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## CEO's Introduction

Welcome to the Spring edition of Mutually Inclusive.

What a start to the year it has been. For anyone working in insurance and financial services as a whole the last few weeks in particular have been extraordinary, with media reports of the threat of a global trade war and many commentators highlighting the associated potential for a recession. As I write this introduction, many of the US "reciprocal" tariffs have been paused for 90 days, but who knows what might happen next?

I don't pretend to be an expert on international trade policy and also know that the current volatility and longer-term uncertainty have a real-world impact on AFM firms and their members, on investments, savings and general financial well-being. But the events of the last few weeks have made me pause for thought about the different economic and operating model that the mutual sector represents. Commercial and profit-making of course, but always putting people first. Everything we do is about making a positive difference to our members and their financial well-being, taking a long-term and sustainable approach and empowering them to take control of their own finances.

When I look around the day-to-day activities of AFM members, I see countless examples of this, just some of which we highlight in our regular Member News feature in each edition of this newsletter. But in the current context I was struck by one particular highlight in LV's announcement of its 2024 financial results: "LV's member-first philosophy delivers member bonuses of £29 million to 280,000 eligible members, totalling £414 million since 2011."

That distinctive approach is one of the reasons why the Government has committed to supporting the growth of the mutual and co-operative sector.

As reported in the last issue of Mutually Inclusive, the Mutual and Co-operative Sector Business Council is an industry led group which aims to act as a conduit between the mutual sector and the Government as we work together to achieve that ambition to grow. The Council met for the first time in March and two Government ministers, Emma Reynolds, Economic Secretary to the Treasury, and Gareth Thomas, Minister for Small Business, attended the meeting together with senior officials from both HM Treasury

and the Department of Business and Trade. It was a positive meeting, and both Ministers stressed their active support for the mutual and co-operative sector and prompted a wide-ranging discussion about the value we add, the opportunities for growth and the impact that would make.

That value and impact is the subject of a report that together with our partners in the Mutual & Co-operatives Together group (ABCUL, BSA, Co-ops UK and the Employee Ownership Association) we published recently. Produced by specialist consultants WPI Economics the report, *Harnessing the Mutual Sector's Potential for Growth*, uses robust data and analysis to assess the potential economic impact of growing the sector, and identifies some of the barriers to growth. You can read more about the research in an article below.



Another recent key development for our sector has been the publication of the Law Commission's Consultation Paper on the legislative framework for friendly societies. This is a long-overdue reform, and the CP is an impressively thorough, comprehensive and detailed document. The Law Commission team have helpfully provided a summary of their proposals in an article below. The Law Commission team have been working on this paper for about a year and throughout they have taken a very open and active approach to engaging with the sector and other stakeholders. AFM will of course be responding formally and fully to the consultation, but I know the Law Commission are keen to hear from as many people as possible and they have included details about how to do so in their article below.

All in all, it's been a busy few months, and the pace doesn't seem likely to slacken any time soon and so the Easter break feels both timely and welcome.

Speaking of which, can I wish you all a very Happy Easter and hope that you manage to get a break.

All the best.

Andrew



**Law  
Commission**  
Reforming the law

## Review Of The Friendly Societies Acts 1974 & 1992: We Want To Hear From You!

The Law Commission has recently published a consultation paper on the law of friendly societies and is seeking input on various proposals for reform. We are delighted to contribute to this edition of Mutually Inclusive to provide a brief introduction to the Law Commission and our work, and to encourage engagement with the consultation.

### The Law Commission of England and Wales: who are we?

The Law Commission is a consultative, independent public body that keeps the law under review and recommends reform where it is needed. We aim to ensure that the law is fair, modern, simple, and cost-effective.

We have been asked by HM Treasury to review the law of friendly societies to ensure that it fits the nature and needs of friendly societies, and that relevant regulation is proportionate and predictable. This is particularly important given the broad range of activities and entities falling within the scope of the existing legislation: a social club registered under the Friendly Societies Act 1974 would have very different needs compared to a large friendly society incorporated under the Friendly Societies Act 1992 undertaking regulated insurance activities.

The publication of our consultation paper on 12 March 2025 marks the beginning of a three-month period of consultation with anyone interested in this area of law. Our provisional proposals are subject to change depending on the responses we receive during the consultation period. All responses will be carefully considered before we make our final recommendations for reform to the Government. The consultation is open until 11 June 2025.

