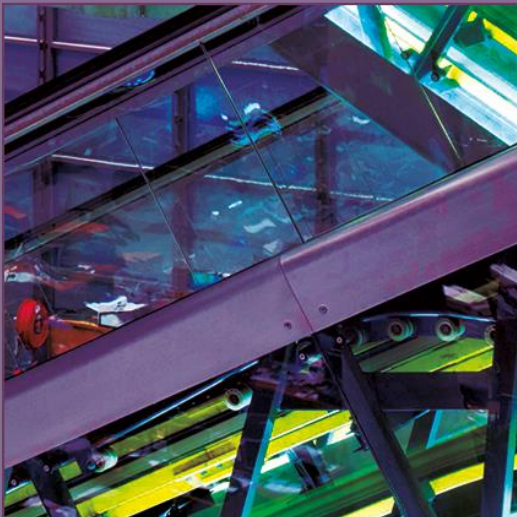




LMA GUIDE TO CLAIMS



CURRENT CLAIMS PROCESSES AND RELATED CLAIMS ACTIVITY

ISSUE 2
APRIL 2017



DATE FOR REISSUE:
SEPTEMBER 2017

AN INTRODUCTION TO THIS EDITION

Welcome to the latest edition of the LMA Guide to Claims.

Based on feedback provided by the market, it became apparent that while some claims activity and initiatives were well understood, there is a growing desire to capture and understand the holistic view.

This Guide covers:

- current processes
- claims activity
- initiatives and projects

as well as useful supporting information.

We recognise that the inclusion of additional information increases the overall size of the Guide and have sought to balance ease of reading with appropriate levels of detail by including visuals, increasing the use of hyperlinks within the Guide, and by providing a guide to resources.

We very much welcome your feedback on the claims edition. Please send your feedback to Carly Schwarz (Carly.Schwarz@lmalloyds.com)



Lee Elliston

Head of Claims Operations

STRAIGHT TO THE POINT

The table below gives an overview of what the hot topics and initiatives are in the claims community. Click on the link to get more information.

Topic	Overview	Link to detail
Single Agreement	A project to explore the opportunity to deliver a London market single agreement model for low value non-complex claims	3.1.3
LMACC Workplan	The LMACC have compiled a list of key objectives to be focussed on in 2017	3.1.3
Expert Database	The Expert Database is designed to reduce multiple due diligence information requests from managing agents and increase efficiency around the collection and validation of generic operational information as well as shared audits	7.1
Expert Management	A project to improve the markets ability to manage its experts and expert spend	7.2
ECF Write-Back	A project to deliver functionality that offers carriers the ability to review and respond to a claim in their own system, interfacing with central market systems - CLASS/IMR/ECF	10.3
ECF Binders (E-Binders)	A project to deliver functionality that brings binder claims into the scope of ECF	10.4
ECF Releases	Provides details of the changes that are scheduled for release in 2017	10.8
CRS Data Packs	The Lloyd's insurance market Claims Reporting Suite (CRS) is a series of interactive web based apps available for both Lloyd's and managing agents	6.1
London Market TOM	As part of its response to the findings of 'London Matters', the LMG announced an initiative to provide a more detailed operational vision of a modernised market	10.1
Delegated Authority - Performance Management & Minimum Standards	As a result of the introduction of Conduct Risk, Solvency II and Pillar 3, the Lloyd's claims reporting standard has been updated	7.3
XRB (Xchanging review board)	Since the completion of the CAF service to the market, some sector groups have identified areas where additional services are needed/required from Xchanging that will benefit their process which are not provided under the Core Processing Agreement	3.2
Sector Group Update	Provides details of each Sector Group and what their current priorities are along with a link to the latest minutes	3.3 to 3.16

CONTENTS

AN INTRODUCTION TO THIS EDITION	1
STRAIGHT TO THE POINT	2
CONTENTS.....	3
AT A GLANCE - WHAT'S CHANGED	5
1. INTRODUCTION	6
1.1. PURPOSE OF THE GUIDE	6
1.2. WHAT THE GUIDE INCLUDES	6
1.3. LAYOUT OF THE GUIDE	6
2. LMA CLAIMS TEAM	7
2.1. OVERVIEW OF THE LMA	7
2.1.1. Key facts about the LMA and it's claims team.....	7
2.2. INDIVIDUALS AND RESPONSIBILITIES	8
2.2.1. Lee Elliston - Head of Claims Operations	8
2.2.2 Ruth Cameron-Errington - Senior Executive, Claims.....	8
2.2.3 Sharyn Butcher - Senior Executive, Claims	8
2.2.4. Tim Bowling - Senior Executive, Claims	8
2.2.5 Carly Schwarz - Executive Secretary, Claims	8
3. LLOYD'S MARKET ASSOCIATION CLAIMS COMMITTEES.....	9
3.1. LMA CLAIMS COMMITTEE (LMACC)	9
3.1.1. Role.....	9
3.1.2. Members of the LMACC	9
3.1.3. Workplan	9
3.2. XCHANGING REVIEW BOARD (XRB).....	10
3.4. HEAD OF SECTOR GROUP (HOSG).....	11
3.5. CLAIMS OPERATIONS MANAGER GROUP (COMG).....	11
3.6. ECF USER GROUP	12
3.7. ECF BEST PRACTICE GROUP.....	13
3.8. AVIATION CLAIMS GROUP.....	14
3.9. BINDING AUTHORITY STRATEGIC CLAIMS GROUP (BASCG)	15
3.10. ENERGY CLAIMS GROUP	16
3.11. FINANCIAL INSTITUTIONS AND PROFESSIONAL INDEMNITY CLAIMS COMMITTEE.....	17
3.12. REINSURANCE CLAIMS GROUP	18
3.13. MARINE CLAIMS GROUP	19
3.14. JOINT MARINE CLAIMS COMMITTEE	20
3.15. PERSONAL ACCIDENT CLAIMS COMMITTEE.....	20

3.16.	PROPERTY INSURANCE CLAIMS GROUP.....	21
3.17.	LLOYD’S MARKET STRATEGIC CLAIMS GROUP.....	22
3.18.	HOUSEHOLD CLAIMS COMMITTEE	22
3.19.	DA FORUM.....	23
4.	REGULATION AND COMPLIANCE.....	24
4.1.	CONDUCT RISK	24
4.2.	LLOYD’S CLAIMS MANAGEMENT PRINCIPLES AND MINIMUM STANDARDS.....	24
4.3.	LLOYD’S CLAIMS MANAGEMENT SUMMARY (LCMS)	25
4.4.	CLAIM FILE REVIEW	26
4.5	CLAIMS SANCTIONS SCREENING	27
5.	CLAIMS	28
5.1.	CLAIMS AGREEMENT	28
6.	CLAIMS TRANSFORMATION PROGRAMME	31
6.1.	CLAIMS REPORTING SUITE DATA	32
6.2.	VOLUME CLAIMS SERVICE	32
7.	EXPERTS	33
7.1	LONDON MARKET EXPERT DATABASE.....	33
7.2	EXPERT MANAGEMENT	33
7.3	DELEGATED AUTHORITY - PERFORMANCE MANAGEMENT & MINIMUM STANDARDS	34
8.	LMA ACADEMY.....	35
8.1.	LMA ACADEMY	35
8.2.	LMA CLAIMS FOUNDATION PROGRAMME	35
8.3.	LLOYD’S CLAIMS PRACTITIONER PROGRAMME	35
8.4.	LIVING WITH US LITIGATION	35
9.	LMA LIIBA U35S CLAIMS GROUP	36
10.	THE CHANGE PROGRAMME	38
10.1.	LONDON MARKET GROUP TARGET OPERATING MODEL.....	38
10.2.	CENTRAL SERVICES REFRESH PROGRAMME (CSRP)	40
10.3.	ECF WRITE-BACK.....	41
10.4.	ECF BINDERS(E-Binders)	42
10.5.	TRAINING AND PERCEPTION	43
10.6.	MARKET RELEASES CSRP	44
10.7.	ECF IMR RE-PLATFORM.....	45
11.	APPENDICES.....	46
11.1.	APPENDIX A: COMMITTEE TERMS OF REFERENCE.....	46
11.2.	APPENDIX B: CLAIMS COMMITTEE STRUCTURE.....	47
11.3.	APPENDIX C: LONDON MARKET TARGET OPERATING MODEL (TOM).....	48

AT A GLANCE - WHAT'S CHANGED

The table below gives an overview of what's changed since the last issue, focussed on change projects covered in the previous edition or new projects now underway.

Topic	What's changed since the last issue?	Link to detail in Section
LMA Claims Team	The team have issue a claims philosophy which articulates the LMA's value proposition and service offering to its members and the claims community	2.1.2
LMA Claims Team	Tim Bowling has joined the LMA claims team as a Senior Executive	2.2.5
LMA Claims Committee (LMACC)	The LMACC Workplan for 2017 is now available. A LMACC focus group has been established to drive forward and accelerate projects and initiatives that progress opportunities to enhance claims service and the Lloyd's/London market	3.1
Claims Advisory Group (CAG)	A claims sub group of the XRB has been formed	3.3
ECF Best Practice Group	The ECFBPG no longer exists, a strategic BP group exists to pick up priorities on an ad-hoc basis	3.7
Binding Authority Strategic Claims Group (BASCG)	The BASCG will meet bi-monthly, replacing the monthly BACG/BASG meetings	3.9
Household Claims Committee	Tim Bowling will lead on this committee	3.18
Bloodstock Claims Committee	Ruth Cameron-Errington will lead on this committee	
DA Forum	A new forum has been created to collaborate Binder / DA areas including underwriting, claims and operations. The forum will be held quarterly	3.19
ECF 2017 releases	An updated list has been provided on timeframes for 2017 strategic changes	10.6
Market Communications	The LMA claims team commit to engaging and updating the market, members and claims community via: <ul style="list-style-type: none"> • press releases • communications • Claims Quarterly Newsletter • ECF Newsletter and ECFinfo website • HoC and Claims Matters Forums 	

1. INTRODUCTION

1.1. PURPOSE OF THE GUIDE

This guide aims to assist claims practitioners understand current processes, including the related infrastructure and governance.

The over-arching goal is to provide a balance between details and brevity with background detail and, where appropriate, plans, milestones and status of work in progress. Links are provided to sources of further detail on each topic.

The guide is not intended to be a technical manual detailing 'how to do' activities, but seeks to provide an over-view with 'signposts' to further information for readers who require detailed explanations or instructions.

1.2. WHAT THE GUIDE INCLUDES

The guide includes high level summaries of major claims processes and change activities including:

- details of who 'owns' and manages each activity
- details of where to find further information
- a summary of modernisation achievements to date.

It is updated quarterly to show the current status of each activity.

1.3. LAYOUT OF THE GUIDE

The guide is split in to four key sections:

1. this introduction
2. an overview of current market processes
3. details of change projects being progressed to modernise current processes
4. a series of appendices.

The appendices provide further supporting information covering:

- the claims committee structure and terms of reference documents
- the glossary of market processing terms
- an overview of the current and future process.

The guide covers London market processes in the context of three communities:

- bureau - Lloyd's market
- bureau - companies market
- non-bureau - Ruschlikon UK
- bureau - Lloyd's & Companies via CSRP.

[Return to Contents](#)

2. LMA CLAIMS TEAM

2.1. OVERVIEW OF THE LMA

The Lloyd's Market Association (LMA) represents the interests of the Lloyd's community, providing professional and technical support to our members. All managing and members' agents at Lloyd's are full members, who together manage a gross premium income of around £30 billion per annum. Through the LMA, their interests are represented wherever decisions need to be made that affect the market.

The purpose of the LMA is to identify and resolve issues which are of particular interest to the Lloyd's market. We work in partnership with the Corporation of Lloyd's and other market-related associations to influence the course of future market initiatives.

Through the LMA claims team's technical expertise, they provide day to day support for each of the class of business claims sector groups, as well as the LMA Claims Committee, Head of Sector and Claims Operations groups.

