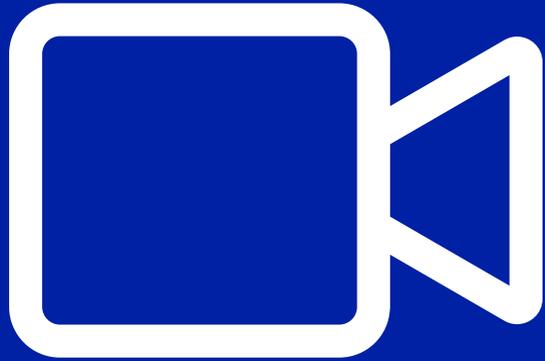


# Reserving Data Transformation

## Webinar Briefing

16<sup>th</sup> October 2024



This session will be recorded for offline viewing.



Please mute your microphones.



**Do** interact with us, using the Q&A chat functionality.

# Reserving Data Transformation

Today's agenda

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Section	Focus	Timing
Introduction	Today's objectives	5 mins
Spotlight	Where are we now?	5 mins
Technology	Improvements	10 mins
	Tools	
Reports	Your input	10 mins
Templates	Final updates	10 mins
Q&A	Your questions	20 mins

# Spotlight

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**Alex Cliff**  
Deputy Chief Financial Officer



# Where are we now?

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# Our Phased Approach



**Phase one:**

- Lloyd's will provide the reserving data model (quarterly & annual) and direction on data submission technology. Market participants will need to prepare their systems and process to produce this data.

**Phase two:**

- Lloyd's will enable an environment, supporting teams to upload the new Q4 2024 submission. The Market can use early cut off data for this phase.

**Phase three:**

- Lloyd's will open the return submission window and support the collection.

**Phase four:**

- Lloyd's will provide feedback on the data collected.

# Key Milestones

August 2024	September 2024	October 2024	November 2024	December 2024	January 2025
<b>Phase one:</b> Preparation & Early Adopter	<b>Phase one:</b> Preparation & Early Adopter	<b>Phase one:</b> Preparation & Early Adopter	<b>Phase two:</b> Familiarisation	<b>Phase two:</b> Familiarisation	<b>Phase three:</b> Submission
<p><b>15 Aug:</b> August virtual briefing session and Q&amp;A</p> <p><b>26 Aug:</b> RRA Early Adopter communication</p> <p><b>30 Aug:</b> Update on CMR Validation documentation</p>	<p><b>12 Sep:</b> September in-person drop-in</p> <p><b>16-27 Sep:</b> RRA Business Testing</p> <p><b>30 Sep:</b> RRA Early Adopter Opens</p>	<p><b>07 Oct:</b> RRA Early Adopter Mid-point</p> <p><b>11 Oct:</b> RRA Early Adopter Closes</p> <p><b>16 Oct:</b> October virtual briefing session and Q&amp;A</p>	<p><b>7 Nov:</b> CMR production opens to Market - RRA and RRQ in production (Market share DRAFT only) + LOB Tool</p> <p><b>14 Nov:</b> November virtual drop-in</p> <p><b>Nov 2024:</b> Templates finalised for the Market to download and build submission for Jan &amp; Mar 25</p>	<p><b>12 Dec:</b> December virtual briefing session Submission</p> <p><b>Dec 2024:</b> Final system checks and validation of data</p> <p><b>Dec 2024:</b> Dry run of submission process (RRQ &amp; RRA)</p>	<p><b>Jan 2025:</b> New RRQ (Q4 2024) Go-live (Share Submission)</p> <p><b>30 Jan:</b> Submission upload completed before 2pm</p>
✓	✓				