### Our review of the legal framework governing friendly societies

Since starting work on this project in March 2024, we have had informal conversations with a range of interested parties including members of the AFM (for instance, at a roundtable event in the summer), other friendly societies, the regulators (the Prudential Regulation Authority and the Financial Conduct Authority), and industry professionals (including lawyers and actuaries) to decide the scope of the review and identify the potential areas of reform.

We recognise the value of mutual organisations and the key role that friendly societies play in the UK economy in

terms of increasing consumer choice and promoting financial inclusion. Our aim for this project is therefore to ensure that friendly societies operate within a modern and fit-for-purpose legal framework that supports their sustainable growth.

The consultation paper considers a range of technical issues where the law could be simplified or improved – for example, in relation to how friendly societies transfer their business engagements, the legislative restrictions on the types of business that friendly societies can undertake, and how friendly societies communicate with their members and engage with them before and during meetings. We also consider broader topics such as how the legacy assets of a friendly society should be protected, and whether and how friendly societies may be able to raise external capital without compromising their mutuality. We invite views on a wide range of issues affecting friendly societies. In some cases, we ask questions designed to understand consultees' experiences of the law and gauge the need for reform. In other cases, we make provisional proposals for reform and ask consultees whether they agree.

While friendly societies, like many in the financial services sector, may face various challenges relating to increasing costs and other concerns, the law should not be one of these challenges. We are seeking to develop a modern, simplified legal framework for friendly societies that can be "future proofed" to ensure it functions effectively for many years to come.

To engage with our questions and provisional proposals, or to raise any issues that we have not considered in the consultation paper, please see below. We encourage views from as many interested parties as possible. You are welcome to answer only the questions that are relevant to you.

### Useful links and contact information

- For the full consultation paper, a summary of the consultation paper, a fact sheet for members, and a Welsh version of the fact sheet for members, [please see our project page](#) on the Law Commission's website.
- To respond to our questions and provisional proposals, please use this [online response form](#).
- For more information or to be added to the project mailing list, please email [friendlies@lawcommission.gov.uk](mailto:friendlies@lawcommission.gov.uk).

## Breaking Down the Barriers to Growth: Unlocking Potential of the Mutual and Co-operative Sector

Together with our partners in the Mutual & Co-operatives Together group – ABCUL, BSA, Co-ops UK and EOA – AFM commissioned specialist consultants [WPI Economics](#) to carry out research to assess the potential economic impact of growing the sector and to identify some of the barriers to that growth, including access to finance. The research aimed to provide robust data and analysis which could inform progress towards achieving the Government's ambition to double the size of the sector.

The research report, "[Harnessing the Mutual Sector's Potential for Growth](#)", was published in early April. The report's findings highlight the mutual and co-operative sector's significant contribution to the UK economy, punching well above its weight in adding £35 billion in direct Gross Value Added (GVA) and supporting over 1.5% of the UK economy, despite making up just 0.2% of businesses. Just as importantly the report sets out a compelling case for reform, stressing the urgent need to address the financial and regulatory barriers impeding further growth.

The report's economic analysis includes the following key points.

- More than 9,500 mutuals and co-operatives are active across the UK, encompassing 68.8 million memberships.
- Despite comprising just 0.2% of UK businesses, mutuals generate £35 billion in direct Gross Value Added (GVA), rising to £93 billion with indirect and induced impacts.
- The sector consistently delivers broader economic benefits: stronger productivity, community wealth building, resilience, equitable pay structures, and alignment with net zero and wellbeing targets.

At the same time, the report identifies some telling barriers to growth.

- Limited access to finance and capital

- Outdated legal and regulatory frameworks
- Lack of investor and policymaker awareness
- Insufficient institutional and enterprise support tailored to mutual models

To address these challenges, the report recommends a number of significant changes in policy, regulation and legislation.

- Reform access to capital, including enabling new investment pathways for mutuals
- Ensure equitable access to enterprise finance and business support
- Accelerate delivery of the Law Commission's review of the legislative framework for mutuals and co-operatives
- Establish dedicated investment institutions to support mutual finance
- Provide structured support and training for mutual leaders

It is clear from the report that mutuals offer a compelling, community-centred alternative in key sectors including financial services, housing, education, and energy. Their people-first structure positions them well to contribute meaningfully to a more inclusive, resilient, and sustainable economy.

The report projects that with the right support and enabling policy and regulatory framework, mutuals could grow at 7.2% per annum, double the forecast for the UK economy as a whole and increase their economic contribution by 34% within the current Parliament.