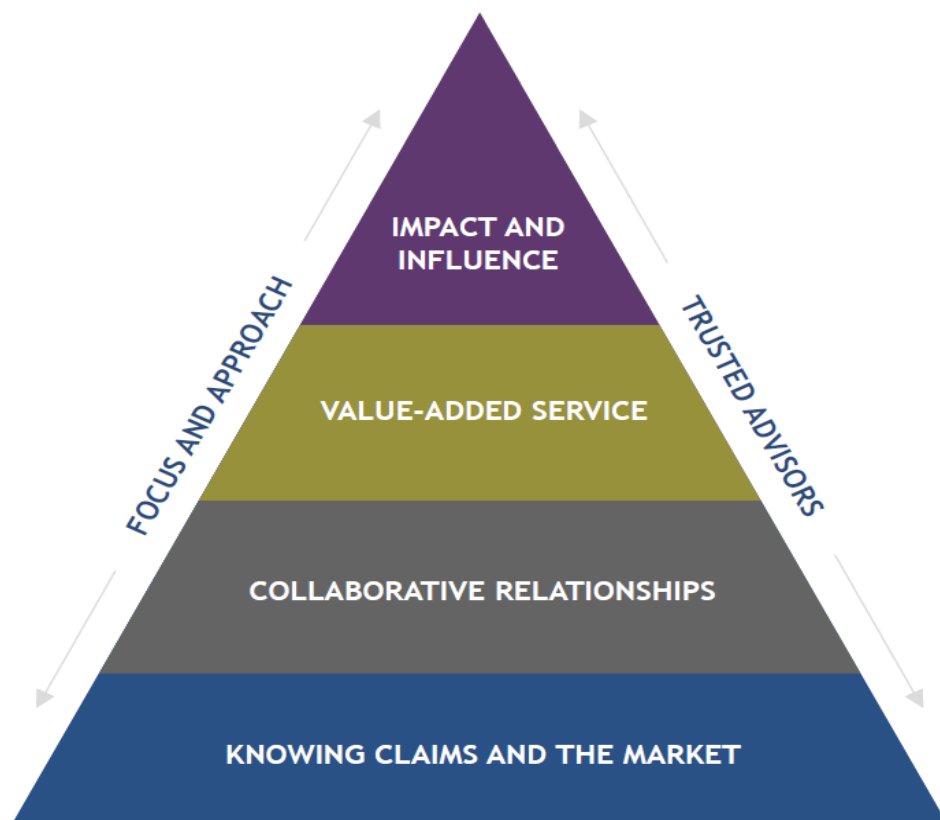
The team also lead on a number of strategic and specific market projects offering project management resource and support.

2.1.1. Key facts about the LMA and it's claims team

1. We are independent of the Corporation of Lloyd's.
2. We are a membership organisation representing the managing agents.
3. We lead and support projects and initiatives to influence change in the market.
4. Change can only be effective with the support of our members - you!
If you need any guidance on claims issues let us know - if we can't help, we'll know someone who can.

2.1.2. Claims Philosophy

The LMA claims team has produced a claims philosophy outlining our focus and approach and how we support you and your business. It also contains contact details for each team member, as well as their areas of expertise. You can view the philosophy [here](#).



2.2. INDIVIDUALS AND RESPONSIBILITIES

2.2.1. Lee Elliston - Head of Claims Operations

Lee joined the LMA in 2013 having previously worked at Catlin since 2009 within both claims adjusting and operational management roles, as well as working on a number of internal and external projects such as CTP and ECF2. Prior to this, Lee spent seven years at Willis and Guy Carpenter in claims roles with significant involvement in the implementation of ECF, claim servicing and process models, operational efficiencies including offshore services and data reporting/ML.

Lee provides day-to-day support to the LMA Claims Committee and the Claims Operations Managers' Group, as well as established claims committees, such as Property and Reinsurance sector groups. Lee was also chairman of the ECF User Group from 2014. Lee manages, leads and supports a number of strategic market programmes and projects from initiation through to delivery, such as Write-Back, E-Binders, Expert Management, CSRP and the LM TOM workstreams. Lee ensures that the London market claims community is consulted with to ensure alignment with project objectives and solutions, allowing claims to introduce and benefit from enhancements to and the replacement of market systems and processes to allow Lloyd's carriers to improve their service offering, making claims within the Lloyd's and London market modern and attractive to clients.

2.2.2 Ruth Cameron-Errington - Senior Executive, Claims

Ruth joined the LMA in March 2012 having begun her career in insurance at General Accident in 1998. Before joining the LMA, Ruth spent nine years at General Re dealing with large casualty losses. She administers the LMA claims groups for reinsurance, aviation and FI/PI, and coordinates the LMA LIIBA U35s Claims Group activities. Ruth also administers the Claims Advisory Group (CAG) and is deputy chair of the LMSCG (Lloyd's Market Strategic Claims Group) which coordinates market CAT response.

2.2.3 Sharyn Butcher - Senior Executive, Claims

Sharyn joined the LMA in February 2015 following seven years at Willis in operational roles, namely claims operations. Prior to joining Willis, Sharyn started her insurance career in Australia in 2001. Sharyn administers the LMA claims groups for Marine, PA and the ECF Best Practice Group as well as supports Aviation, Binders and the Claims Operations Managers Group. Sharyn also leads and supports a number of the claims team's key activities including performance initiatives, data and broker engagement.

2.2.4. Tim Bowling - Senior Executive, Claims

Tim joined the claims team in June 2016, having spent nine years at Towergate in a number of technical and operational claims roles, most latterly Head of Claims Operations for their MGA division. Prior to this, Tim worked for Independent Insurance in a number of technical claims roles, specialising in Casualty, and prior to this started his career at RSA. Tim is an Associate of the CII.

2.2.5 Carly Schwarz - Executive Secretary, Claims

Carly joined the LMA in June 2014 after being in the market since 2009 working as a Claims Assistant/Team Secretary at a run-off syndicate, followed by two years at Willis as Personal Assistant to the Head of Inspace. Carly provides overall assistance to the claims team as well as assisting in the administration of the U35s Claims Group and LMA Events Group.

[Return to Contents](#)

3. LLOYD'S MARKET ASSOCIATION CLAIMS COMMITTEES

3.1. LMA CLAIMS COMMITTEE (LMACC)

3.1.1. Role

The role of the group is to provide leadership and direction for the Lloyd's claims community and to advise the LMA Board on strategic claims matters.

3.1.2. Members of the LMACC

Anthony Hobkinson - Beazley (Chair)
Charles Glaisher - Faraday
Simon Catt - MS Amlin
Michael East - QBE

Richard Foulger - Aegis
Scott Kellers - Liberty
David Miller - XL Catlin
Hannah Purves - Markel

Tony Rai - Hiscox
Sheel Sawhney - Brit
Fiona Sperry - Sompo Canopus
Nicholas Sinfield - TMK
Simon White - Apollo

3.1.3. Workplan

The LMACC workplan for 2017 consists of the objectives listed within the attached table of contents:

Whilst the strategic priorities and 'quick-wins' have been set for 2017/18 and are supported by the following matrix and project plan:

[LMACC Project Plan Quickwins 2017](#)

[LMACC Project Plan Strategic - Q1 2017 Update](#)

[LMACC 2016 - 2018 projects](#)

Objective	Summary	Owner
Talent	<ul style="list-style-type: none"> To ensure an adequate pool of skilled claims staff are available to the market 	Simon White
Broker Engagement	<ul style="list-style-type: none"> Engagement approach and meetings to be agreed and arranged with LIIBA and top 10 brokers for 2017 	Scott Kellers / Hannah Purves
Communication - Head of Claims	<ul style="list-style-type: none"> LMA to support and widen market engagement regarding claims headlines and LMACC areas of focus. These areas will then be included in the quarterly LMA claims newsletter 	LMA
Sector Groups	<ul style="list-style-type: none"> To improve awareness of activity and issues by better two-way communication between LMACC and sector groups 	LMA Fiona Sperry
Single Agreement	<ul style="list-style-type: none"> To develop a framework with Lloyd's and LIIBA that supports a reduction in agreement parties where both Lloyd's and non Lloyd's markets participate. Single Agreement Steering Group - Governance ToR Principles Plan LMA Single Agreement March 	LMACC
Market Modernisation	<ul style="list-style-type: none"> Target Operating Model - To introduce an improved claims process with supporting systems capability, provide claims input and direction and to validate and agree any future market modernisation initiatives For more information refer to section 10.1 Expert Management - To improve the markets ability to manage its experts and expert spend For more information refer to section 7.2 ECF - LMACC to provide input and direction to CSRP & ECF Central Services Refresh Programme (CSRP) - To 	LMA Mike East Andy Stevenson Colin Masson Fiona Sperry

	provide claims input and direction For more information refer to section 10.3 <ul style="list-style-type: none"> • Sanctions, Analytics and Robotics - exploratory project phases to look at the market appetite for central market services to support the compliance processes for claims in addition to the automation of claims triaging, processing and handling. Predictive Analytics - Opportunity Statement Robotics - Opportunity Statement Claims Sanctions Screening 	
Claims Performance	<ul style="list-style-type: none"> • Analysing performance data with the intention to see how we can improve claims service and performance from the Lloyd's market 	Charles Glaisher Richard Foulger LMA / Lloyd's
Delegated Authority	<ul style="list-style-type: none"> • To have oversight and understanding to be able to input and influence strategic direction For more information refer to section 7 	Tony Rai Mike East Scott Kellers

LMA contact - Lee Elliston: lee.elliston@lmalloyds.com

3.2. XCHANGING REVIEW BOARD (XRB)

Background

In April 2016, the CSRB merged into the XRB, which is responsible for governing market contracts. The Claims Advisory Group (CAG) has been created to support this group for Claims.

Following the Claims Transformation Programme (CTP), the CAF Services were put into run off and the LMA/CSRB (now XRB) required Xchanging to enter into a Core Processing Agreement with effect from 1 June 2014. The Core Processing Agreement replaces the TP Services provided under the Existing Agreement.

[Click here](#) to see the current contract.

Topic	Overview	Link to detail
Roles and responsibilities	Roles and responsibilities have been defined under the Core Processing Agreement to set ensure all parties are clear in terms of what they will be responsible for going forward	Link to spreadsheet Link to guidance
Thresholds and triage	When triaging a claim for CTP, there are a number of considerations that need to be made that are either financial or non-financial	Link to guidance
Enhanced services	<p>Since the completion of the CAF service to the market, some sector groups have identified areas where additional services are needed/required from Xchanging that will benefit their process which are not provided under the Core Processing Agreement</p> <p>There are currently three enhanced service agreements in place with Xchanging</p>	Link to Aviation schedule Link to Binders schedule Link to Bloodstock schedule Link to Property Market Co-ordination schedule

Governance

The Processing contract is governed by the XRB but signed by individual managing agents.

Further information

LMA contact for CAG - Ruth Cameron-Errington: ruth.cameron-errington@lmalloyds.com

3.3. CLAIMS ADVISORY GROUP (CAG)

Background

All managing agents have signed a contract with Xchanging Claims Services (XCS) for the supply of claims processing by XCS. Market governance is undertaken by the Xchanging Review Board (XRB). The Claims Advisory Group (CAG) is a sub group of the XRB and meets monthly to discuss any issues or concerns with regard to the day-to-day operation of the service.

This group provides a forum for the market and Xchanging to raise and resolve issues emanating from the Claims Processing (CP) contract. The group acts as a filter for the lower level issues so that the XRB can concentrate on strategic aims, contractual terms & obligations and performance.

LMA contact - Ruth Cameron-Errington: Ruth.cameron-errington@lmalloyds.com

3.4. HEAD OF SECTOR GROUP (HOSG)

Background

The HOSG is comprised of the Chairs from each of the LMA sector committees. Its primary aim is to act as an interface between the sector committees and the Lloyd's Market Association Claims Committee (LMACC) to whom it reports.

Chair - Fiona Sperry, Sompo Canopus

Further information

Please [click here](#) to see the most recent minutes for this group (LMA members only).

The [Sector Group Matrix](#) provides an update on each activity, the 2017 updated version will be available from the end of May 2017.

LMA contact - Ruth Cameron-Errington: ruth.cameron-errington@lmalloyds.com

3.5. CLAIMS OPERATIONS MANAGER GROUP (COMG)

Background

The Claims Operating Managers Group (COMG) consists of representatives from managing agencies who have responsibility for the day-to-day operational activities within their agency. The group works closely with the Head of Sector group and reports directly to the LMA Claims Committee.

Chair - Andy Stevenson (Hiscox)

Deputy Chair - Steve Flood (Beazley)

Key initiatives

The key initiatives that the COMG are focusing on for 2017 in order of priority are:

Initiative	Summary	Document Link
Expert Management	Recording expert usage and spend. A proposal and cost benefit analysis to be completed for consideration by the LMACC to progress outside of the TOM. (see section 10.1 for more information on the TOM)	Link to analysis & recommendations Link to appendix a Link to appendix b
TBA Management	Systems, processes developed, targets set. The LMACC have agreed changes to purging rules to be implemented by end Q2 2016	Link to proposal

	The introduction of the 'Uber' precautionary code will also have an impact on statics	
TPA & DA Performance Management	Sharing performance information, audit reports/costs, contracts, price information, loss fund management	LME Roadmap
Small Settlement Processing	A proposal to use Robotics to automate part of the process to reduce time and costs on low settlements under an agreed threshold (proposed £100) to be completed for consideration by the LMACC to progress outside of the TOM (see section 10.1 for more information on the TOM)	Link to analysis
Loss Fund Management	Exploring the opportunities available to make the loss fund and direct settlement process of claims more efficient and cost effective whilst introducing controls and visibility	

Further information

Please [click here](#) to see the most recent minutes for this group (LMA members only).

