims and scam customers. This does not represent the insurance industry of today (Opinion, Nov 13).

Insurance companies are in the business of paying out on genuine claims – in 2008 the industry paid out £239 million a day in pension and life insurance claims and £57 million a day in general insurance claims. All our member companies are committed to ensuring that customers take out insurance policies that are fit for their individual needs and that customers are clear about what their policy covers. The Association of British Insurers (ABI) and its members work closely with regulators and the Financial Ombudsman Service (FOS) to overcome any issues that arise.

The FOS highlighted in its annual report this year the work that insurers have done to reduce dramatically the number of declined critical illness insurance claims for non-disclosure of medical information. We are campaigning for a change in the tax rules to allow customers to benefit from more timely payments of life insurance claims, which will help low-income households to cope better financially when a loved one dies. Our work on pensions has meant that annuity payments have been speeded up and more people now shop around for the best annuity rate. These are just a few of the recent developments insurers have been involved in to ensure that customers can have confidence in the insurance industry.

Nick Starling
Director of General Insurance and Health
Association of British Insurers