

Insurance, legal and regulatory

IF1 2013–14 edition

Web update 4: 24 April 2014

Please note the following update to your copy of the 2013-14 edition of the IF1 study text:

Chapter 5, section D, page 5/8

Spent convictions

The **Legal Aid, Sentencing and Punishment of Offenders Act 2012 (LASPO)**, which amends the Rehabilitation of Offenders Act 1974, came into force on 10 March 2014 in England and Wales.

Under the new system, rehabilitation periods for community orders and custodial sentences comprise the period of the sentence plus an additional specified 'buffer' period, rather than all rehabilitation periods starting from the date of conviction as was the case under the previous regime.

The rehabilitation periods have changed to:

Custodial sentences:	
Sentence length	New rehabilitation period is the period of sentence plus the 'buffer' period below which applies from the end of the sentence
0 - 6 months	2 years
6 - 30 months	4 years
30 months - 4 years	7 years
Over 4 years	Never 'spent'
Non-custodial sentences:	
Sentence	Buffer period (will apply from end of sentence)
Community order & Youth rehabilitation order	1 year
Fine	1 year (from date of conviction)
Conditional discharge, referral order etc	Period of order

As with the previous scheme, the above periods are halved for persons under 18 at date of conviction (except for custodial sentences of up to 6 months where the buffer period will be 18 months for persons under 18 at the date of conviction).

Useful website

For further information on the changes refer to:

www.gov.uk/government/news/reforms-to-help-reduce-reoffending-come-into-force.



Chapter 8, section B1B, page 8/5 and How it works, page 8/6

Please amend the denominator in the formula for the Independent liability method as shown in bold text:

$$\frac{\text{Policy sum insured}}{\text{Total value at risk}} \times \text{loss}$$