LMA contact - Sharyn Butcher: Sharyn.Butcher@lmalloyds.com Tim Bowling: Tim.bowling@lmalloyds.com

3.6. ECF USER GROUP

Background

The Electronic Claim File User Group (ECFUG) provides a forum for sharing user experiences and the development of best practice for the benefit of the ECF user communities. It is also responsible for monitoring and tracking performance of ECF and the IMR.

Chair - Steve Flood - Beazley (from April 2017)

Key initiatives

The key initiatives that the ECFUG are focusing on for 2016, in order of priority, are:

Objective	Summary	Current Status	Document Link
ECF Write-Back	Functionality that offers carriers the ability to review and respond to a claim in their own system, interfacing with central market systems - CLASS/IMR/ECF		Link to presentation Link to on-boarding schedule Link to press release
Binder Enhancement (E-Binders)	Functionality that brings binder claims into the scope of ECF	Development is on schedule but delivery has been postponed due to the IMR Re-platform being postponed to April/May 2017. Will now be delivered Q2/Q3 2017	Link to binder enhancement presentation Link to binder change overview
IMR Re-platform	XIS are planning an upgrade to the IMR in 2017 which will include a number of changes	The development of the new IMR is underway but delivery has been postponed to April/May 2017 to reduce the risks	Link to market communication

CSRP	CSRP will deliver improved services and infrastructure for the market back office. These enhanced and extended services will make it easier to do business in the London market and enable improvement in the acceptance, capture and storage of more consistent and richer risk and claims data	The CSRP release has been split into two releases, the first being for eBOT in April 2017, the second release for eCOT targeted for Q4 2017	Link to XCS/XIS shared service communication
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Further information

More information and access to technical documents is available on the ECF User Group website <http://www.ecfinfo.eu/technical/>. Access is granted by using your ECF2/SSO username and password.

LMA contacts - Lee Elliston: lee.elliston@lmalloyds.com

Ruth Cameron-Errington: ruth.cameron-errington@lmalloyds.com

3.7. ECF BEST PRACTICE GROUP

Background

The ECF Best Practice Group (ECFBPG) communicates any significant issues and ECF best practice amongst the ECF Groups and the broad market community.

In 2016 the ECFBPG delivered a training programme that reached over 2,500 users which in turn increased knowledge of ECF, the responsibilities of multiple parties including brokers, carriers and XCS and has resulted in reducing the market query rate on claims. The online training module can be found at <http://www.ecfinfo.com/training/>

The training programme will be refreshed and delivered again to take into account enhancements delivered by IMR -Replatform, E-Binders and CSRP - to be delivered Q4 2017

Chair - Katherine Fraser (Talbot)

Key initiatives

The key initiatives that the ECFBPG <http://www.ecfinfo.com/training/> are focusing on for 2017, in order of priority, are:

Objective	Summary	Current Status	Document Link
Training and Perception	Three work streams have been created to improve training and perception in claims. These are: <ul style="list-style-type: none"> online training and certification training events and master classes document refresh 	The masterclasses were delivered in January / February 2016 The online training rolled out to the market in the week commencing 2 nd May 2016	Link to article Link to market communication Masterclass survey results
Claim Lifecycle	An ECF working group was created to analyse query data, determine trends, identify process challenges and system constraints. The group used this analysis to develop and recommend improvements and possible solutions	The recommendations paper has been approved and work is in progress to make the recommended changes	Link to analysis and recommendations

SP&P update and business process review	A review of SP&P business processes taking into account enhancements delivered, in addition to the review of legacy processes and any new processes that are required to support the market	Review to commence mid 2017	
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Further information

More information and access to technical documents is available on the ECF User Group website <http://www.ecfinfo.eu/technical/>. Access is granted by using your ECF2/SSO username and password.

Please [click here](#) to see the most recent minutes for this group (LMA members only).

LMA contact - Sharyn Butcher: sharyn.butcher@lmalloyds.com

3.8. AVIATION CLAIMS GROUP

Background

The LMA Aviation Claims Group (ACG) provides a platform for claims practitioners to discuss common issues and make recommendations for implementation across the class of business. The ACG also reports to the Lloyd's Market Association Claims Committee (LMACC) and LMA Aviation Committee on aviation claims matters as, and when, appropriate.

The LMA Aviation Claims Forum (ACF) was formed in March 2011 and provides a strategic platform to discuss major topics and change within the London market. The main leaders of aviation are represented on both the ACG and ACF with meetings held on a monthly basis with regard to the ACF and quarterly for ACG.

Co- Chairs - Debra Johnson (Faraday) and Mark Walden (W R Berkley)

Key initiatives

The key initiative that the ACG is focusing on for 2017 is:

Objective	Summary	Current Status	Document Link
Broker Engagement	The Committee are to engage with brokers with a view to improving communication and identifying opportunities to improve customer service	Ongoing	N/A

Further information

Please [click here](#) to see the most recent minutes for this group (LMA members only).

LMA contact - Ruth Cameron-Errington: ruth.cameron-errington@lmalloyds.com

3.9. BINDING AUTHORITY STRATEGIC CLAIMS GROUP (BASCG)

Background

The LMA Binding Authority Strategic Claims Group (BASCG) is supported by key managing agents' underwriting binding authorities. It provides a representative forum which allows, where appropriate, discussion of common issues and concerns within the binding authority market. The LMA arranges bi-monthly meetings and the Group reports directly to the LMA Claims Committee.

Role of the Group

Primarily, the role of the group is to:

- Provide a representative forum which allows, where appropriate, discussion of common issues and concerns within the delegated authority market.
- Take the lead to identify and investigate related issues with an objective of producing solutions for the benefit of this market and the market in general.
- A strategic approach to overcoming market challenges and identifying opportunities to modernise the DA market is taken by members of the group to ensure the group focuses on key priorities rather than business as usual topics which are the focus of other market committees and forums
- Initiate projects or sub-groups where appropriate to address specific issues.
- Advise and provide feedback to the Delegated Authority Strategic Group & LMA Claims Committee

Chair - Clark Hanness (Brit)

Deputy Chair -Neil Read (Argo) and Steven Jones (AmTrust)

Key Initiatives

Initiative	Summary	Document Link
Lloyd's Coverholder Reporting Standards	Agreement of V5 of the reporting standards has been agreed in July 2016, with a mandate to be operational by July 2017	Lloyd's and LMA DA Claims Management FAQ
Expert Database	To reduce multiple due diligence requests and increase efficiency around the collection and validation of operational information	
Delegated Authority Strategic Group	Influencing input in to the TOM DA workstream	
DA Data Management	Enhancing to ensure compliance with regulatory reporting and minimum standards, whilst investigating ways to automate reporting	
Co-Lead Single Agreement	To be developed to improve claims proposition, especially during a CAT event	
Development of TPA and MGA Forum	To drive continuity and clarity amongst the Binder market	

Further information

Please [click here](#) to see the most recent minutes for this group (LMA members only).

LMA contacts - Tim Bowling: Tim.Bowling@lmalloyds.com

3.10. ENERGY CLAIMS GROUP

Background

The LMA Energy Claims Group (LMAECG) was set up in 2008 and provides a representative forum which allows, where appropriate, discussion of common issues and concerns within the energy market. The LMA arranges up to six meetings a year and the Group reports directly to the LMA Claims Committee.

Chair - Paul Stratton (Watkins)

Deputy Chair - Gavin Williams (Hiscox)

Further information

Please [click here](#) to see the most recent minutes for this group (LMA members only).

LMA contact - James Straker-Nesbit: james.straker-nesbit@lmalloyds.com

3.11. FINANCIAL INSTITUTIONS AND PROFESSIONAL INDEMNITY CLAIMS COMMITTEE

Background

The LMA Financial Institutions & Professional Indemnity Claims Committee (FIPICC) was set up in 2010 to provide a representative forum to allow, where appropriate, discussion of common issues and concerns within the financial institutions and professional indemnity market. The LMA arranges ten meetings a year and the Group reports directly to the LMA Claims Committee.

Chair - Peter Holland (Hamilton)

Deputy Chair - Claire Lofthouse (XL Catlin)

Key initiatives

The key initiatives that the FIPICC are focusing on for 2017, in order of priority, are:

Objective	Summary	Current Status	Document Link
Explore Possibility of a Terms of Engagement with Lawyers	It had been agreed to develop a standardised terms of engagement for lawyers	A working group has been created to draft two versions at this stage - USA and ROW	N/A
Developing Guidelines for Dealing with Excess of Tower Claims	A sub-group has been formed to develop these guidelines	Draft guidance is being reviewed	N/A
Online Reference Library	Idea raised to develop an online reference library where regular and relevant law updates from lawyers be collated centrally	The LMA have developed an online resource which will be available by the end of Q1	N/A
CTP Guidance for Experts	A guidance for experts was developed to aid with the ongoing problem of experts seemingly being uninformed as to Lloyd's CTP processes	This has been provided to the market. This can be shared with experts for all classes	Link to guidance

Further information

Please [click here](#) to see the most recent minutes for this group (LMA members only).

LMA contact - Ruth Cameron-Errington: ruth.cameron-errington@lmalloyds.com

3.12. REINSURANCE CLAIMS GROUP

Background

The Lloyd's Reinsurance Claims Group (LRCG) was set up in 2006 and provides a representative forum which allows, where appropriate, discussion of common issues and concerns within the reinsurance market. The group meets bi-monthly and reports directly to the LMA Claims Committee.

Reinsurance Property Claims Group

Chair - Clare Constable (Sompo Canopus)

Deputy Chair - David Goddard (XL Catlin)

Reinsurance Casualty Claims Group

A Reinsurance Casualty Claims Group (RCCG) was set up in April 2014 to address casualty specific issues.

Chair - Robin Smith (Chaucer)

Deputy Chair - Corné van der Breggen (XL Catlin)

Key initiatives

The key initiatives the LRCG are focusing on for 2017 are:

Objective	Summary	Current Status	Document Link
Best Practice	A forum is being planned for 2017 that will be open for the whole market to attend. This will be an opportunity to share views on best practice and also cover some current R/I specific technical issues	Planning underway	N/A
Broker Engagement	The Group are to engage with brokers with a view to improving communication and also working together to define and improve practices	Planning underway	N/A
CAT Framework & Simulation	Framework - o document the groups role in the event of a catastrophic loss In preparation for the next large CAT event those 'CAT exposed' sector groups have completed CAT frameworks which will now be tested by a 'dry run'	The framework is now complete and the group have engaged with Lloyd's The CAT simulation has been scheduled to take place throughout Q2 2016	Link to plan Link to draft CAT Response Framework Link to CAT Response Protocol

Further information

Please [click here](#) to see the most recent minutes for this group (LMA members only).

LMA contact - Ruth Cameron-Errington: ruth.cameron-errington@lmalloyds.com

3.13. MARINE CLAIMS GROUP

Background

The LMA Marine Claims Group (LMAMCG) was set up at the beginning of 2010 and provides a representative forum which allows, where appropriate, discussion of common issues and concerns within the Lloyd's marine market. The LMAMCG also works in conjunction with the Joint Marine Claims Committee. The LMA arranges meetings throughout the year and the Group reports directly to the LMA Claims Committee.

Chair - James Short (Ascot)

Deputy Chair - Paul Crockford (Atrium)

Key initiatives

The key initiatives that the LMAMCG are focusing on for 2017, in order of priority, are:

Objective	Summary	Current Status	Document Link
Universities Initiative	To address the lack of Marine Claims Adjusters in the London market	Contact has been made with universities offering Marine Law courses with a view to introducing them to the workings of the London market	N/A
CAT Planning	A marine specific CAT plan is being developed for the Lloyd's market	Currently liaising with Lloyd's and several service providers to identify resource	n/a

Further information

Please [click here](#) to see the most recent minutes for this group (LMA members only).

LMA contact - Sharyn Butcher: sharyn.butcher@lmalloyds.com

3.14. JOINT MARINE CLAIMS COMMITTEE

Background

The LUA Claims Committee was formed in 1996. It became increasingly apparent that the work it was doing tied in very closely with that of the IUA's Marine Claims Committee so in 2005, the two committees merged to save duplication of effort. As a result, the Joint Marine Claims Committee (JMCC) draws its membership from both the Lloyd's and company market, so LMA and IUA members writing marine business are eligible for membership.

