

Blueprint Two webinars – Questions & Answers

To support the launch of [Blueprint Two](#) on 5 November 2020, we held targeted webinars for brokers, underwriters and coverholders. This document collates the questions received and provides answers at the time of publication in December 2020. Readers are referred to the recordings where responses were given in the webinar.

Brokers	Thursday 12 November	View webinar
Underwriters	Thursday 19 November	View webinar
Coverholders	Tuesday 24 November	View webinar

If you haven't already, please [register to receive our monthly newsletter](#) and [sign up to receive updates](#) on all things related to Blueprint Two and the opportunity to get involved and take part in research.

Brokers

Q How does Blueprint Two differ from Blueprint One?

A Covered in webinar.

Q For the Data Collection and Oversight Manager (DCOM) we need to enter 80 fields up front. This is at least 20 minutes per entry more work for the broker. This is what we are testing right now so is this more work for the broker?

A The DCOM will provide the level of data required for binder registration that enables the reuse of that data throughout the Delegated Authority (DA) process. While this entails addition data at point of registration, it will avoid the need to create a separate contract in Delegated Data Manager (DDM), thereby saving time and reducing the risk of data errors in that duplicated process. The long-term aim is for data to flow through from a broker's system or via the contract builder tool to DCM through application programming interfaces (APIs), which will save time on the registration process. Overall DCOM will save the market time through the removal of separate contract creation in DDM.

Q How is the next generation placement service from PPL going to differ from Whitespace?

A PPL is developing its next generation placement service and they are sharing their plans through their market engagement activities, so it's best to check in with your PPL project manager to answer this question. However, PPL's plans are aligned to support the aims of Blueprint 2 and will enable the capture of the right data for digital processing. There are multiple e-placement providers in the market today and we expect that competition will continue. Lloyd's will work with all accredited e-placement providers to enable them to support their clients in meeting the standards required for digital processing.

Q How easy will it be for brokers to build their own systems and platform to interface with the market?

A Covered in webinar.

- Q Is there a co-lead binder claims solution?**
A Covered in webinar.
- Q Lloyd's reluctance to store data centrally has been an issue in delivering some of this goodness in the past, how is Lloyd's going to handle this going forward?**
A Covered in webinar.
- Q Signing down option - when discussing with brokers were actual placing brokers involved? Part of the value of the subscription market is the ability to build in continuity and capability to flex on limits. The option already exists.**
A Covered in webinar.
- Q The first version of EPS failed because brokers were required to enter 80 fields of data before a risk could be sent to underwriters. This slowed down the time it took to put up a risk and was also a complete waste of time when the risk was not taken up.**
A Covered in webinar.
- Q We are in the process of changing our core back office platforms. How do we ensure we future proof the integration to support this: we have a 12-month timeline for our implementation?**
A Covered in webinar.
- Q What is an API?**
A API stands for application programming interfaces. They enable the secure transfer of data from one application to another.
- Q What's the status of the API Factory and central development of API capabilities?**
A APIs are a key component in ensuring new and legacy technology can work together seamlessly to transition data through the market. APIs will form part of the digital delivery under the Future at Lloyd's and the work required to deliver these will be incorporated into that design work within the Future at Lloyd's team, rather than a separate API Factory.
- Q When is the realistic delivery for class and ECF replacement?**
A Covered in webinar.
- Q When will Lloyd's announce data standards (e.g. ACORD) and when will PPL publish the vendors they are using for example, for data ingestion, so others may consider?**
A Covered in webinar.
- Q When, realistically, do you see this end-to-end benefit from a claims perspective being delivered in full working capacity?**
A Our focus is on the delivery of a core set of transactional capabilities to process a claim end-to-end for prioritised lines of business on the new digital solution by 2023. This will deliver a significantly improved customer experience, underpinned by an enhanced data flow and improved claims orchestration. There will also be enhancements to the claims process for claims that have not transitioned to the new data first approach to ensure a faster payment.
- Q Where does Blueprint Two leave the Lead/Follow initiative?**
A Covered in webinar.

Underwriters

Q How does Blueprint Two differ from Blueprint One?

A Covered in webinar.

Q What does Blueprint Two mean from a data perspective - both on specificity and take up?

A Covered in webinar.

Q For claims, what's the jump from Blueprint One to Blueprint Two?

A Covered in webinar.

Q For coverholders, paraphrasing around the questions about the varying qualities of systems, and how will we ensure they can all meet our standards and requirements moving forward; and how are they going to meet the data standards?

A Covered in webinar.

Q Are data standards going to be based on ACORD standards?

A Covered in webinar.

Q Are there any market-wide benefit studies that have been carried out on claims initiatives already implemented, i.e. changes to a claims scheme: what are the tangible benefits of such changes?

A Changes to the claims scheme have enabled more claims to benefit from more straightforward claims processing and have contributed to shaving, on average, three days off claims settlement times. The Small Claims Automation pilot is ongoing due to be benefits this pilot is delivering. These enhancements will feed into the future design for claims processing, which will use a Core Data Record created during the placement stage to speed up claims assessment and processing, along with increasing transparency of the claims process for all connected parties.