The AFM, together with the other members of the MCT Group, working closely with the Mutual and Co-operative Sector Business Council, will be using this report in our continuing campaign to influence Government departments, regulators and other key stakeholders. Our aim is clear: to ensure that mutuals get the recognition, tools and support, and they need to thrive.



## The Income Protection Task Force – Focus on Mutuals and Friendly Societies

**The AFM and the Income Protection Task Force (IPTF) have announced an affiliation as part of a dedicated focus on the crucial role of mutuals and friendly societies in the UK protection market and the wider community.**

The Income Protection Task Force (IPTF) is a UK-based not-for-profit organisation dedicated to raising awareness and sales of Income Protection. Founded 20 years ago, it had then and still has today, the core objective of improving adviser and public understanding and access to Income Protection, through Education, Insight and Collaboration.

At its heart, the IPTF is a coalition of insurers, reinsurers, value added service providers, portals, advisers, and industry professionals who share a common goal: to ensure that more people are financially prepared for unexpected life events such as illness or injury that could impact their ability to work. The organisation serves as an impartial voice, advocating for the importance of Income Protection insurance and encouraging transparent, responsible practices across the industry.

One of the IPTF's most prominent initiatives is its annual Income Protection Awareness Week (IPAW), which brings together thought leaders, insurers, advisers, and consumers for a series of engaging talks, educational sessions, and panel discussions. The event shines a spotlight on the importance of income protection, highlights case studies, and offers practical guidance on how people can better secure their financial future and that of their clients and customers.

Another key initiative for 2025 is the 7 Claims Stories Project: Launched in January, this initiative aims to examine the claims process in-depth by telling real life customer stories and identify areas for improvement to ensure more claims are paid and more quickly.

The IPTF is well known for its educational content and produces various resources, including articles and reports to educate both advisers and consumers about income protection. These resources are accessible on the IPTF website ([www.iptf.co.uk](http://www.iptf.co.uk)), which acts as a

central hub for all their latest updates, industry research, and expert commentary.

For those who prefer to consume content on the go, IPTF has expanded into the world of podcasting and video content. Through expert-led discussions, real-life testimonials, and interviews with industry leaders, IPTF's podcast series – LetsTalkIP, breaks down complex insurance topics into easily digestible conversations. Whether you're an experienced financial adviser or a member of the public looking to learn more, the podcast is a valuable tool for staying informed. Additionally, The IPTF YouTube channel complements this activity by offering video resources, including highlights from Income Protection Awareness Week, training sessions, and client stories. These videos help bring a human face to income protection and show how it can truly make a difference in people's lives.

### **April - Mutuals and Friendlies Month**

This April, the IPTF is focusing on mutuals and friendly societies, highlighting the invaluable role they play in the UK protection market and the broader community. They will showcase our long-standing history of offering affordable, member-focused financial protection products that provide crucial support in times of need.

Throughout the month, IPTF will provide insights into the unique benefits that mutuals and friendly societies offer, such as member-driven services and a commitment to long-term financial security.

To learn more about the IPTF and stay up to date with their latest initiatives, visit their website at [IPTF.co.uk](http://IPTF.co.uk) and follow them on LinkedIn ([IPTF](#)) and Instagram ([@IPTaskForceUK](#)).





## Enabling Change Through Modernisation: The Power of Reference Models

**Richard Phillips, Principal Consultant, Altus Consulting**

**In the latest in an occasional series of opinion pieces looking at the opportunities and challenges of growing the mutual sector, Richard Phillips, Principal Consultant at AFM Associate Member Altus Consulting, shares his perspective on managing the challenge of modernising an existing technology**

The coming years are likely to be ones where we experience high levels of change in the financial services industry. It is evident that the implementation of new capabilities and proposition advancements to keep up with the changing FS landscape is becoming difficult for many companies running legacy platforms. We will explore briefly here how modernisation of the estate may be helped by the use of industry reference models for delivery of solutions across the enterprise.

Most financial services propositions are delivered with the support of a suite of components. It is rare to find a single package that delivers all the capabilities required to sell and service a proposition, so usually we see multiple components working together to deliver the capabilities. This often creates a complex landscape. An approach to reduce the complexity is to take a capability driven view of the estate to understand all the logical building blocks showing us what capabilities we need. If we then combine this with a technology view of the estate, we can understand the logical building blocks that show us how the capabilities are delivered. Starting with a Business Capability Model helps you determine where you require capability enhancements and then a Technical Reference Model can show what building blocks will be required to deliver these enhancements. There are a number of standard industry reference models that have been developed for most of the core propositions across Life, Pensions, Investment, Insurance and Banking domains. For this brief overview we will concentrate on the Technical Reference Model.