# Updates

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# Phase one: Preparation

## Feedback and process



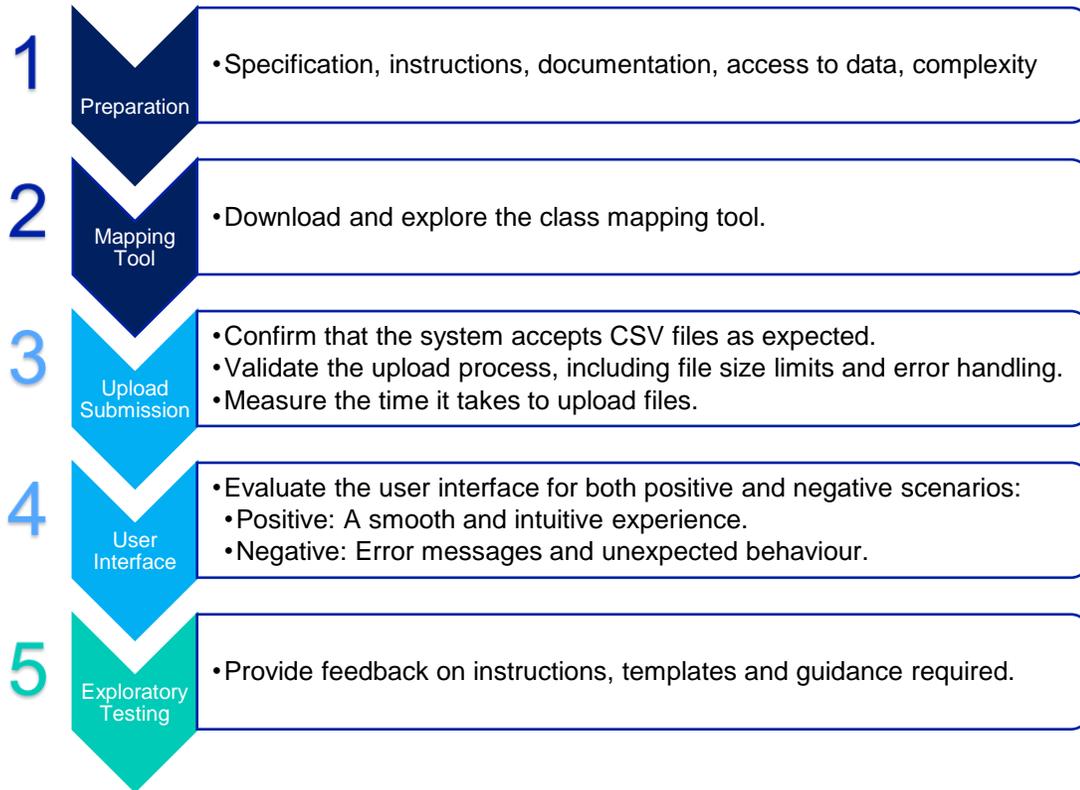
You said.	We did.
Get involved early	Created the Early Adopter Group to collect and implement feedback
Improved upload performance	Enhanced code within CMR, RRQ is now uploading faster by 2X (5000 row count)
Require support tools	Prepared the offline validator & LOB mapping tool
Better guidance and instructions	Updated documentation to support the reserving return



# Early Adopter

Get involved early

## Themes

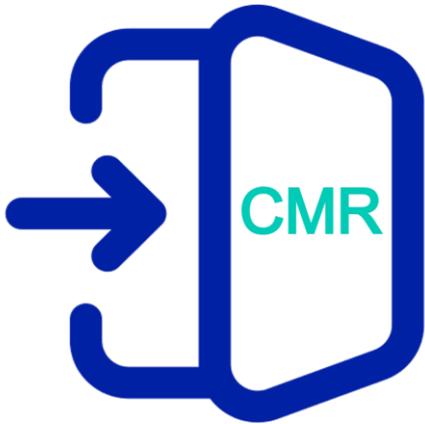


## Feedback Summary RRQ

CMR Issues	Status
An Offline Validator is required to provide an early view of validation errors	Green
Potential defect on the 081 form. Warning being triggered erroneously	Green
Format of As At Date on the 191 form has caused some issues	Green
Suggestions on improvements to the summary forms	Green
Guidance	Status
Some confusion around the Reserving Class Tag and Reserving Class Portfolio Tag on the 081 form	Green
Questions in relation to CMR system capabilities	Green
Questions in relation to the Line of Business mapping tool	Green
Other Issues	Status
Provision of access to UAT CMR could have been better	Green

