



Facilitating a better future

Operations Update



LMA Operations Committee - setup for 2021

The [terms of reference](#) was updated in November 2020 to allow for more Members to participate in the [Committee](#). Many thanks to those who have already expressed their interest in joining the committee. The Chair, Alberto Verga (MS Amlin), will have served 3 years as Chair by the end of 2021. Vice Chair, Chris Read (AxaXL), was appointed in Q4 2020 and will succeed Alberto sometime in 2021. By year-end several existing participants will have served the maximum term permitted and replacements will be sought. Meeting minutes can be found [here](#) in the secure, Members only area of the LMA website. Participation for 2021 will be determined later in Q1 once the composition of the LMA Board is defined. For more information please contact [Peter Holdstock](#).

LMA CISO Committee - newly formed

This new committee was formed in November 2020 and has Information Security representation from 20 managing agents, which is a full complement under the terms of reference which can be found [here](#) on the CISO page on the LMA website. For more information, please contact [Matt Wood](#).

Lloyd's Part VII Programme - transfer complete

The Scheme Effective Date of 30 December 2020 has come and gone; focus is now on the transition to 'business as usual' (BAU) between managing agents, coverholders/delegated claims adjusters, Corporation of Lloyd's and Lloyd's Insurance Company. The LMA will continue to work closely with all parties through Q1 to support execution of a plan to move to BAU operations. The Part VII programme team will remain in place through Q1 to deliver this transition. The new DXC 'triage' service commenced in December. This determines the treatment of individual premium and claim transactions for which a definitive classification could not be determined prior to the Scheme Effective Date. Five new Part VII

control reports were also introduced by DXC to assist with the reconciliation of DXC transaction messages post-Transfer. The performance of the new triage service will be monitored closely over the coming months. For more information please contact [Rob Myers](#).

Lloyd's Europe Operating Model

Earlier in January, Lloyd's wrote to all managing agents explaining the need to review and adjust the operating model for ongoing business during 2021. This is to address certain activities performed by managing agents that could potentially be considered as insurance distribution activities. Please be assured all LMA teams are engaging with Lloyd's counterparts and relevant LMA committees on the matter and will provide the support and representation you need into this programme of work. Further Market engagement from the Lloyd's project team is expected in February. For more information please contact [Rob Myers](#).

Future at Lloyd's - moves into Delivery

Blueprint Two was published early November 2020. The views of the LMA Operations Committee and LMA Systems Group on Blueprint Two were assimilated into a report presented to the LMA Board in December and then shared with the Future at Lloyd's programme leadership, IUA and LIIBA executive. The report is available on request. The sentiment of the report was one of support for the intent and direction set by Blueprint Two coupled with a strong appetite for more detailed information about what will be delivered and when to inform managing agent preparation and planning. The importance of the solutions working for London Company Market carriers and therefore appealing more to the broker community was also highlighted. LMA will be working closely with the programme team through Q1 on financial tracking and benefits statements, development of the data model and Core Data Record definition and transition/adoption planning and impacts on / opportunities for current central services supplied by DXC. For more information please contact [Rob Myers](#) or [Paul Davenport](#).

PPL – 'Next Generation' platform

You will know from the [Bitesize Briefings](#) held in Q4 2020 that this is an important element of the Future at Lloyd's Blueprint Two delivery. The LMA aims to provide support to the PPL team on market engagement activity that will be necessary to inform, test, implement and adopt the next generation platform. Watch out for more news on this in coming weeks and note this is going to require managing agents to sign a new MUA & Interchange Agreement at some point in 2021. For more information please contact [Jane Perry](#).

Future of the Lloyd's Underwriting Room

Lloyd's has selected EY to lead a market consultation exercise over the early months of 2021. Working with our colleagues in the LMA [Underwriting team](#) we will support Lloyd's and EY with the organisation of market engagement and represent Members' view in an Advisory Group formed in January 2021. 1:1 interviews and focus group discussions will commence in February. You can [register your interest here](#) - in the 'Area of expertise' box write 'Future of the Lloyd's Underwriting Room'. For more information please contact [Rob Myers](#) or [Patrick Davison](#).

DXC/Xchanging

On 23 December, pricing for central services was confirmed (DXC market communication reference 2020/130). For the fourth consecutive year, base prices were lowered before having annual indexation applied. This is against a backdrop of increasing volumes processed each year, producing a material reduction in the unit cost of processing compared to the 2017 baseline. This is all in accordance with the terms of the Central Services agreements signed by all managing agents in Q4 2017. From 2020, any new syndicates starting to trade later than January will now pay a pro-rata Annual Subscription. For more information please contact [Rob Myers](#).

The DXC Knowledge Repository contains an abundance of useful information relating to the performance of the Central Services and every managing agent is able to access this information. DXC market communication issued on 29 January reference 2021/005 provides more details and how to register. For more information please contact [Shimona Noronha](#) at DXC or [James Bobbitt](#) at LIMOSS.

In December a significant Central Services Contract Change Note (CCN) was signed to address the Implementation Phase of the Transition Programme delivery (Schedule 6 of your central services contracts with DXC). There are many elements to the Transition programme, the most significant being the upgrading of software to more current versions and the migration of datacentre operations (including DR) from legacy Xchanging locations at Basildon, Chatham and Acton to DXC locations in Kent. Two rounds of 8-weeks of Market Acceptance Testing will be required in 2021; the first starting mid-April (12 April) for three important system upgrades (Document File Viewer used in ECF, XDH and XAG messaging platforms) and again in October (25 October) for the datacentre migration project. The remaining software upgrades will take place in 2022 after the completion of the datacentre migration. For more information please contact [Lee Morgan](#).

A summary of the CCN content is available on request from [Rob Myers](#).

LMA Academy – Developing Our People

Please take a look at our [new Academy site](#). The Academy exists primarily to support and enable the technical development of staff at all levels within our Members' organisations. During H2 2021 we will break new ground for the Academy by adding a curriculum covering Business Operations. We plan to issue a survey in Q1 to collect your thoughts in a consistent and structured way, but please do feedback if you have any initial views on development needs &/or ideas for content. For more information please contact [Rob Myers](#) or [Andrew Oakley](#).

Operations & Change Bitesize Briefings – Q1 2020

We are starting to assemble the agenda for these, so please get in touch with any of the LMA Operations Teams to feedback what subject you would like to hear about. Early thoughts are the usual subjects and a few new ones:

<ul style="list-style-type: none">- PPL Next- Generation Future at Lloyd's- LMA Academy- The Data Challenge	<ul style="list-style-type: none">- Operational Resilience- Virtual Room- Underwriting Room of the Future
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Rob Myers
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Lloyd's Market Association