One of the key benefits of using a reference model specific to your domain is that it can help to highlight areas that you may not have considered. The technical reference model breaks down the solution in an estate into the constituent logical building blocks. We will probably see for example that our policy admin system may also be delivering document management, output creation and maybe payment services. Whereas we may have separate tooling to deliver our general ledger and treasury management. We can then see where there

are gaps in functionality that we may need to fill. Maybe the model tells us that its common to have a workflow tool but our solution doesn't deliver one or maybe just has very basic functionality within the policy admin system. This could indicate that we need some extra tooling within our overall solution.

Using the models to scope out change on existing solutions can give obvious benefits. Introducing the models into projects implementing new solutions however is also highly beneficial. At RFP stage having a reference model to compare different competing proposals allows you to see the full breadth of the solutions in an easily comparable way. We have also seen benefit in sharing the models with vendors upfront to set their expectations of which building blocks you want them to deliver. This is particularly useful where you have a solution already in place for a specific component with which you want the new package to integrate.

This is obviously a much larger topic than we can cover here but perhaps it has whetted your appetite to find out more and serves as a brief introduction into how reference models can help with the challenges of implementing new solutions.

# AFM Welcomes New Members

We are delighted to welcome two new members to the AFM family



The [Fire & Rescue Indemnity Company](#) is the specialist provider for fire and rescue authorities. FRIC was formed in 2015 when a group of fire and rescue authorities identified a gap in the market for a set of products that combined the benefits of insurance with those of risk and financial pooling.

FRIC serves the membership and wider fire and rescue community by promoting exceptional standards of health and safety as well as best practice in services and governance.

The firm joins a small group of specialist B2B insurers in AFM's membership, including AIM, Education Mutual and NACFB, and a market we have identified as a potential growth area for the mutual sector.



The [CIO Investment Club](#) aims to be the voice of chief investment officers, investment professionals and those involved in the investment decision process at institutional firms.

They build a comprehensive understanding of market trends, risk factors, and investment opportunities to help investment professionals achieve their investment goals. They also organise a range of publications and events, including roundtables and webinars, to share their insights.

Their data-driven research and market analysis will add value to AFM and our members.



## Chief Executive Officer Vacancy at Transport Friendly Society

AFM Member [Transport Friendly Society](#) is recruiting for a new Chief Executive Officer (CEO) as the current CEO, Ali Ramezankhani, has recently announced his retirement.

Founded in 1885, Transport Friendly Society is run for the benefit of people working in the transport and logistics industries, their families and friends and provides sickness, health cash plans, savings and investment products.

The CEO reports to the Board of Directors and is responsible for the overall strategic direction, vision, and success of the Society. This includes leadership in business development, financial performance, operations and organisational growth of the Society. The Chief Executive works closely with the Society's staff as well as the Board to ensure the Society's long-term profitability, sustainability, and competitive position in the industry.

If you would like to find out more about this exciting opportunity please contact either Ali, the current CEO: [Ali@tfs.uk.com](mailto:Ali@tfs.uk.com), or Syed Ahmed Ali, Compliance Officer and Secretary, [ahmed@tfs.uk.com](mailto:ahmed@tfs.uk.com).

## Opportunity to join two AFM Committees

**AFM's Committees play a vital role in our work, providing both specialist expertise and firms' first-hand, front-line experience of the issues on our agenda. You can find out more about all the Committees, their work and membership on the AFM website: [Association of Financial Mutuals Committees](#)**

We are always keen for AFM members to contribute to the work of our Committees and are currently actively recruiting members for two of our Committees.

The [Training and Development Committee](#) which oversees the AFM's training and development activities, including the Annual Conference and other key events such as the NED Conference, our leadership and development programmes, our partnership with Skillcast and the regular webinar programme. The Committee meets four times a year, usually online and with one in-person meeting.

The [Consumer Strategy Committee](#) which explores how working together the sector can increase its reach, appeal and impact to a range of stakeholders. The Committee also offers a forum for sharing examples of good practice, such as research, within and outside the sector, and being aware of competitive actions from non-mutuals. The Committee meets twice a year, usually online.