**Thank you to all that participated**

# Improved upload performance



	Actual		Forecasted		
	1 x process	4 x process	8 x process	10 x process	12 x process
rows per teturn	78,470	78,470	78,470	78,470	78,470
returns count	200	200	200	200	200
total rows	15,694,000	15,694,000	15,694,000	15,694,000	15,694,000
toatl in hrs	13.85	3.46	1.73	1.39	1.15
rows per teturn	300,000	300,000	300,000	300,000	300,000
returns count	200	200	200	200	200
total rows	60,000,000	60,000,000	60,000,000	60,000,000	60,000,000
toatl in hrs	52.96	13.24	6.62	5.30	4.41
rows per teturn	500,000	500,000	500,000	500,000	500,000
returns count	200	200	200	200	200
total rows	100,000,000	100,000,000	100,000,000	100,000,000	100,000,000
toatl in hrs	88.27	22.07	11.03	8.83	7.36

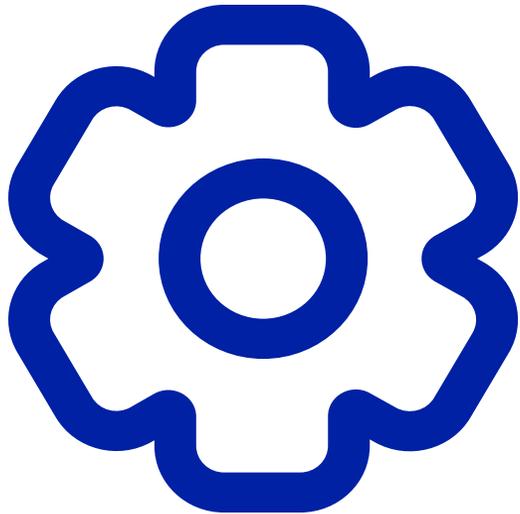
\*Results from CMR stress testing

- **Faster queue times**
- **Increasing from 2 to 12 simultaneous returns**
- **For both RRQ and RRA returns**

# Support Tools

## Offline Validator

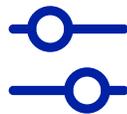
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Revised **download** page