Chair - Dean Allen (Hiscox)

Deputy Chair - Penny Woodhill (XL Catlin)

Key initiatives

The key initiative that the LMAECG are focusing on for 2016 is:

Objective	Summary	Current Status	Document Link
Universities Initiative	To address the lack of Marine Claims Adjusters in the London market	Contact has been made with universities offering Marine Law courses with a view to introducing them to the workings of the London market	N/A

Further information

LMA contact - Phil Norwood: Philip.Norwood@LMALloyds.com

3.15. PERSONAL ACCIDENT CLAIMS COMMITTEE

Background

The Personal Accident Claims Committee (PACC) was set up in 2012 and provides a forum for discussion of common issues and concerns in the PA market. The Group is being expanded in 2017 to include all matters relating to contingency claims.

Chair - Sarah Nicholls (Chubb)

Deputy Chair - Katherine Proctor (Talbot)

Key initiatives

The key initiatives the PACC are:

- broker engagement - to enhance the relationship between the key brokers and Lloyd's carriers
- closely monitoring developments on Binders, and engaging where appropriate with the BASCG.

Further information

Please [click here](#) to see the most recent minutes for this group (LMA members only).

LMA contact - Tim Bowling: Tim.Bowling@lmalloyds.com

3.16. PROPERTY INSURANCE CLAIMS GROUP

Background

The Property Insurance Claims Group (PICG) provides a representative forum which allows, where appropriate, discussion of common issues and concerns within the property market. The group meets monthly and reports directly to the LMA Claims Committee.

Chair - Stuart Wright (Ascot)

Deputy Chair - Trevor Self (Beazley)

Key initiatives

The key initiatives that the PICG are focusing on for 2017, in order of priority, are:

Objective	Summary	Current Status	Document Link
CAT Framework & Simulation	<p>Framework - to document the group's role in the event of a catastrophic loss</p> <p>In preparation for the next large CAT event those 'CAT exposed' sector groups have completed CAT frameworks which will now be tested by a 'dry run'</p>	<p>The framework is now complete and the group have engaged with Lloyd's</p> <p>The CAT simulation has been scheduled to take place throughout Q2 2016</p>	<p>Link to plan</p> <p>Link to draft CAT Response Framework</p> <p>Link to CAT Response Protocol</p>
Claims Conference	To address and discuss salient issues that are relevant to the property sector both in London and on an international basis	The conference will take place 18 th May 2017	http://www.picgconference.com/
Loss Adjusters Secondment Programme	The group has established a regular exchange of appropriately selected claims professionals between participating MA's and the three Loss adjusting companies (McLarens, Vericlim & York) who participate in the US Loss Adjuster Retention Initiative	Based on the success in 2015/16, looking to run again in 2017	Link to business plan
Broker Engagement	Improve the relationship with brokers	The PICG have agreed to introduce a framework to engage with the Brokers and the specific departments dealing with Property claims	Link to proposed plan
Expert Fee Management & Best Practice	Improve guidance for the instruction, management and payment of third party fees in the Lloyd's market	A working group to be established in Q1 2017	

Further information

Please [click here](#) to see the most recent minutes for this group (LMA members only).

LMA contacts - Ruth Cameron-Errington: Ruth.cameron-errington@lmalloyds.com

Sharyn Butcher: sharyn.butcher@lmalloyds.com

3.17. LLOYD'S MARKET STRATEGIC CLAIMS GROUP

Background

Following recommendations from the Lloyd's Market Strategic Claims Group (LMSCG) in Q1 2013, a number of Sector Groups have been reviewing their frameworks in place for assisting, monitoring and coordinating (where relevant) their Sector level response to catastrophe loss situations.

The drivers for the LMSCG's recommendations are various, but include changes from within our market i.e. the revised claims agreement model under the 2010 Combined Claims Scheme (CTP) and outside influences such as the nature, complexity, frequency and location of recent 'global' catastrophe events, increased regulatory focus and competitor activity.

The LMSCG meet on a quarterly ad-hoc basis when required and will increase activity during the respective CAT seasons and in the event of a major loss.

Catastrophe plans are in place for property, reinsurance and binders.

For a code to be issued (CAT, Large Loss or Tracking), the LMSCG consult with the market and the LMA Sector Groups. If agreed, the relevant code is issued.

Chair - Philip Godwin (Lloyd's)

Deputy Chair - Ruth Cameron-Errington (LMA)

Objective	Summary	Current Status	Document Link
CAT Satellite Service	Provide a core satellite imagery and intelligence service to Lloyd's carriers enhancing the response to a major loss/event	A working group to be established in Q1 2017	

Further information

LMA contact - Ruth Cameron-Errington: ruth.cameron-errington@lmalloyds.com

[Return to Contents](#)

3.18. HOUSEHOLD CLAIMS COMMITTEE

Background

Membership of this committee is made up of claims practitioners from LMA Member organisations. Membership will be in accordance with the committee's standard Terms of Reference and will be a neutral function administered by the LMA Executive. The business scope of the committee is UK Household and this includes issues connected with the following Lloyd's Risk Code classifications: HP.

Role of the Committee

The role of the Household Claims Committee is to:

- identify household claims issues considered to be of interest or concern to LMA Members, for discussion within the committee and/or referral as appropriate to the Personal Lines Household Business Panel and/or the LMA Executive
- respond to requests from the Personal Lines Household Business Panel and the LMA Executive for advice and recommendations on household claims issues
- provide a forum for exchange of views and information between claims practitioners.

Further information

LMA contact - Tim Bowling : Tim.Bowling@lmalloyds.com

[Return to Contents](#)

3.19. DA FORUM

Background

The LMA Delegated Authority Forum (DAF) provides a quarterly platform to update members of changes and initiatives that affect the delegated authority market. The target audience are claims managers and adjusters with responsibility for delegated authority schemes, and delegated underwriting managers. The DAF reports in to the BASCG and DAOC, who will support and drive solutions to address issues identified.

Further information

LMA contact - Tim Bowling: Tim.Bowling@lmalloyds.com Tom Hamill: Tom.Hamill@LMALloyds.com

[Return to Contents](#)

4. REGULATION AND COMPLIANCE

4.1. CONDUCT RISK

Background

The Franchise Board is concerned to protect the interests of Lloyd's customers. It has therefore issued minimum standards that are designed to meet the requirements of the Financial Conduct Authority and to provide practical guidance for their implementation having particular regard to the operation of the Lloyd's market, the roles of brokers and intermediaries, the roles of leaders and followers in the Lloyd's market and the roles of coverholders and service companies in the distribution of products.

[Click here](#) for more information

Governance

This is governed by Lloyd's.

Further information

LMA contact - Steve Morrell: steve.morrell@lmalloyds.com

4.2. LLOYD'S CLAIMS MANAGEMENT PRINCIPLES AND MINIMUM STANDARDS

Background

These are statements of business conduct required by Lloyd's. The Minimum Standards and Principles are established under relevant Lloyd's Byelaws relating to business conduct. All managing agents are required to meet the Minimum Standards and Principles. The requirements represent the minimum level of performance required of any organisation within the Lloyd's market to meet the Minimum Standards.

The guidance provides a more detailed explanation of the general level of performance expected. They are a starting point against which each managing agent can compare its current practices to assist in understanding relative levels of performance. This guidance is intended to provide reassurance to managing agents as to approaches which would certainly meet the Minimum Standards and Principles, and comply with the requirements. However, it is appreciated that there are other options which could deliver performance at or above the minimum level and it is fully acceptable for managing agents to adopt alternative procedures as long as they can demonstrate the Requirements to meet the Principles and Minimum Standards.

[Click here](#) for more information on guidance.

The eight principles are:

- claims philosophy
- resources, skills and management controls
- claims adjustment and management
- documentation
- claims reserving
- management of external service providers
- performance measurement
- claims agreement for subscription business.

Governance

This is governed by Lloyd's.

Further information

LMA contacts - Lee Elliston: lee.elliston@lmalloyds.com

4.3. LLOYD'S CLAIMS MANAGEMENT SUMMARY (LCMS)

Background

Lloyd's Claims Management Summary (LCMS) replaces the LCM and came into effect from 1 January 2015. It is a tool designed to assist the Lloyd's claims team in monitoring the performance of the Lloyd's market and to assist that team in fulfilling their governance role.

There are three distinct sections within the revised LCMS:

- Managing agent profile - this section is designed to provide information about the managing agent (MA) to allow for meaningful interpretation of the rest of the document.
- Claims Principles and Minimum Standards (CPMS) Indicators - this section captures information which can be considered an indicator of compliance with a number of elements of the CPMS. This section is kept separate from the third section as it focuses on the claims management framework in place, rather than the operational performance of that framework.
- Operational Performance Data - this section captures performance indicators of the MA at an operational level.

The LCMS is built around a 'RAG' rating approach, whereby all key elements have clearly defined parameters - there is no overall % scoring - this means that, rather than an implied aim of reaching 100% the aim is based around achieving Green measures - thereby suggesting a degree of compliance with some areas of the CPMS.

Governance

This is governed by Lloyd's.

Further information

LMA contacts - Lee Elliston: lee.elliston@lmalloyds.com

4.4. CLAIM FILE REVIEW

Background

The Claim File Review has been developed to establish a consistent and comparable view of the quality of lead claims handling by managing agents when measured against the requirements of Lloyd's Claims Management Principles, Minimum Standards and Requirements (MS2 - Claims Management).

These requirements include but are not limited to:

- taking actions to resolve claims on their merits and in reasonable timeframes, having regard to the circumstances of the claim
- providing an appropriate level of service to brokers or policyholders in the circumstances of the claim
- providing an appropriate level of communication of actions and progress to brokers and policyholders where appropriate
- taking appropriate steps in the appointment and oversight of (Managing Agents) third party experts
- identifying, monitoring and pursuing, where appropriate, rights of subrogation and salvage
- ensuring that claims reserving undertaken is consistent, timely and accurate.

Governance

This is governed by Lloyd's. Lloyd's contact - Phil Godwin, Head of Claims.

Current status

A pilot review of 12 managing agents was completed in 2015 to test:

- the capability of a file review process
- relevant review template
- process
- quality of reviewers
- feasibility for wide scale implementation.

On the successful completion of the pilot, a feasibility study for implementing a new independent review programme at a market-level was conducted in Q3/4 2015.

The overall conclusion was that it was appropriate that the Lloyd's market implements an independent market-wide qualitative Claim File Review (CFR) programme and does so on a 12 months phased basis commencing 1 December 2016. A market working group is meeting to establish the framework, question set, reviewers required for inclusion by MA's and matrix to protect the October implementation.

[CFR Operational Guidelines](#)

Further information

[Claim File Review Pilot Output](#)

LMA contact - Lee Elliston: lee.elliston@lmalloyds.com

[Return to Contents](#)

4.5 CLAIMS SANCTIONS SCREENING

Background

The purpose of this project is to explore the opportunity to deliver a consistent core service capable of completing and evidencing adequate checks for all higher risk claims payments processed by managing agents (and any agents acting on their behalf), whilst also offering access of this core facility to Lloyd's brokers and Xchanging. An elective solution will also be built which will provide a detailed investigation of any cases flagged as a potential match by the core service.

The market (articulated by members of the LMACC) has expressed an interest in improving the sanctions checking process within subscription claims to both mitigate risk and remove duplication of effort where it is reasonable to do so. Currently 52% of all newly reported Lloyd's claims are subscription across all classes (please see appendix 1), which means within Lloyd's alone there are multiple checks being completed on the same claims, duplicating work, costs and impacting the time to agree a claim.

A working group of claims and compliance market representatives have expressed a desire explore opportunities to build a market solution that looks to focus effort on those claims payments where the risk of issuing funds to a sanctioned individual / organisation are elevated. This accord's with the markets risk sensitive compliance procedures, and the guidance set out in the Lloyd's bulletin Y4560 from February 2012.

Current status

Engagement with the market continues to ensure that the scope of any project accurately reflects the requirements of the managing agencies.

Further Information

LMA contacts - Tim Bowling: tim.bowling@lmalloyds.com

5. CLAIMS

5.1. CLAIMS AGREEMENT

Background

Bureau

History

The companies market moved from paper to an electronic claims agreement and settlement model in the late 1980s with the introduction of the CLAMS and ELASS systems. In 1999 these systems were combined into the Claims Loss Advice and Settlement System (CLASS) which is now the basis of London electronic market claims handling. However, CLASS only provides storage for data.

The Lloyd's market commenced migration from paper to electronic processing in the mid-2000s. At that time the LMA commissioned XIS to provide an integrated service to managing agents, the Electronic Claim File (ECF), which is the combination of the IMR and CLASS, supporting the storage of both claims documents and data. Usage stands at 95%+ of Lloyd's claims and at 85% for non-Lloyd's claims.

ECF (and ECF2)

Note - during 2011 a programme of ECF enhancements providing significant new functionality were delivered as 'ECF2'. While some user functionality only exists in ECF2, the terms ECF and ECF2 are inter-changeable in the context of the market's ability to process claims electronically.

