London Market Forums

Blueprint 2 Update

Sept 2022

Agenda

London Market Modernisation update

1. The solution
What is being delivered via the Blueprint

2. Timeline
What is the timetable for delivery?

3. Review
Any questions on the deliveries?

4. Engagement
Who is being engaged in the market and how?
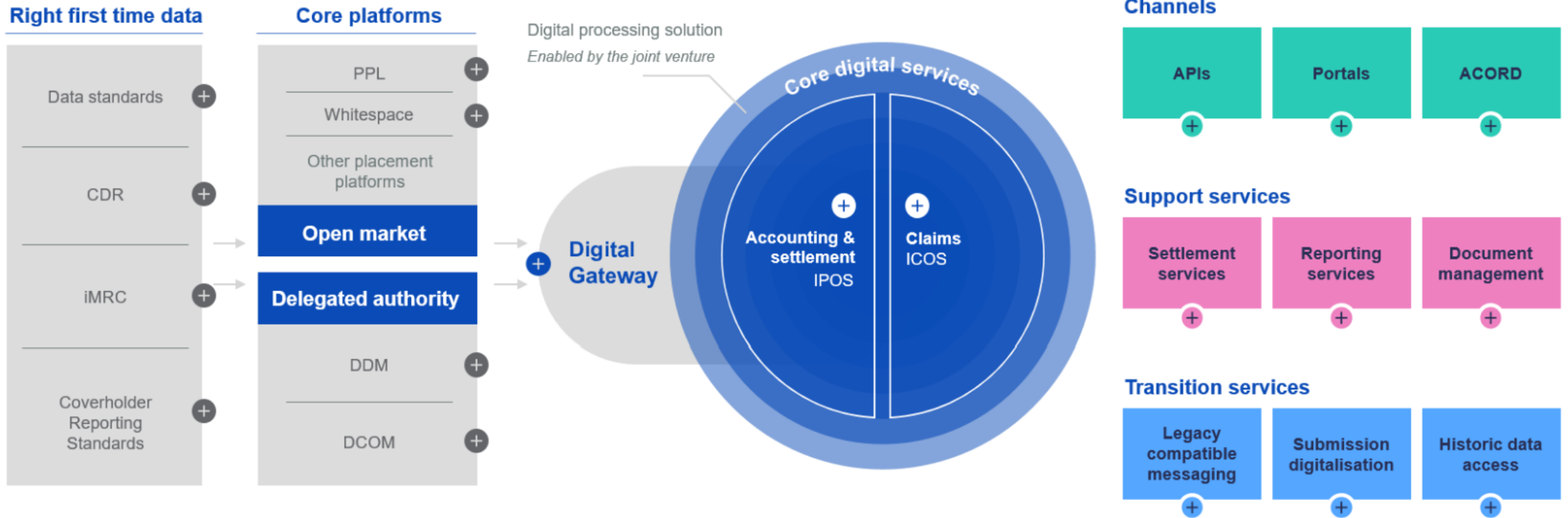
5. Focus
What needs to be thinking about?

6. FCP
What is FCP and what are the benefits

Question 1 - How would you rate your understanding of the Blueprint 2 solutions?

Question 2 - How would you rate your understanding of the benefits the Blueprint 2 represents?

Blueprint 2 – What is it?