Updated **instructions**

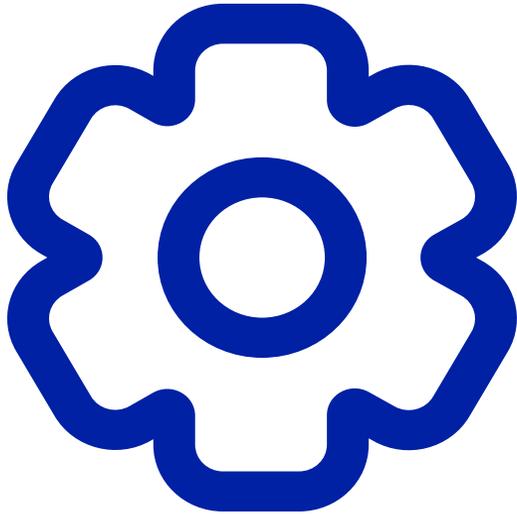


**Admin access** required for installation

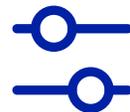
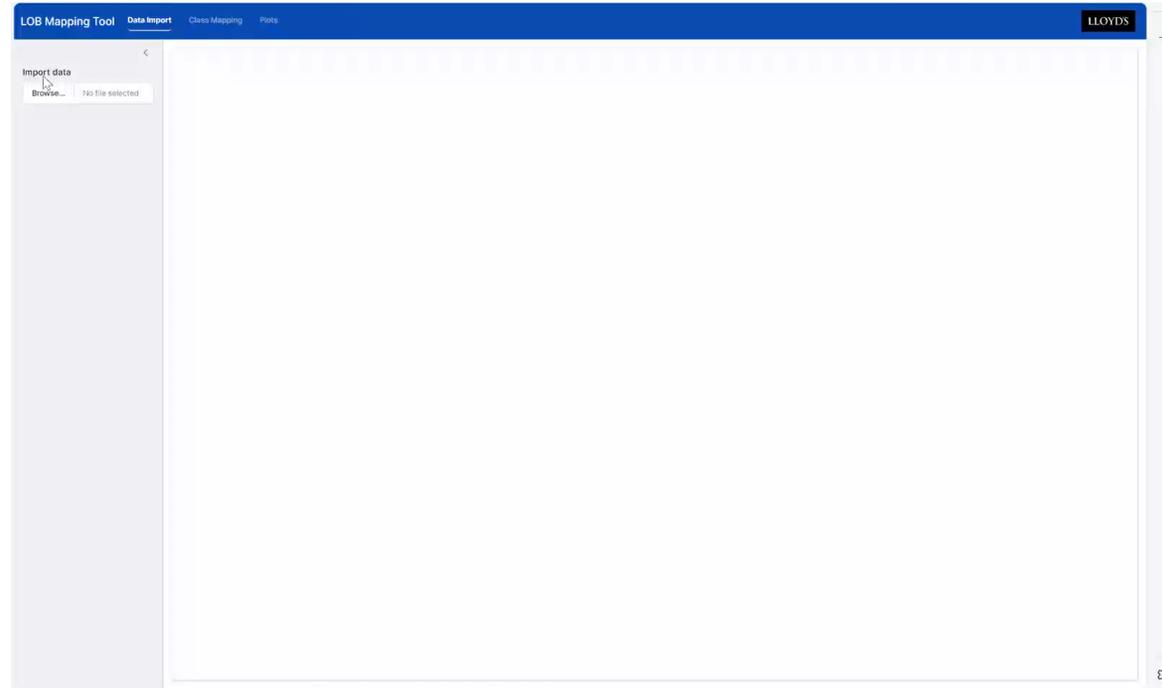
**Available 18<sup>th</sup> November**

# Support Tools

## LOB Mapping Tooling



- [LOB mapping tool](#)
- [LOB mapping tool instructions](#)
- [Mapping process FAQs](#)



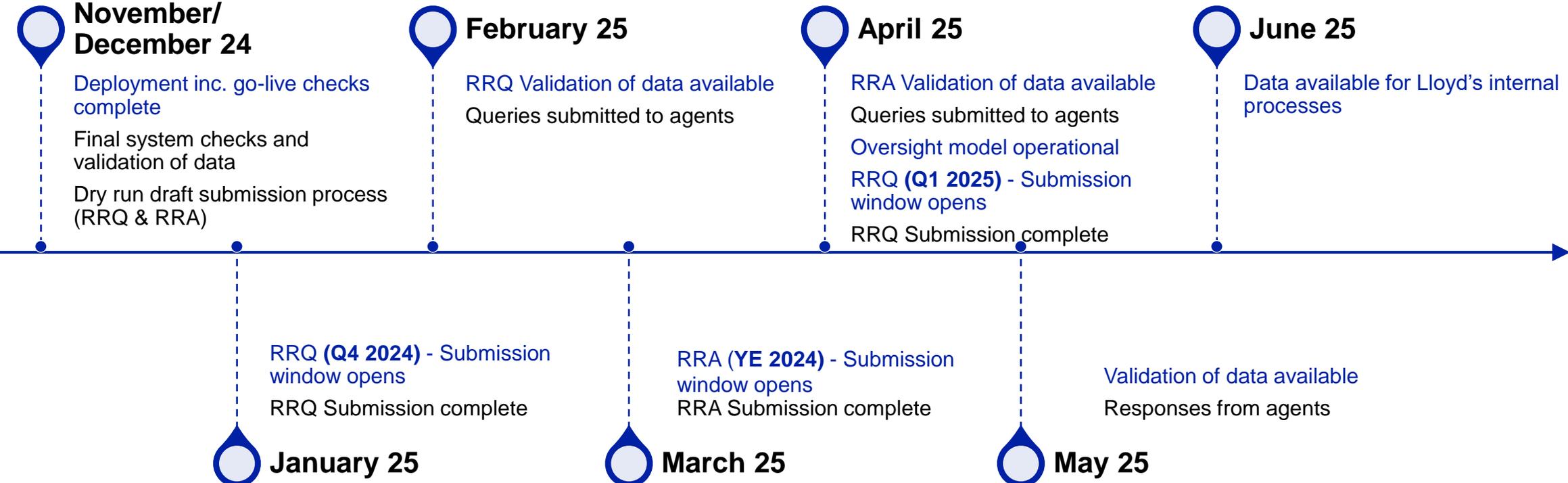
**Admin access** required for installation