ECF allows brokers to supply an entire claim file electronically to all insurers at the same time. All insurers therefore have concurrent, contemporaneous access to the claim file - eliminating the need for the broker to serially present the claim file to different insurers individually. The major benefit of this is that it reduces the length of the overall claim lifecycle, from first advice to settlement, providing customers with a greatly improved service.

ECF also provides support for legacy claims, that is claims that were originally initiated on paper. The claims history is scanned into ECF and then managed electronically. CTP Legacy Scanning Service has enabled 'in-scope' Lloyd's claims to be transferred to ECF for all classes. For more information, refer to <http://www.ecfinfo.eu/technical/legacy/>.

In the companies market the claims not handled via ECF will still be managed electronically through CLASS but without the added support of electronic document storage.

It should be noted that Lloyd's agreed claims are subsequently processed and settled manually through XCS whereas company market agreed claims are automatically settled through the LPC settlement process.

More information on ECF is available on the ECF User Group website: www.ecfinfo.com.

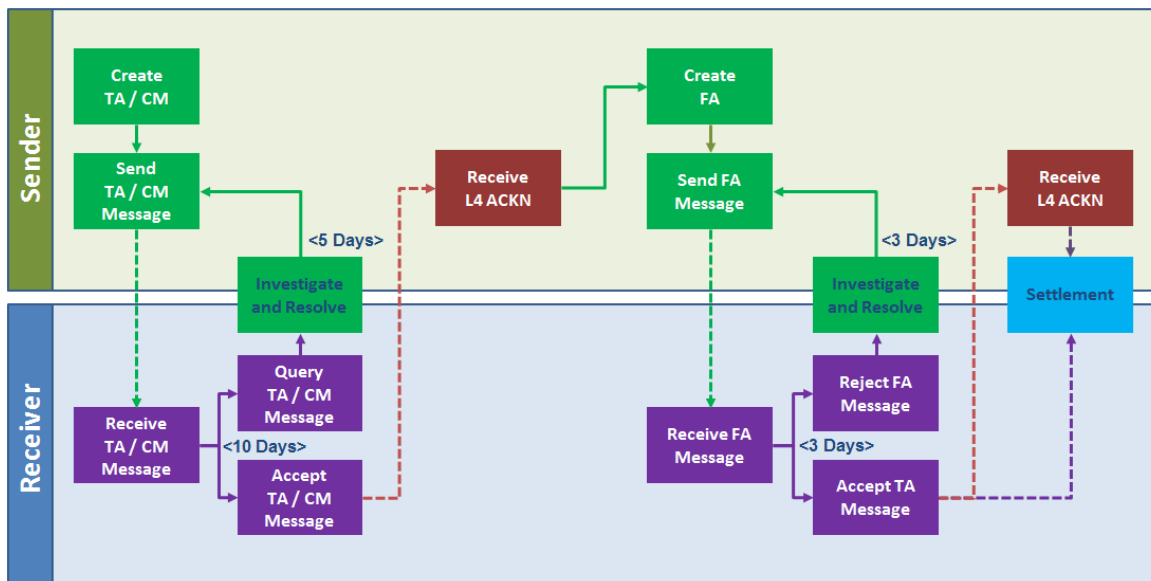
Non-bureau

The non-bureau community claims processes accounting inasmuch that while standardised claims processing has existed in the bureau community for many decades, the process in use by the non-bureau community has been more fragmented and has evolved by agreement with counter-parties using a variety of methods and media to share accounting information.

However, Ruschlikon's adoption of the ACORD GRLC standard supports the ECOT claims message which has been implemented by a small group of brokers and carriers with the expectation that wider adoption will occur in both the non-bureau and bureau communities.

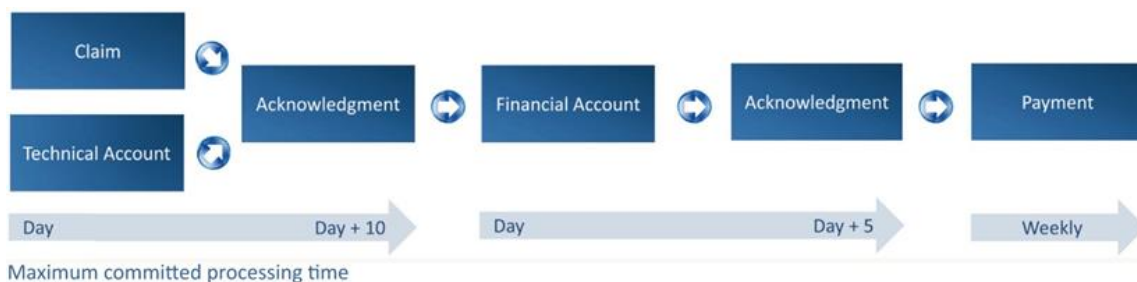
The diagram on the next page provides an overview of the Ruschlikon process.

Ruschlikon process

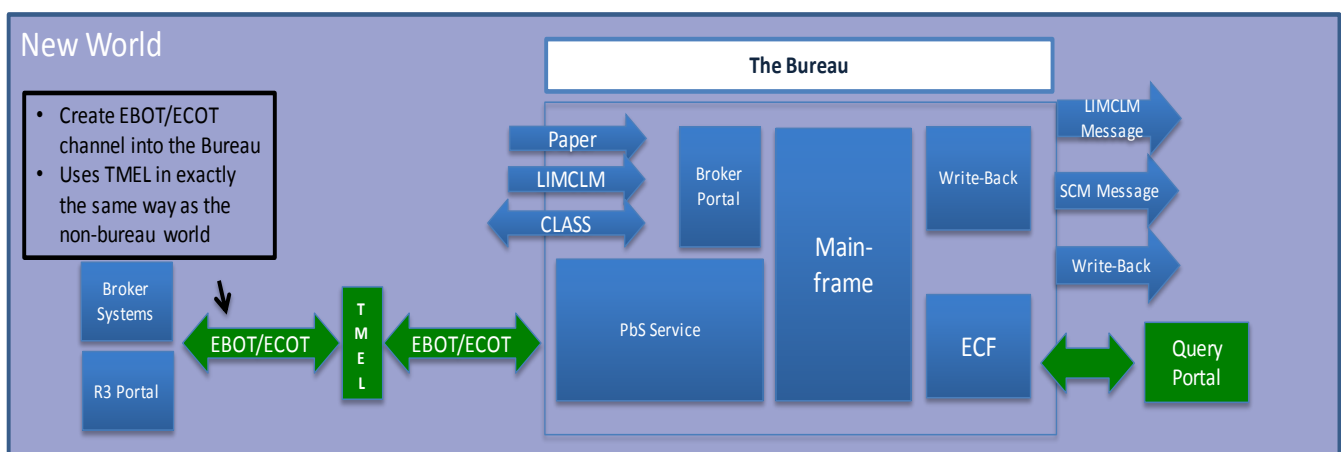


Note: For every Claim Movement (CM) there is a corresponding Technical Account (TA).

Ruschlikon has also introduced best practices concerning maximum processing time, as shown below:



CSRP Claims (to be process 2017/18)



Governance

Bureau

Governance relating to ECF sits with the ECF User Group (ECFUG) which reports to the Associations Administration Committee (AAC).

The ECFUG is made up of representation from Lloyd's managing agents, Brokers, Companies, Lloyd's and XIS. Focusing on issues raised by the market and from feeder groups, the ECFUG makes recommendations on process and technical issues and requirements for the AAC's consideration. The group's website is: www.ecfinfo.com.

Non-bureau

ACORD co-ordinates the Ruschlikon global communities by facilitating the following groups and communities:

- the Ruschlikon Steering Group
 - determines the objectives, strategy and vision
 - works in close cooperation with all stakeholders
 - globally coordinates activity with other representative group
- the Business Implementation Group (BIG)
 - evaluates and refines enhancements
 - agrees on process and workflows
 - maintains the Global (Re)Insurance Best Practices - Accounting claims and Settlement
- geographic insurance communities
 - North America E-Business Group - the USA and Canada
 - Ruschlikon UK - the London and UK non-bureau market
 - Bermuda Ruschlikon Steering Group - Bermuda
 - Ruschlikon Asia-Pacific - Singapore and South East Asia
 - Ruschlikon Australasia - Australia
- the Ruschlikon Global Marketing Group is responsible for helping regional implementation communities organise events and produces marketing literature, video and webinars.

Linkages and dependencies

Bureau

The ECFUG has initiated a project, Write-Back, to add additional functionality to ECF to provide carriers with the flexibility to either manage claims in their own systems which, in turn, interface to ECF. Alternatively carriers will still be able to log onto the ECF system and manage claims directly via ECF. Further details of this project are provided in [section 10.3](#).

While not a market modernisation work stream *per se*, under the AAC-administered IMR Agreement, XIS are planning an upgrade to the IMR in 2017 which will include a number of changes including the retirement of 'ECF1'. Details are provided in [section 10.9](#).

Further information

Bureau

LMA contact - Lee Elliston: lee.elliston@lmalloyds.com

Non-bureau

Ruschlikon community - see the [ACORD website](#)

[Return to Contents](#)

6. CLAIMS TRANSFORMATION PROGRAMME

Background

This initiative responded to the market's debate about future claims handling with an aim to enhance Lloyd's reputation for fair and fast claims handling and to place claims on a par with underwriting in terms of creating competitive advantage for firms and the market as a whole.

Claims are triaged into either Standard or Complex categories by applying a set of financial and non-financial triggers. For Complex claims the financial trigger is £250,000 for all classes, except property treaty and energy claims where the trigger is £500,000. All claims involving a coverage dispute must be triaged as Complex. The Lloyd's leader acts as the single agreement party for Standard claims and will bind the following Lloyd's market. For Complex claims, agreement is by the leader and second Lloyd's underwriter. If there is disagreement with, or between, the leader and second underwriter and if 50% or more of the remaining follow market request it, then the leader calls a market meeting.

Leaders (and second underwriters where applicable) have an express duty of care to followers but with limitation of liability. Underwriters wishing to outsource claims handling are able to do so. A leader can outsource to a provider of their choice.

The current Lloyd's claims scheme is known as the Lloyd's Claims Scheme (Combined). This incorporates both the 2006 Claims Scheme (where Xchanging previously agreed claims under the Claims Agreement for Followers arrangements) and the 2010 Claims Scheme (where the leader acts on behalf of the followers; and the second lead also acts on behalf of the followers on complex claims). Please note that all subscription market claims are now subject to the 2010 Claims Scheme.

Further information is available from the [Lloyd's website](#).

Governance

This is governed by Lloyd's.

Current status

All remaining legacy classes (mainly aviation, casualty, professional indemnity, financial lines and motor) were introduced into ECF from 31 December 2014.

Further information

LMA contact - Lee Elliston: lee.elliston@lmalloyds.com

Lloyd's contact - Tim Lovick: tim.lovick@lloyds.com

6.1. CLAIMS REPORTING SUITE DATA

Background

The Lloyd's insurance market Claims Reporting Suite (CRS) is a series of interactive web based apps available for both Lloyd's and managing agents. The CRS was developed as part of the Lloyd's Claims Transformation Programme and allows operational performance to be monitored. The apps are accessed remotely through a web based portal.

The underlying data has always existed within the market systems, but now it has been brought to the surface and can be analysed and interpreted. It is only now that the true value of much of this data is being realised to create competitive advantage - the information is emerging.

Release 2 of CRS has recently gone live which includes a number of changes to that make the application more useful for managing agents. Some of the changes include Expert Management, MA defined RAG and a new LREC app. For full details of the changes, please [click here](#).

Governance

This is governed by Lloyd's.

Further information

LMA contact - Ruth Cameron-Errington: ruth.cameron-errington@lmalloyds.com

6.2. VOLUME CLAIMS SERVICE

Background

The Volume Claims Service (VCS) is part of the Claims Transformation Programme (CTP) with the view to enhance the Lloyd's markets reputation for fast and fair claims handling. One consequence of CTP is increased pressure on highly skilled adjusting teams as they absorb additional tasks. The market wished to test the proposition that an outsourced VCS could improve customer service for claims handling by implementing a cost effective, outsourced service for handling low value, high volume claims to a standard that is consistently higher than Lloyd's Claims Management Principles and Minimum Standards.

The Volume Claims Service is a delegated lead adjusting service for the handling of non-complex claims across all claims schemes. Two third party service providers, Crawford and Xchanging, offer the service.

Despite representing 85% of claims volume in the market, these are comparatively low value claims, representing just 15% of claims by value. Under the VCS, speed will be comparable to the Lloyd's markets top quartile performers, and the VCS SLA for cumulative lead response time is 48 working hours.