If you would be interested in joining either of these Committees, or would like further information about any of the AFM Committees, please contact Andrew Whyte: [andrew@financialmutuals.org](mailto:andrew@financialmutuals.org)





# Conference 2025

13th-14th October 2025, Manchester

## Mutuals – the original modern



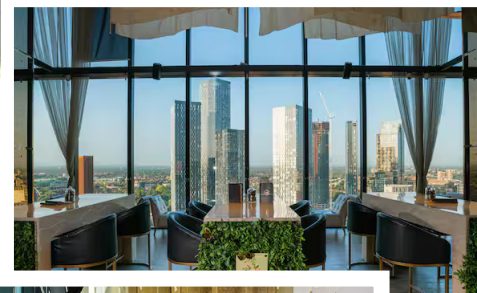
AFM Annual Conference brings together people from across the mutual sector, and their supporters, to talk about a wide range of topics with a vital impact on the future of insurance and the mutual sector. This year's AFM Annual Conference will be held in Manchester at the [Hilton Deansgate Hotel](#) on Monday 13 and Tuesday 14 October.

Manchester is a fitting location for this year's Conference in the UN International Year of Co-operatives, as the city holds a special place in the story of the mutual co-operative movement. AFM members have played a vital role in that long and proud history, delivering great products and services and always putting our members first in everything we do. At the same time the current Government has committed to promote and support the growth of the mutual and co-operative sector, so we have the opportunity to look forward and plan for the future with optimism.

That distinctive combination of heritage and innovation, building on our long-standing values to develop new solutions which meet people's changing needs and aspirations, will be a core theme of this year's Conference and is reflected in the title: *Mutuals – the original modern*.

Last year's Conference was attended by over 260 delegates and registrations for this year will open at the beginning of May when the Conference website goes live. We will be in touch to let everyone know when the website is online and to share details of the programme, including the usual line-up of terrific speakers.

We recently published the sponsorship brochure for this year's Conference, which sets out a range of exciting opportunities for sponsors and exhibitors to contribute to Conference, engage with delegates and raise their profile. If you would like a copy of the brochure or to discuss the sponsorship options available please contact AFM's Events Manager, Laura Lusted: [laura@financialmutuals.org](mailto:laura@financialmutuals.org).





## Member News

As always, there's lots going on around all AFM's Members and here's just a few of the stories which have caught our eye over the last couple of months.

- [Fifty years of ambition and entrepreneurship - OneFamily](#)
- [Claim Statistics released by Cirencester Friendly](#)
- [LV= announces 2024 financial results](#)
- [Consumers crown Benenden Health as UK's 'Best Private Healthcare Provider'](#)
- [How digital tools are changing employee wellbeing - BHSF](#)
- [We paid out over £5 million in 2024 News - British Friendly](#)
- [New farm trailer sponsored by Cornish Mutual set to support rural education - Cornish Mutual](#)
- [School Business Leader Wellbeing Index 2025 - Staff Absence Protection - Education Mutual](#)
- [Health Shield Britain At Work Report 2025: Analysing the impact of a cost-of-living squeeze on the nation's workforce](#)
- [Healthy Investment/Red Rose Welcome to Red Rose Assurance](#)
- [IPB Insurance Named As One of the Best Workplaces™ in Ireland 2025](#)
- [The Long March: A Commemoration of Courage and Resilience - Lady Grover](#)
- [MDDUS finds that three quarters of young healthcare professionals experience burnout at work](#)
- [NACFB Members fuel 70% of UK's £38bn broker-led SME lending](#)
- [Brits fear costly consequences of accidents as financial and NHS concerns mount - National Friendly](#)
- [Ways to improve your wellbeing in Spring - Paycare](#)
- [Scottish Friendly acquisition announcement](#)
- [Quality of product more important selling point for clients than affordability, find advisers - The Exeter](#)
- [Wesleyan: What does financial vulnerability mean to you?](#)



## Events Calendar

- [Webinar – Brand Identity with Strategic Fusion](#)  
MAY 22 @ 2:00 PM - 3:00 PM
- [Customer Service with the Institute of Customer Services](#)  
JUNE 4 @ 10:00 AM - 11:00 AM
- [AFM Tax Training Day](#)  
JUNE 5 @ 9:00 AM - 5:00 PM
- [Part VIII Transfers with PRA](#)  
JUNE 12 @ 10:30 AM - 12:00 PM
- [Quarterly Investment Forum with Fidelity](#)  
JUNE 17 @ 2:00 PM - 3:00 PM
- [NED Conference](#)  
JUNE 25 @ 9:00 AM - 5:00 PM
- [Member Journey Workshop](#)  
JULY 8 @ 9:30 AM - 3:30 PM

For the full calendar please visit: <https://financialmutuals.org/events/>