Timeline for Delivery

We will deliver 5 core services to the market as part of Blueprint 2 initiatives

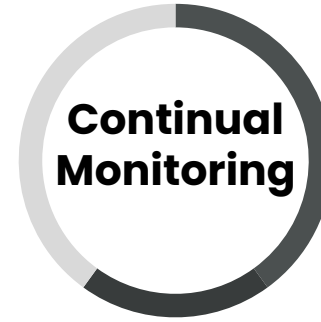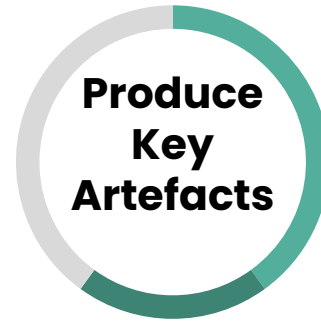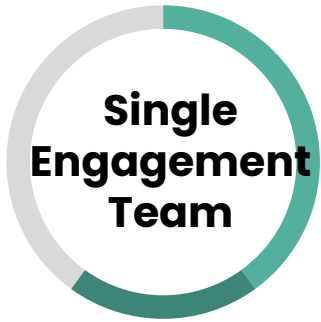|	Service	Build Completion	Delivers	Sample functionality (not exhaustive)
1	Foundational capability	Q4 22	A set of foundational components that will be used across services / future phases of delivery	• Notifications • User portals / experience • Document management
2	Global Premium & Claims service	Q4 22	A Global Specialty Insurance service to manage premium movement and claims orchestration, from submission to settlement, for singleton non-complex business	• Submission handling • Business rules validation • Core Digital processing (Accounting & Settlement) • Core Claims Orchestration • Management Information for Global Services
3	London Premium & Claims service	Q3 23	A London Market service to manage premium movement and claims orchestration from submission to settlement for Lloyd's and Company open market syndicated business. Includes transitional services to allow participants to adopt digital services at their own pace	Enhancements for Lloyd's & Company market. E.g.: • Lead / Follow functionality • Specialised areas. E.g. Scheme Canada / LORS • Ability to manage legacy submissions via data reachback • Specific claims functionality. E.g. Expert journey
4	Delegated Authority Premium & Claims service	Q4 23	The London Market service, expanded to handle Delegated Authority premium and claims submissions	• Premium & claims processing functionality above enhanced to support delegated business • Includes aggregation & netting enhancements
5	Gateway Risk service	Q4 23	Supports London open market placement through ingestion of the Core Data Record, including data validation, augmentation and notifications	• CDR validation & enrichment (incl. FIL & Risk Codes) • Tax validation • Regulatory checks (Licensing / Stamps etc) • Unique referencing

After build is complete there will be a period of market acceptance testing. Market wide cut-over and go-live for 3, 4 & 5 is planned for Q2 2024, with 2 launching earlier

Review and Questions

Blueprint 2 – What is it?

Timeline for Delivery

Question 1 - How would you rate your understanding of the Blueprint 2 solutions?

Question 2 - How would you rate your understanding of the benefits the Blueprint 2 represents?
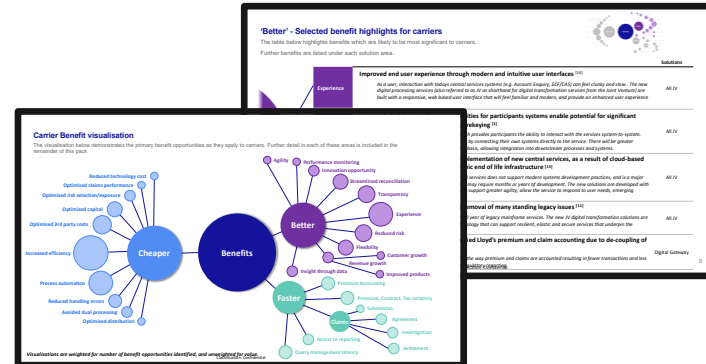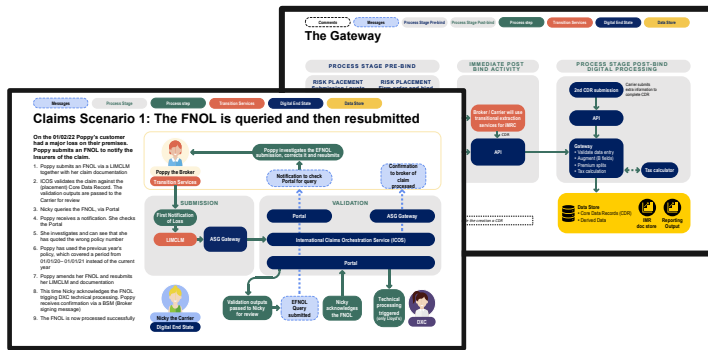
Market Engagement

Single Engagement Team

Vendor Aligned Grouping

Produce Key Artefacts

Continual Monitoring

Additional Focused Support

Customer Journeys

Benefit Framework

Implementation Playbooks

Customer Journeys & benefit cases are important context – Playbooks enable implementation

Focus for 2022 and early 2023

Actions to take depend on your route to digital: full, blended, or using transition services

Full Digital

CDR & iMRC

Adoption of the iMRC and CDR standards are key to unlocking the ability to move to automated digital processing.

ACORD Standards

ACORD EBOT and ECOT standards will be used for accounting and claims settlement in the new digital services.

API Capability

Some of the interactions on the new services are via API, e.g. Gateway and ACORD standards gaps.