A further benefit of VCS is that it enables greater focus within managing agencies on the quality of claims handling for complex claims.

Current status

VCS is being considered as a central shared service as part of the LMG's, London Target Operating Model work.

Linkages and dependencies

The success of VCS is dependant on take up by the market.

Governance

This service is governed by Lloyd's, led by Tim Lovick.

Further information

LMA contact - Lee Elliston: lee.elliston@lmalloyds.com

[Return to Contents](#)

7. EXPERTS

7.1 LONDON MARKET EXPERT DATABASE

Background

Historically, the market has taken a decentralised approach to managing Third Party Administrators (TPAs) which is inefficient for both insurers and the TPAs. During 2013 the LMA's Binding Authority Claims Group (BACG) undertook a tender process which resulted in the appointment of Charles Taylor Insurance Services (CTIS) to develop and manage a third party claims administrators' database. This is now commonly referred to as the London Market Expert (LME) Database.

The LME Database is designed to reduce multiple due diligence information requests from managing agents and increase efficiency around the collection and validation of generic operational information as well as continue to centralise shared audits to reduce cost and effort for MAs and TPAs. The database went live at the end of Q2 2014 and access is available to all managing agents, TPAs, auditors appointed by managing agents and Lloyd's.

Governance

Governance is between the managing agents and TPA's that use the service but is endorsed by the BACG.

Linkages and dependencies

While the database is not directly linked to other claims modernisation initiatives, it supports the ethos of efficiencies through centralised shared services and data.

Further information

LMA contact -Tim Bowling: Tim.bowling@lmalloyds.com

7.2 EXPERT MANAGEMENT

Background

Market systems do not capture data on expert spend (fees paid by the market to suppliers providing a claims service on behalf of the market, i.e. loss adjusters, solicitors, surveyors, forensic accountants, building repair networks etc.). This means that managing agencies do not have clear visibility on how much they are spending on experts, or whether they are paying more than they should be. They are currently unable to make informed decisions.

The ability for each managing agency to manage their relationships with claims experts is also limited, as they typically have insufficient resource to design, implement and manage an expert oversight framework.

The objective of this project is to implement a solution that delivers both the capture of expert usage and expert spend, and also gives a platform for each managing agency to better interact with, and manage the performance and their relationship with claims experts, capturing due diligence, performance management, audit controls and service levels.

Governance

Governance is between the LMA Claims Committee and Claims Operations Managers Group (COMG).

Current status

A [Project Initiation Document](#) has been reviewed by the LMACC and the project is proceeding to the next phase of development. A Request For Proposal will be shared with potential vendors in Q2 2017, should funding be agreed in Q1 2017 by the LMACC.

Further information

LMA contact - Lee Elliston: lee.elliston@lmalloyds.com

7.3 DELEGATED AUTHORITY - PERFORMANCE MANAGEMENT & MINIMUM STANDARDS

Background

When outsourcing claims authority, all Lloyd's managing agents are required to demonstrate their adherence to Lloyd's Claims Principles and Minimum Standards (CPMS), in particular Principle CLM6, Standards 6.1.1-6.1.4, and to the requirements contained within the Intermediaries Byelaw.

As part of Lloyd's governance programme, Lloyd's has been conducting targeted thematic reviews over the course of the last couple of years; these reviews have included a specific focus upon Delegated Claims Authority Management. A number of thematic issues were identified through these reviews that are relevant to this project.

Lloyd's and managing agents recognise there is commercial and governance related value in there being available a consistent set of minimum claims service levels for TPAs and coverholders and an accompanying set of minimum claims performance management information reported by the TPAs and coverholders to managing agents that have appointed them.

In order to aid the Lloyd's market and their TPAs and coverholders in achieving this outcome the Binding Authority Strategic Claims Group (BASCG) and Lloyd's have worked together on a project to explore the best possible way of delivering this framework and how it can be implemented.

It is not envisaged that the resulting claims service levels and claims management information reporting requirements be mandatory but they would act as a minimum where no satisfactory alternative service levels or reporting requirements exist.

Governance

Governance is between the managing agents and TPA's but is endorsed by the BACG.

Links and dependencies

Whilst a stand alone project, to enable a unified approach, it has been proposed that the Coverholder and TPA SLA / Performance Monitoring measures are included within the Lloyd's Standard Claims Bordereau, which also capture Solvency II, Conduct Risk data requirements and Coverholder Reporting Standards.

Current status

The Lloyd's Reporting Standards v.5 were communicated to the market under Lloyd's bulletin Y5015 on 15 August 2016. The date for information capture on mandatory information fields has been extended until 1 July 2017 on claims presented on policies attaching to binding facilities incepting from 1 July 2017.

Further information

Performance Monitoring Minimum Standards Template - [TPA](#) and [Coverholder](#)

[Lloyd's/LMA communication - FAQ's](#)

LMA contact - Tim Bowling: Tim.bowling@lmalloyds.com

[Return to Contents](#)

8. LMA ACADEMY

8.1. LMA ACADEMY

The goal of the LMA Academy is to raise the profile of education in the Lloyd's market. This is delivered through a series of modular programmes, workshops, masterclasses and alumni events that support learning and career development. Information on the LMA Academy can be found on the [LMA website](#).

8.2. LMA CLAIMS FOUNDATION PROGRAMME

The foundation programmes are designed to give a solid grounding in the subject and are provided by the LMA Academy. The Claims Foundation Programme is aimed at those with two plus years experience in the Lloyd's market. Learning includes principles of insurance, principles of law, regulation, claims handling at Lloyd's, practical claims issues, underwriting considerations, governing law and dispute resolution. This programme is validated and approved by the CII.

8.3. LLOYD'S CLAIMS PRACTITIONER PROGRAMME

The claims Practitioner Programme is a course provided by the Corporation of Lloyd's for experienced highly rated claims adjusters. Learning includes best practice, Lloyd's and the market, inter-personal skills development, persuasion and influencing and change management. Candidates are required to be working towards ACII.

8.4. LIVING WITH US LITIGATION

This course is provided by the LMA Academy and is a programme aimed at underwriting, claims and in-house legal staff handling claims related to USA Risks. It is designed for those that have at least five years experience in the Lloyd's market or the insurance business community. The programme is run in New York in conjunction with Wilson Elser and is highly interactive and is based upon a fictitious but very relevant case. There are mock depositions and a mock trial held in a law court at a New York Law School.

Further information

LMA contact - Charlotte Myers: charlotte.myers@lmalloyds.com

[Return to Contents](#)

9. LMA LIIBA U35S CLAIMS GROUP

About the group

The LMA and LIIBA have formed an U35s claims group for Lloyd's managing agents claims adjusters and Lloyd's claims brokers.

The group's primary aim is to promote education and interest in all aspects of insurance claims to educate members on both general and class specific claims matters. It also aims to facilitate networking between Lloyd's managing agents claims professionals and Lloyd's brokers claims professionals.

Anyone working in the claims environment (which includes Lloyd's managing agents, Lloyd's brokers, insurance companies, service providers or Lloyd's) and is 35 or under can join the group.

About the committee

The committee consists of twelve members, made up of representatives from Lloyd's managing agents and Lloyd's brokers who are responsible for organising educational and networking events for the group. Specific class of business events are organised by the relevant committee members.

Key initiatives

The key initiative that the LMA LIIBA U35s Claims Group are focusing on for 2017 is:

Objective	Summary	Current Status	Document Link
U35 Trip 2018	A trip to Canada has been planned for May 2018.	Dates to be confirmed	N/A
CILA Talk	The committee have arranged for CILA to give a presentation on what an adjuster does. Attendees will gain an understanding of the competences of a loss adjuster, what to expect of a loss adjuster and how to gain the best use of this vital resource in the process of resolving claims.	Old Library is booked for 30 th May Registration is open.	Registration
U35s/IACP Claims Conference	A conference has been planned for 2 nd June 2017 in the Lloyd's Old Library.	Sir Richard Dearlove (Ex-head of MI6) has been confirmed as the Key note speaker. Registration is now open.	U35s Claims Group Inaugural Conference Conference Registration
Belfor Workshop	A site visit has been planned by the committee with the sponsorship of Belfor for a 2 night trip to Munich in June. 15 Delegates will be given the opportunity to attend a two-day "hands on" workshop at Belfor's European Research and Development Centre in Munich.	Registration is open.	Belfor trip information Registration
Cyber Event	Pinset Masons will deliver a talk on Cyber claims entitled: "Digital disruption: The future of Cyber and live hack demonstration".	Old Library booked for 27 th June 2017. To register your interest please email carly.schwarz@lmalloyds.com	
Flood V Windstorm	The committee with MacLarens have put together presentation on the differences in flood and	Old Library has been booked for 18 th October 2017.	

	windstorm claims.	To register your interest please email carly.schwarz@lmalloyds.com	
'introduction to' /case study mini series	The committee are currently working on a selection of 'introduction to' presentations on niche classes of business and a selection of case studies involving big events (such as 9/11) that the younger members of the claims market wont have encountered yet in their career.	Venues have been provisionally booked. A sub meeting has been arranged to finalise topics.	

Further information

For more information on the committee and the class of business representatives, [visit the committee page](#).

LMA contact -Carly Schwarz: Carly.Schwarz@lmalloyds.com

[Return to Contents](#)

10. THE CHANGE PROGRAMME

10.1. LONDON MARKET GROUP TARGET OPERATING MODEL

Background

As part of its response to the findings of 'London Matters', early 2015 LMG announced an initiative to provide a more detailed operational vision of a modernised market and from a claims perspective, it is to improve the customer experience of London Market Claims. The research identified that we need to improve the ease with which business is transacted in London and specifically to seek to "reduce...cost[s]...by delivering on infrastructure activities, removing London specific processes and realising economies of shared service[s]".

The London Market Target Operating Model (LM TOM) programme will provide a new market operating model based on one touch data capture, improved access and enhanced service and efficiency through shared services.

The first phase for claims covered the system and process review and enhancements and potential shared services. This review took place by the LMG Claims Sub-Group, with the [recommendations paper](#) being incorporated into the TOM blueprint for claims.

The TOM seeks to identify streamlined processes, both for external interaction with the London market and within the market. In turn, this will make London simpler and easier to access with the market employing efficient, and therefore lower cost, processes to minimise the cost of administration.

Plan

The programme's Discovery Phase ran until the end of October 2015, whereby the vision and roadmap were designed and Project Initiation Documents (PIDs) were developed.

The claims initiatives were not prioritised for 2016 but work continues with development of the blueprint and defining business requirements in readiness for prioritisation. Overall, implementation of the LM TOM is seen as a five year programme.

Claims has been split into two workstreams; Claims Core Services and Claims Customer and Competitor Analysis. The main objectives under each are:

Claims Core Services

The Claims Core Services Initiative supports the overarching LM TOM ambitions of improving the 'ease of doing business' and improving customer service consistently across the London Market. The 'hard' deliverables of the project will provide services that are key to making the London Market claims service easy to use and more attractive to customers; from insurers through to brokers and policyholders, including service providers in the value chain.

Reduce end-to-end processing and settlement time:

1. Efficient elective processes
 - Single Agreement Party Protocol
 - Pre Adjusting Checks: Sanctions, Fraud, KYC (Know Your Customer), ABC (Anti-Bribery and Corruption), Regulatory data
 - Automated Triage for all Claims
 - Standard Claims Processing
 - Loss Fund Management
2. Better data quality and availability to reduce manual rekeying, including and straight through processing (STP) ability
3. Standard messaging (ACORD standards) both internally and to connected systems
4. Performance measures and , KPIs, etc. to improve overall market standards

Improve visibility and access:

5. Better access to Claims information for all parties in a claim (policyholders, brokers, TPA, Coverholders, Experts)
6. Accurate management information for London Market participants

Claims Customer and Competitor Analysis

The objective of the CCA is to enhance customer claims experience by using the resulting intelligence to improve, modernise and develop those key areas that meet customer requirements. It will enable the Market to understand, compete with and outperform their competitors. This is broken down into the following key objectives;

1. Understand in detail the appetites, requirements and expectations of Claims customers
2. Validate and inform the work packages identified by the Core Services work stream against these appetites, requirements and expectations whilst revealing any customer requirement that have not been identified or included in the work packages.
3. Illustrate how competitors are meeting customer needs and differentiating themselves from the Market (strategies/services/products).
4. The CCA will provide fact based direction for modernisation and improvement as well as a template for further analysis to establish how successful post CCA modernisation has achieved its goals.

Impacts, Linkages and Dependencies

Clearly the LM TOM will have significant impact on managing agents. There will be opportunity to capitalise on the benefits through access to integrated shared services in London and Internationally which will reduce duplication, unnecessary costs and barriers to entry for new territories. This will require investment by managing agents, such as to integrate data into internal systems, based on individual business cases. A tool has been made available to assist managing agents with assessing the costs and benefits involved.