Q Which party in the distribution chain will be responsible for the creation of the data required? Additionally, what will the data look like? Will it be based on ACORD forms for example?

A Covered in webinar.

Q How will you work with third parties to deliver on placement and claims and allow commercialisation without being overprotective of data, which has traditionally hampered progression?

A Covered in webinar.

Q Clearly the focus will be on PPL, but brokers and others are developing their own systems in competition with PPL. How will Lloyd's handle the accreditation system to as to avoid over burdening managing agents with multiple and competing systems?

A Covered in webinar.

Q Coverholders are willing to embrace technical changes but quite often a cost is involved to update their in-house software platforms. Is there any plan for Lloyd's to engage with software houses to encourage change?

A Covered in webinar.

Q Coverholders data capabilities range from software data risk bordereaux production to manual. Will Lloyd's look to raise the bar of their coverholder expectation, which could impact competitiveness?

A Delegated Data Manager (DDM) has already enabled multiple formats of bordereaux reporting to be standardised and captured in a central data repository. This is being developed to become the primary source of Delegated Authority (DA) data for the market. Ultimately, the DA ecosystem will simplify and improve the entire coverholder experience from onboarding and ongoing compliance, through contract creation and registration, through to reporting and accounting and settlement.

Q Does this represent a move away from the Lead/Follow model previously suggested in Blueprint One?

A Covered in webinar.

Q What are the realistic improvements to address the delays that can sometimes arise regarding premium payments by Lloyd's brokers and the antiquated processes?

A The aim is to vastly improve these processes by digitising them, ultimately avoiding the need for London Premium Advice Notes (LPANs) and creating faster notifications and payments.

Q Given there are thousands of coverholders with different systems which now need to reconfigure/conform to new data requirements, is the timeline realistic and achievable?

A Coverholders can already enter data in multiple formats in to DDM ranging from spreadsheets to data uploads. The future will see more coverholders uploading digital data to DDM over time.

Q What is being done to reassure our DA partners that Blueprint Two will benefit them too?

A Blueprint Two sets out the direction for DA business, along with open market business, really demonstrating both the value of that business to our market and the steps we are taking to make it easier to work with Lloyd's.

Q How reliant are Lloyd's on market participation to drive all the changes required to meet the Blueprint Two requirements (e.g. Core Data Record)? How will you ensure there is sufficient market participation to help in driving change?

A Covered in webinar.

Q How will client analytics be included? A lot of the information collated is about the risk as opposed to the client. It's envisaged client and behavioural analytics will become more prominent as it is in other areas of commercial insurance.

A Carriers and brokers will have a key focus on client analytics. The priority for Lloyd's is to focus on improving the experience for market participants and their clients. We need to ensure risks can be placed efficiently, accounting and reporting transactions can be processed quickly and that claims can be adjudicated and settled faster - and all at the right

cost. We will also want to understand the client's experience of Lloyd's, so we can continue to drive demand for our products and services.

Q How will the inbuilt authority limits work? Who will set them?

A Covered in webinar.

Q How will the new claims process work one claims with multiple slips with the International Underwriting Association (IUA) and overseas markets, including having a non-Lloyd's lead?

A Covered in webinar.

Q Is it the intention that there will effectively be one stage of data entry at the beginning of the submission process, and that would be undertaken by the broker?

A Covered in webinar.

Q Lead/Follow was a major part of blueprint one. Is there any update on this?

A Covered in webinar.

Q Making accreditation easy and collaborative is fine, but how will Lloyd's coordinate the output from a management information (MI) perspective multiple systems, different ways of reporting MI and so could put additional burden on managing agents in costs and reporting.

A The aim is to ensure that we create data standards that work across the market so firms can easily be accredited in meeting these standards. Having standardised data across the insurance process will help with reporting, ultimately reducing reporting requirements for market firms. We will work with market firms to understand how this is best achieved.

Q How many brokers have agreed to enter the data?

A We are working with brokers and the London & International Insurance Brokers Association (LIIBA) who understand the direction the market needs to take to deliver a sustainable, profitable future. The benefits of providing the right data which is managed responsibly and ethically is something that we will work with market on to deliver the Future at Lloyd's.

Q Mainly thinking DUA contracts, will authority limits be fed through from the info input for the contracts, as part of the war on keystrokes?

A Covered in webinar.

Q The current PPL platform will not have the digital standards so does that mean business placed on that will not contribute towards a brokers'/carriers' statistics?

A We are working closely with PPL and all business placed through PPL continues to contribute to the statistics. As the new standards are introduced, in line with PPL's development, business placed through PPL will continue to count.

Q What are the significant advancements that are hoping to be delivered as part of next generation PPL? (i.e. API's connecting to in-house systems)

A PPL is developing its next generation placement service and they are sharing their plans through their market engagement activities, so it's best to check in with your PPL project manager to answer this question. However, PPL's plans are aligned to support the aims of Blueprint 2 and will enable the capture of the right data for digital processing. There are multiple e-placement providers in the market today and we expect that competition will

continue. Lloyd's will work with all accredited e-placement providers to enable them to support their clients in meeting the standards required for digital processing.