Transition

Messaging & Reporting

Current messages such as BSM, LIMCLM and DRI will continue to be supported. Their structure will remain largely unchanged but there will be content and destination changes. Data will be merged with legacy data to ensure a consolidated picture. This will require some low impact changes to reporting services overall including the content of reports, new user credentials and some light training

New Portals

All existing user interfaces or portals will be discontinued and replaced by new digital portals. This will not be 'like for like' basis due to some changes and improvements as to how the services are delivered. While portals will be intuitive, users will need training and on-boarding. Market participants should plan for training to take place from early 2023.
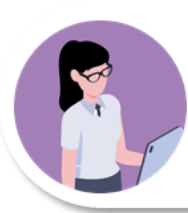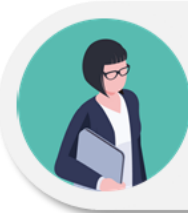
Bespoke Phase out

To get ready for transformation some changes will be made to current services (e.g., low usage message variants, bespoke participant services). Participants using these solutions will need to change to market standard services or messages.

Full digital processing is available day one of the new services. If you cannot achieve this you will need to use transition services, which you will need to make some mandatory changes. You can use a blended approach as you move to full digital

Faster Claims Payment (FCP)

Faster Claims Payment (FCP) is a modern payment solution that allows Delegated Claims Administrators (DCAs) to make payments on request, drawing on managing agent funds directly, removing the need for loss funds and the associated cash calls.
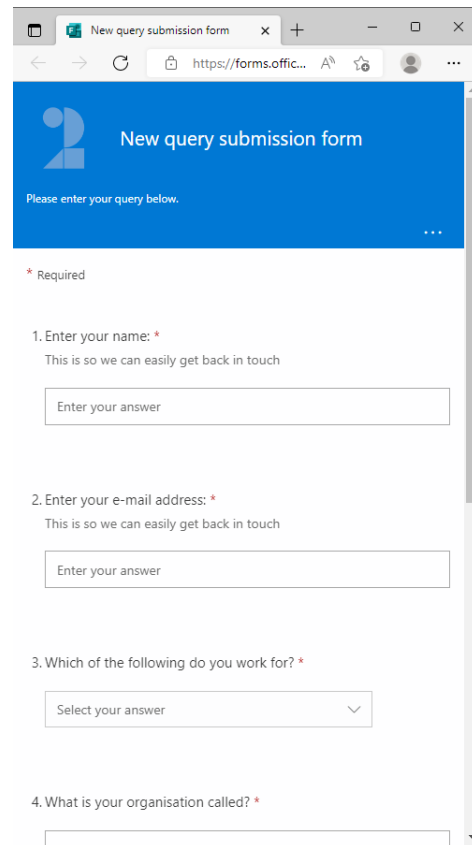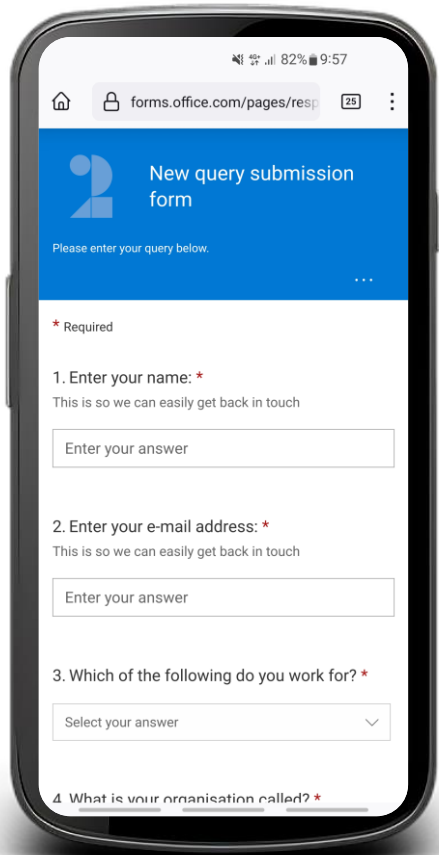
	Finance	**Risk**	**Operations**
DCA	✓ No need to hold funds ✓ Reduction in bank accounts ✓ All client account processing	✓ Audited payment approvals ✓ Sanction checking ✓ Segregated role access	✓ API payment integration ✓ Personalised reporting ✓ Claimant focused delivery
Broker	✓ Removal of fund forwarding ✓ No client account reconciliation ✓ Bank cost removal	✓ No held funds ✓ Removal of cash calls ✓ Reduced bank access	✓ Reduced processing cost ✓ No funding split details ✓ No unapplied queries
Managing Agent	✓ Return of up to 80% of funds ✓ Investment income ✓ Real-time claims paid data	✓ Centralised funds view ✓ Regulated environment ✓ Control of Binder funds	✓ Consistent data format ✓ Signings reconciliation ✓ Removal of cash calls

www.Lloyds.com/FCP
FCP@lloyds.com

Questions?

- If you think of a question later you can use the query form to submit

- We collate these and will publish together as FAQ to benefit the whole market

https://bit.ly/bp2-faq