In the Lloyd's market some services or processes may need to be mandated in order to derive full value from the LM TOM investment. This would be based on their fundamental nature to the LM TOM and the need to achieve high benefits conditioned on scale.

Governance

Programme Owner: LMG	Programme Sponsor: Shirine Khoury-Haq, Lloyd's
Programme Manager: Davide Bianconi, Lloyd's	LMA Claims Lead: Lee Elliston

Further information

Please see the following for more information:

[Claims Core Services Project Initiation Document - latest version](#)

[Claims Customer and Competitor Analysis Project Initiation Document - latest version](#)

[LM TOM - Future Claims](#)

[Claims on a Page](#)

Appendix C - [Lloyd's TOM Current and Future Process](#)

LMA contacts - Lee Elliston: Lee.Elliston@lmalloyds.com

Tom Payne: Tom.payne@lmalloyds.com

10.2. CENTRAL SERVICES REFRESH PROGRAMME (CSRP)

Background

CSRP is a key collaborative pillar in the delivery of the market's Future Process Model. It addresses the [London Matters](#) challenge to implement infrastructure which removes London specific processes and realises economies through shared services. CSRP is an initiative overseen by the London Market Group (LMG) and involves the IUA, LMA, Lloyd's, LIIBA and XIS.

The programme will deliver improved services and infrastructure for the market back office. These enhanced and extended services will make it easier to do business in the London market and enable improvement in the acceptance, capture and storage of more consistent and richer risk and claims data.

Objectives

CSRP aims to:

- eliminate or move (from brokers to a central services provider) the London-specific back office processes (known as 'Londonisms') that have been identified as factors hindering the processing of business in London and as part of ongoing improvements to outsourced back office provision
- provide for the sharing of information between Brokers and Carriers (including XIS, their back office supplier) using electronic messages to ACORD standards; delivering this information using accepted global data standards was identified as contributing to the ease of processing of business
- replace old technologies
- extend central services where economies of scale are beneficial, as described in the Future Services Register (FSR).

Benefits

CSRP is driven by the desire to meet brokers' requirement to operate with any insurer-service provider combination (including a bureau) in a manner consistent with other global organisations. In turn, the lower cost of London market administration, both to brokers and carriers, will make the London market more attractive to brokers and insureds.

Plan

CSRP is being implemented through work streams:

- 1.1a (eBOT) was delivered in November 2016
- 1.1b (eCOT) to be delivered in March 2017
- 1.2 (increased scope for eBOT and eCOT) has a target delivery date of November 2017

Linkages and dependencies

CSRP forms the delivery vehicle for a significant part of the market's work to improve future processes.

CSRP is an integral element of the Target Operating Model - (see [section 10.1](#))

Governance

- Programme sponsor: London Market Group (LMG)
- Programme governance: Cross Market Steering Group reporting to the LMG
- Programme manager: Stuart McPhee, CSR Programme Team
- LMA leads: Malcolm Beane/Tom Payne/Lee Elliston/Peter Griggs

Current status

Claims workshops, which are made up of market representatives and supported by ECFUG and COMG), have commenced concentrating on eCOT and the query process. The PBS User Guide will be updated to incorporate claim requirements, design and solutions. This will be available within this document in Q2 2016 ahead of 1.1b implementation.

Further information

CSRP materials and more information are available on the LMG website [LMG website](#).

[CSRP User Guide](#) LMA contact - Lee Elliston: lee.elliston@lmalloyds.com

10.3. ECF WRITE-BACK

Background

Even though many carriers have developed sophisticated claims management tools and systems for in-house use, when it comes to market agreement to claims, carriers still have to use ECF.

The Write-Back project introduces further functionality which offers carriers the choice of using their own systems or ECF to manage claims.

ECF write-back supports:

- claim notification
 - near real-time trigger to notify carriers of events
 - enriched claims data and supporting documents
- retrieve claims data and documentation
 - data for a given UMR, UCR and TR
 - documentation - UMR and UCR
- DRI Search - search for a list of documents relating to UMR/UCR/TR
- DRI Download - the ability for carriers to download documents from the IMR to their local repository
- Claim Response - submission of claim response from internal system to ECF
- DRI Upload - upload of documents from internal system to a UMR/UCR/TR combination specified, which will include the ability to supply an ACL (Access Control List).

Objectives

The primary objective was to introduce functionality that offers carriers the ability to review and respond to a claim in their own system which, in turn, offers flexibility to carriers in managing claims electronically.

Benefits

The project provides the following benefits:

- savings in effort and cost through a single operating model (London and non London)
- removal of duplication of effort caused by working across multiple systems
- reduction in restrictions to central systems working hours
- partial insulation from risk of central systems performance issues and unavailability
- reduction in effort and simplification of claims handling
- improvements in the access to claim data and information.

Status and Plan

- Phase 2 Acord ECOT - Analysis & Design is complete to move Write Back to ECOT messaging and remain aligned to CSRP roadmap. Expected delivery in 2017
- Eight service providers and 23 carriers are now live
- A plan has been established to allow carrier to adopt on a managed phased approach throughout 2017
- On-boarding plan for 2017 has been released INSERT NEW PLAN AND COM([see link](#))
- The Write-Back project will cease at 2017 end, central support and funding will no longer be available and Write-Back will be a BAU service.

Governance

Project Owner: ECFUG	Project Owner: ECFUG
Test Manager: Paul Tuvey	LMA Lead: Lee Elliston

Further information

More information and access to technical documents is available on the ECF User Group website

<http://www.ecfinfo.eu/technical/write-back/>.

Access is granted by using your ECF2/SSO username and password.

LMA contact - Lee Elliston: lee.elliston@lmalloyds.com

10.4. ECF BINDERS (E-Binders)

Background

In order to progress usage of ECF for binder processing it was decided to develop interim work-arounds ahead of system enhancements to fully manage co-lead binders on ECF.

An initial phase (phase one) using email for the co-leaders to agree a claim, concluded that email is too cumbersome as a practical business process.

Under phase two, which ran until October 2012, agreement of all 'outside of authority co-lead' claims in the bordereau continued to be managed on paper while 'within authority co-lead' claims were handled via ECF. Transactional processing leading to settlement for both 'outside' and 'within' authority co-lead claims was managed through the ECF Bordereau.

This provided a step-change increase for more claims to be brought into scope for ECF while providing data to establish a business case for phase three, a full co-lead ECF solution.

Benefits

- Remove ECF Exclusions - co-lead claims now brought into scope for processing on ECF2.
- Efficient Processing - current processes are inefficient around co-lead, above authority claims, loss funds and cash losses with many workarounds and duplication of effort between brokers, carriers and XCS. This effort will be significantly reduced.
- Align with Strategic Growth - binders are a key growth strategy for Lloyd's.
- Improved Customer Service - by processing Co-lead claims in ECF2, cycle times are reduced by 50%.
- Improved Management Information - complex arrangement between master covers, individual covers, loss funds and cover holders can be stored and accessed in one system. This will allow easier reconciliation of transactions.

Plan

Phases one and two are complete. Phase three - see current status.

The next phase is part of the strategic change request programme which started in 2014. A binders work stream is part of the programme and focuses on bringing co-lead, above authority and multi OSND claims into the scope of ECF. The binder work streams main aim is to provide an electronic binder solution to the market which also provides flexible, strategic components to help enhance the market after binder functionality is introduced. It will include delivery of a solution that will enable the following claims to be handled within ECF2:

- co-lead claims
- above authority claims
- loss funds
- cash loss (out of sequence)
- master covers.

This phase has been given approval to proceed to build, test and implementation. Targeted delivery date is Q1 2018.

Linkages and dependencies

This is a project within the wider ECF enhancement programme. It is dependent on the delivery of the IMR Re-platform.

Governance

Project Owner: ECFUG	Project Sponsor: AAC
Test Manager: Paul Tuvey	LMA Lead: Lee Elliston

Current status

- The Functional Specification for all Binders components has been agreed by the market and build and test phase is near completion. Early sight testing has taken place in Q1 2016 and full MAT will be completed closer to implementation.

Further information

More information and access to technical documents is available on the ECF User Group website

<http://www.ecfinfo.eu/technical/>.

Access is granted by using your ECF2/SSO username and password.

[Binder enhancement presentation](#)

[Binder change overview](#)

LMA contact - Lee Elliston: lee.elliston@lmalloyds.com

10.5. TRAINING AND PERCEPTION

Background

The ECF Best Practice Group developed a Training & Perception Programme which was rolled out in Q1 2016. This training programme will be refreshed and re-delivered in Q4 2017 to include enhancements delivered from E-Binders, IMR Re-platform and CSRP.

From analysis completed across the market, it has become evident that there are gaps in knowledge in respect of ECF functions, process and the handling of CTP and the roles and responsibilities within. This impacts the perception of ECF2. The purpose of this programme is to improve:

- knowledge of new and existing functionality
- knowledge of new and existing processes
- communication and the understanding of roles for parties involved in the claims process - i.e brokers, carriers, third parties and XCS that all liaise on claims between IMR and ECF.

The three work streams are:

- online training and certification
- training events and master-classes
- document refresh - i.e SP&P, Guidelines and Hints and Tips.

Linkages and dependencies

This is a sub-project within the wider ECF take-up programme.

Governance

Project Owner: ECFUG	Project Sponsor: AAC
Project Lead: Katherine Fraser (chair)	LMA Lead: Sharyn Butcher

Current status

To register for a licence to complete the online training, please email ecffocusgroup@lmalloyds.com. Alternatively, the online training will be available on the ecfinfo.com website.

Further information

[Training & Perception Flyer](#)

[Market Communication](#)

[Link to training update and masterclass presentations and highlight documents](#)

LMA contact - Sharyn Butcher: sharyn.butcher@lmalloyds.com

10.6. MARKET RELEASES CSRP

Background

There are strategic changes that are scheduled for release in 2017. These are:

Release	Change Details	Current Status
March 2017	CSRP 1.1b - Claims <ul style="list-style-type: none">• Scope and implications to claims• Carrier Integration	Implemented - 5 th March
May 2017	CSRP 1.1b - Claims <ul style="list-style-type: none">• Scope and implications to claims• Carrier Integration	May
September	IMR Re-platform - XIS are planning an upgrade to the IMR which will include a number of changes. The primary purposes of the project are to: <ul style="list-style-type: none">• replace existing IMR software which is approaching end of life• introduce software that enables improved market user functions• provide enhanced management tools for XIS and their hosting of the IMR	Phase one has been carried out, Phase 2 is due to take place in May with an estimated go-live date in July
November 2017	CSRP 1.2 - Claims & Premiums <ul style="list-style-type: none">• Scope to be determined	November 2017 delivery date
Q1 2018	Binders - will include delivery of a solution that will enable the following claims to be handled within ECF2: <ul style="list-style-type: none">• co-lead claims• above authority claims• loss funds• cash loss (out of sequence)• master covers	Postponed to Q1 2018 following the IMR Re-platform

Linkages and dependencies

These are sub-projects within the wider ECF take-up programme.

Further information

More information and access to technical documents is available on the ECF User Group website <http://www.ecfinfo.eu/technical/>. Access is granted by using your ECF2/SSO username and password.

[ECF 2017 Roadmap](#)

LMA contact - Lee Elliston: lee.elliston@lmalloyds.com

10.7. ECF IMR RE-PLATFORM

Background

While not a market modernisation work stream *per se*, under the AAC-administered IMR Agreement, XIS are planning an upgrade to the IMR in 2016 which will include a number of changes.

This entry is provided for background information in advance of increasing market awareness during 2015 regarding this project.

Objectives

The primary purposes of the project are to:

- replace existing IMR software which is approaching end of life
- introduce software that enables improved market user functions
- provide enhanced management tools for XIS and their hosting of the IMR.

Benefits

The introduction of improved 'business as usual' operation along with technologies that provide opportunities for market user enhancements.

Plan

New software has been selected to support the IMR and will be delivered in Q2 2016, which will include all existing and some new functionality.

Current status

A working group of ECF User Group representatives has been created to provide input to the design phase of the upgrade. The upgrade has been postponed to July 2017 to reduce the risk to the market.