Q What has the broker feedback been on the likely cost implications of increased responsibility of data creation. Are they buying in to the longer-term cost savings against potential short-term cost increases and does that response vary by broker size?

A We are working with brokers and LIIBA who understand the direction the market needs to take to deliver a sustainable, profitable future. The benefits of providing the right data which is managed responsibly and ethically is something that we will work with market on to deliver the Future at Lloyd's.

Q When will the new digital standards be released and when will the placing platforms need to adopt these standards by to be accredited?

A Covered in webinar.

Q Where do you see the key risks to adoption that need immediate mitigation?

A Ensuring that market firms can easily become accredited to meet new data standards is the immediate focus as the Core Data Record underpins the new digital environment. Being clear on how market firms can use existing systems as a starting point to provide this data is a key area of focus. We will also consider lead-in times, wider technology implications, training, process changes and the behavioural changes required for the successful adoption of the solutions.

Managing the transition between current systems and processes and new digital services will be based on two key principles:

1. collaboration with market participants, using an iterative test-and-learn approach to the development process. This will allow us to ensure that services and transition plans to be developed can progress in the optimal way for market participants; and
2. simplicity, using common systems and processes to interface with both new and old services to avoid dual running wherever possible to keep transition costs low.

Q Which classes of business will you test in and pilot with in 2021?

A Covered in webinar.

Q Will you be publishing dates for the big milestones?

A Covered in webinar.

Q With the implementation of Delegated Authority: Submission Access, and Transformation Solution (DA SATS) it was intended the management/input would be handled by brokers/coverholders, in my experience this has fallen to underwriting firms. What are you doing to ensure this is not the case with Blueprint 2?

A The roles for who does what in DDM (DA SATS) is governed by the agreements in place between the connected parties, and that optionality was retained at the request of the market. At point of launch, recommendation on the ideal roles for each party were made. As we step forward in the digital environment, contract creation will be automated from the data entered at binder registration, which will remove duplication and reduce data errors in DA processing. As digital connectivity continues, binder registration will be able to take data from the contract builder or brokers' systems, again reducing the manual effort required to transact DA business.

Coverholders

- Q Are there interfaces from our own coverholder applications with the platform possible?**
- A Covered in webinar.
- Q What is the best way to contact you to discuss and enquire further?**
- A Please email thefuture@lloyds.com and we will share your query with the relevant area.
- Q As a coverholder we've invested significantly in our own data and Q&B platforms, will we be able to integrate these or will be duplicating effort?**
- A Covered in webinar.
- Q The news on the claims side is very welcome. The current cash call process through ECF is slow at best and currently elongates the claims settlement process by approx. two weeks.**
- A Covered in webinar.
- Q Do you have the buy in from the syndicates to ideas like the evergreen contracts, to avoid any disconnect between what Lloyd's says and what actually happens at syndicate level, i.e. different standards of reporting?**
- A Covered in webinar.
- Q Lloyd's is an important market but not a clients' sole market. Most have invested in platforms that control their distribution/data. A vital piece of the puzzle is the advanced programming interface (API) capability between broker/client/Lloyd's platforms. Please confirm these will be available.**
- A Covered in webinar.
- Q During the journey, did you discover any data points that are now obsolete and have been removed? Which ones are no longer required, and have they been replaced with others?**
- A Covered in webinar.
- Q What would you say to coverholders who are currently looking at upgrading their front office data collection and document production process - how does Workbench interact/replace commercial systems?**
- A Covered in webinar.
- Q You mentioned savings of £800m/3% to brokers and underwriters. What is the saving or cost to coverholders?**
- A Covered in webinar.
- Q Are syndicates on board with Workbench as this is an additional cost to them?**
- A Covered in webinar.
- Q How do we learn more about Workbench?**
- A Please email thefuture@lloyds.com and we will share your query with the relevant area.

Q More of an ask than a question in that can managing general agents (MGAs) who are coverholders be on the same level as insurers and brokers as opposed to 'where appropriate' access (e.g. uploading of wordings documentation without need of the broker)?

A Yes, coverholders will have the ability to connect straight in if there is appetite. You may use the systems with or without a broker. It's a choice.

Q Will there be a continuation or similar vendor engagement team approach to assist interaction?

A Covered in webinar.

Q Regarding evergreen binders, could the same concept be applied at policy level? Something like a renewal endorsement on the policy? Would be good to explore this concept as that would be a big selling point for a coverholder.

A Yes, endorsements will be added and the contract will be updated to be a digital contract that is always up to date but also the ability to 'time travel' within the contract, so you know what it looked like at any one point in time.

Q How do we get in touch with the panel after this session?

A Please get in touch with your usual contact at Lloyd's, or email future@lloyds.com and we will share your query with the relevant area.

Q You say in some cases there are three-year binders but I thought a binder wasn't allowed to be more than 18 months. Please can you clarify as we are keen to do a two-year binder imminently.

A Covered in webinar.

Q Are we looking at using blockchain technology?

A Covered in webinar.