

Market Bulletin

Ref: Y5274

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| Title | Solvency II – Risk and Claims Reporting (forms ASR 249, 250 & 252) |
| Purpose | To provide managing agents with information concerning the completion of the Annual Solvency Return forms 249, 250 & 252 and the service to support this |
| Type | Scheduled |
| From | Steve Jules, Chief Accountant 0207 327 5314 steve.jules@lloyds.com |
| Date | 7 January 2020 |
| Deadline | Step B submission to Xchanging – 7 February 2020 |
| Related links | https://www.lloyds.com/market-resources/regulatory/solvency-ii/information-for-managing-agents/guidance-and-workshops/reporting-and-disclosure |

Summary

Lloyd's will be submitting aggregate returns to the Prudential Regulation Authority (PRA) in respect of the risks and claims data collected within the Annual Solvency Return (ASR) 249/250 (analysis and distribution of claims) and ASR 252 (distribution of underwriting risk) as at 31 December 2019 on behalf of the market.

To assist with this, Lloyd's asks that syndicates submit granular risk and claims data to the Xchanging service by **7 February 2020** for all direct business, including business not processed by Xchanging ('Step B').

Xchanging will provide a statement of all the claims details that it has to each syndicate by **24 January 2020**. In a change to the arrangements for last year, please note that this will not be supplemented by any risk and claims data from Lloyd's own systems, as managing agents should already have access to this ('Step A').

Lloyd's expects lead managing agents to obtain from coverholders and TPAs granular level claims data, as they have in previous years. Lloyd's will not be making any further communications to coverholders or TPAs specifically with respect to these returns.

The Xchanging service

- A service to assist with this activity has previously has been put in place with Xchanging and this will be used again to collate such data. The Xchanging Review Board (XRB) are responsible for the oversight of the data processing activities performed by Xchanging in connection with the service. Lloyd's is responsible for all other aspects of the service, including the oversight of managing agents' submission of data to the service. The cost of the service will be centrally funded.
- Each managing agent must provide email contacts to Lloyds-SolvencyReturns@lloyds.com for Pillar 3 information (maximum of two individuals) **by 17 January 2020**. Xchanging will send csv and excel files directly to these individuals.

Step A - Distribution of centrally collected data (by 24 January 2020)

- Xchanging will provide a statement of all the claims details it does have to each syndicate.
- As advised above, for this year end this will not be supplemented by any risk and claims data at a granular level which Lloyd's has collated from Lloyd's own systems.

Step B – managing agents prepare the data and submit to Xchanging (by 7 February 2020)

All syndicates are asked to submit the following files. It is expected that coverholders and TPAs will provide claims data directly to syndicates and that this will be included in these files where appropriate.

The data submitted by managing agents must include risk and claims data in respect of Lloyd's Insurance Company SA in Brussels. This data must be separately identifiable using the appropriate syndicate numbers (between 5250 and 5499), claim references and UMRs. This information should be reported from the perspective of Lloyd's Insurance Company SA, i.e. reported as direct business written through Lloyd's Brussels and should not be reported as assumed reinsurance business written through the London based syndicate.

| File | Scope |
|-----------------------|---|
| Xchanging - Claims | Claims where syndicate is the lead and have been processed via Xchanging. <ul style="list-style-type: none"> • The granular claims data for the all claims identified as 'block' claims in the Step A claims file. • Amounts should be submitted at 100% slip value. • All claims open at some time between 1 January 2019 and |

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| | 31 December 2019 are eligible for reporting. |
| Xchanging - Premium | <p>Risks/Premiums where syndicate is the lead and have been processed via Xchanging.</p> <ul style="list-style-type: none"> • All available data for open market and delegated authority premiums processed by Xchanging should be included in this file. • If not included the premium data will be absent from the ASR report. • Amounts should be submitted at 100% slip value. • All risks/premium live on 31 December 2019 are eligible for reporting. |
| Non- Xchanging - Claims | <p>Any claims which have not been processed via Xchanging</p> <ul style="list-style-type: none"> • Amounts should be submitted at syndicate share value. • All claims open at some time between 1 January 2019 and 31 December 2019 are eligible for reporting. |
| Non- Xchanging Premiums | <p>Risks/premiums for 100%/singleton business</p> <ul style="list-style-type: none"> • Any open market and delegated authority risks/premiums which have not been processed via Xchanging • Amounts should be submitted at syndicate share value. • All risks/premium live on 31 December 2019 are eligible for reporting. |

The following data is **out of scope**:

- Reinsurance (i.e. assumed and outward reinsurance) as this is not required to be reported on ASR 249, 250 or 252.
- Risks & Premiums due prior to 1 January 2019.
- Claims closed prior to 1 January 2019 and not reopened after 1 January 2019.
- Claims opened after 31 December 2019 or risks not live until after 31 December 2019.
- Data relating to loss funds since individual claims will be reported in subsequent periods.

The premiums and claims templates to be used for this purpose may be downloaded [here](#).

Lloyd's will require an email from each managing agent, briefly outlining the work that has been done to collate the data and stating the expected proportion of each syndicate's data that the managing agent has been able to include. The email should attach a sign-off from an individual of appropriate seniority and experience such as the Head of Claims. The sign-off format is available for download [here](#). This should be sent to Lloyds-SolvencyReturns@lloyds.com by **7 February 2020**.

Xchanging will check all the file content they have received and provide feedback between **10 and 21 February 2020**. Syndicates may need to correct and resubmit any data with issues.

Further information

To understand the service and their responsibilities fully, all syndicates are advised to read the Risk and Claim Reporting User Guide available for download [here](#).

Any questions or clarifications regarding this bulletin should be directed to Lloyds-SolvencyReturns@lloyds.com. Specific data queries or issues regarding processing of the data by Xchanging should be addressed to stepb@Xchanging.com.

Steve Jules