Further information

[XIS Communication - IMR Re-platform Update](#)

[LMA Communication - IMR & ECF Changes](#)

LMA contact - Lee Elliston: lee.elliston@lmalloyds.com

[Return to Contents](#)

11.APPENDICES

11.1. APPENDIX A: COMMITTEE TERMS OF REFERENCE

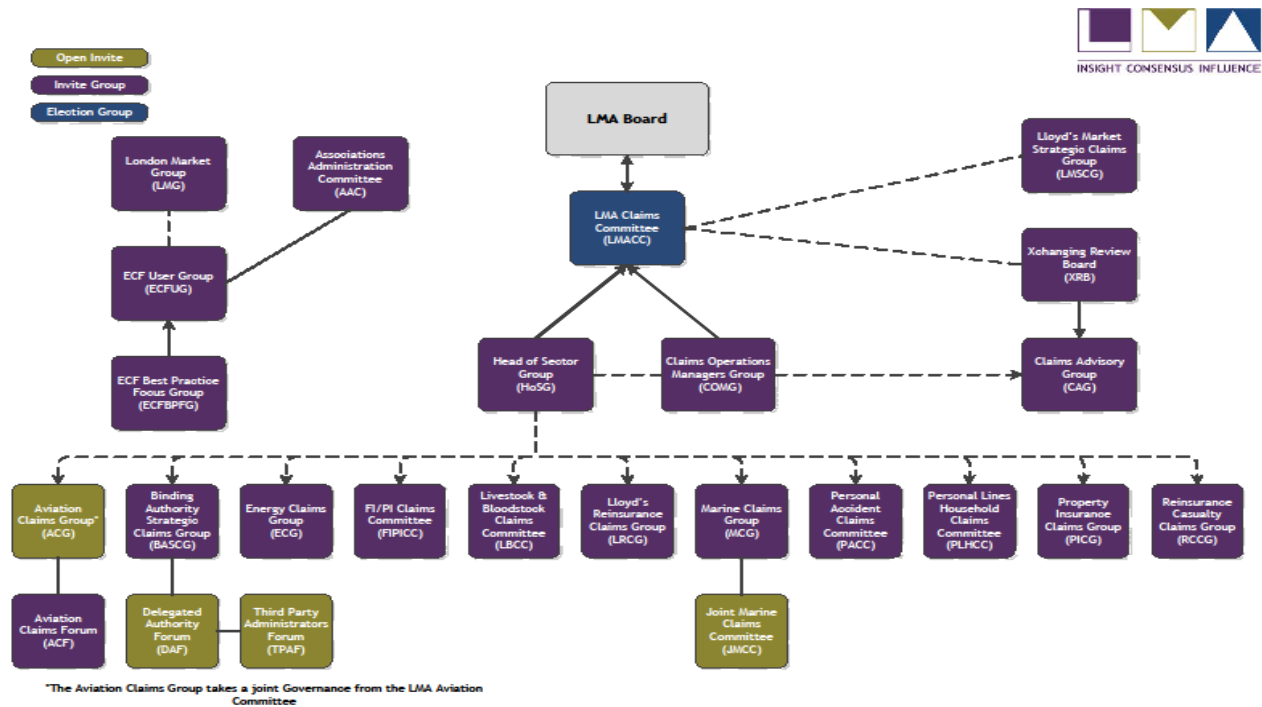
The terms of reference for each Claims Committee are available to download:

Lloyd's Market Association Claims Committee (LMACC)	Link
Xchanging Review Board (XRB)	Link
Claims Advisory Group (CAG)	Link
Head of Sector Group (HoSG)	Link
Claims Operations Managers Group (COMG)	Link
ECF User Group (ECFUG)	Link
ECF Best Practice Group (ECFBPG)	Link
Aviation Claims Group (ACG)	Link
Binding Authority Strategic Claims Group (BASCG)	Link
LMA Energy Claims Group (LMAECG)	Link
Financial Institutions and Professional Indemnity Claims Committee (FIPICC)	Link
Lloyd's Reinsurance Claims Group (LRCG)	Link
Reinsurance Casualty Claims Group (RCCG)	Link
LMA Marine Claims Group (LMAMCG)	Link
Joint Marine Claims Group (JMCC)	Link
Personal Accident Claims Committee (PACC)	Link
Property Insurance Claims Group (PICG)	Link
Lloyd's Market Strategic Claims Group (LMSCG)	Link
LMA LIIBA U35s Claims Committee	Link
LMG Claims Sub-Group	Link

[Return to Contents](#)

11.2. APPENDIX B: CLAIMS COMMITTEE STRUCTURE

Claims committee structure chart



Process for joining an LMA Claims Committee

To join a LMA committee, contact the chair or the LMA directly. There are three scenarios for joining a committee, which are:

- **open group** - in this instance, anyone can join the committee at any time. The chair or LMA will confirm your place on receipt of your interest to join, although group size is limited
- **invite only group** - in some cases, groups have to be by invite only to limit the number of people in the meeting to ensure that it remains productive and focussed. In these instances, contact the chair or LMA to express your interest in joining the group and consideration will be made as to whether there is space / a need for more representation
- **election group** - there are a small number of groups, like the LMACC, that decide representative through an election process. In this instance, the Head of Claims will nominate delegates which will then be decided by a voting process.

[Return to Contents](#)

11.3. APPENDIX C: LONDON MARKET TARGET OPERATING MODEL (TOM)

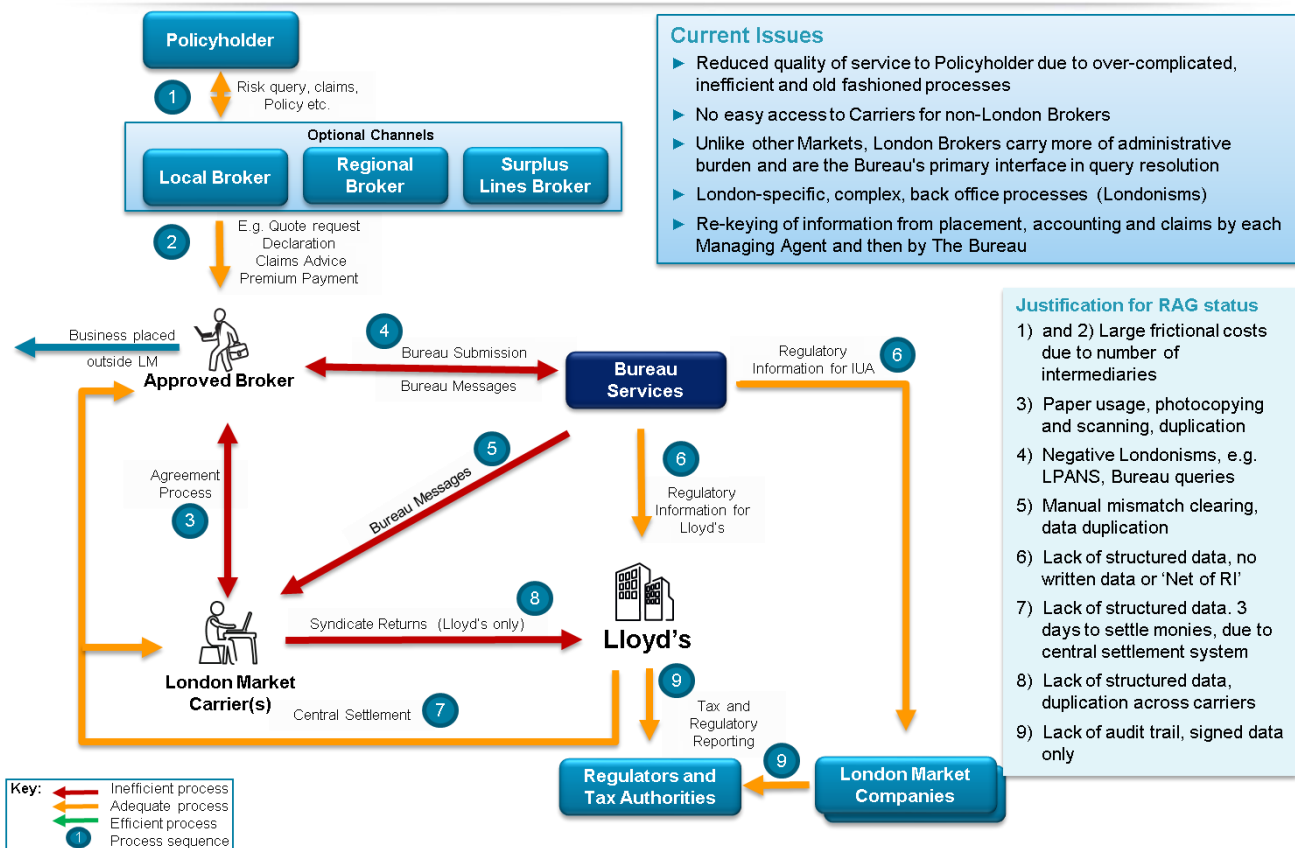
Current operating model

The London market risks losing relevance on the global stage and is at risk of becoming insular and provincial - this will have a direct negative impact on profitability.

The current key challenges are:

- reducing competitiveness:
 - Less efficient than market (9% in 2013)
 - High costs due to regulatory burden in London Market
- reducing global influence:
 - London's role as provider of additional capacity reducing
 - Emerging Markets share declining (20% in last 3 years)
 - Reinsurance share declining
- strategic threat:
 - Risk of losing 40% of London premiums to local providers.

Current Operating Model London Market – key interactions



Future operating model

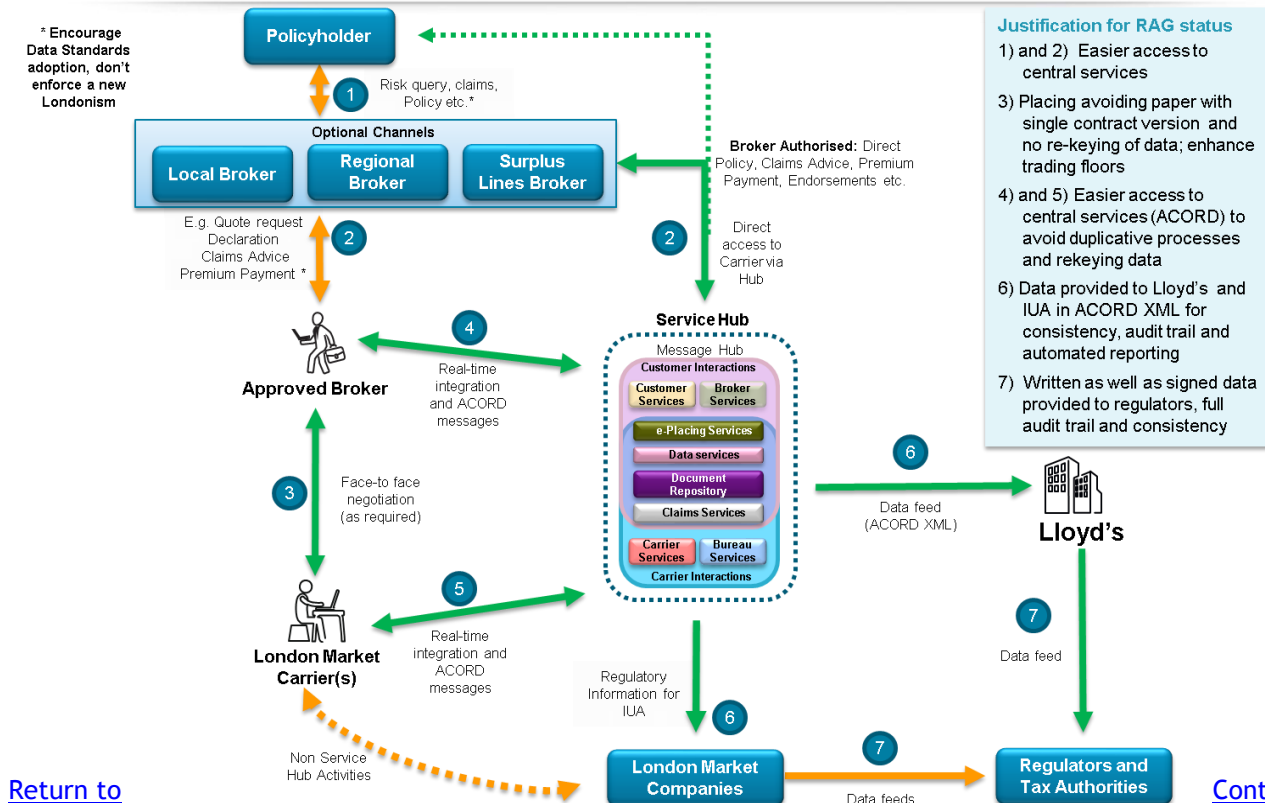
There is an opportunity to build an efficient and accessible market of choice:

- strengthen reputation:
 - Build on London's reputation for innovation and flexibility
- build capability:
 - Build on underwriting expertise through better use of data
 - Enhance the distribution network / grow internationally
- build efficiency:
 - Realise economies of scale via shared services
 - Leverage Market data to drive services and reduce costs.

Future Operating Model London Market

Local Broker Interaction

Any direct interaction would either be where local broker is a subsidiary of the Approved Broker, or where local broker has been approved in its own right



NB: Brokers primarily interact with broker and market services, NOT carrier or Hub services