**Available 7<sup>th</sup> November**

# Guidance and instructions: Familiarisation and Submission Timeline

RRQ – Reserving Return Quarterly  
RRA - Reserving Return Annual

Lloyd's  
Managing Agents



# Syndicate Validation Report



You input is needed

You have two options on what information you see within the secondary validation reports.

### Option 1

Syndicate No.	Pure Year of Account	LOB Code	Syndicate Reserving Class of Business	As At Date	Previous As At Date	As At Date Gross Premiums Signed	Previous As At Date Gross Premiums Signed	Gross Premiums Signed Movement	Gross Premiums Signed Movement %	Total PYOA Current As At Date Gross Premiums Signed	Total PYOA Previous As At Date Gross Premiums Signed	Total PYOA Movement	Movement/ Total PYOA Movement %	Agent Comment
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In this case, the Gross Premiums Signed movement is what we are querying. These columns include all the essential data relating to the movement.



This option will additionally show information that forms part of our materiality check, where certain thresholds must be met to raise a query. These columns are provided for information only, and to give transparency in the reasons why the query has been raised.

- Better insight – the additional information can give a better understanding on the material impact that the queried data has on the overall numbers.

# Syndicate Validation Report

You input is needed

## Option 2

Syndicate No.	Pure Year of Account	LOB Code	Syndicate Reserving Class of Business	As At Date	Previous As At Date	As At Date Gross Premiums Signed	Previous As At Date Gross Premiums Signed	Gross Premiums Signed Movement	Gross Premiums Signed Movement %	Agent Comment
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- Clutter free – less is better, making it easier to see what we are querying.

This option will only show the columns of essential data relating to the movement.

Please make a choice in the Interactive Poll on the next slide, and this will feed into our development.





# SCOB > Syndicate Reserving Mapping

Reserving Return Annual (RRA 071)



In the interim, we will require data you already produce to allow mapping of Syndicate Reserving Class to Syndicate Class of Business.

## Mapping of SCOB to Syndicate Reserving Class

### What are we asking for?

#### Mandatory

- Pure Year of Account
- Syndicate Reserving Class of Business
- Syndicate Class of Business Code (SCOB)
- Gross Gross Premiums Ultimate
- Gross Claims Ultimate

### Why are we asking for it?

- Provides a direct mapping from SCOB to syndicate reserving class including proportion of data in respect of the SCOB allowing Lloyd's to have a link between reserving and underwriting data leading to more informed decision making and better queries to the market.
- Greater relevance of engagement with the Managing Agents when discussing reserving and underwriting as we can link the two and use the longer reserving history directly against SCOB for underwriting challenge.
- The syndicates recognise the figures Lloyd's use in oversight discussions.

# Removal of the 591 Form

## South Africa

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The use of the Reserving Return Form 591 as the data source is explicitly referenced in the legislation set out by the South African regulatory requirements (the 'FSL').

We previously proposed maintaining Form 591 as a temporary measure to bridge the gap between the current TPD return and the future state Reserving Return.

Given our commitment to reduce market reporting burden as much as possible, we have held initial discussions with regulators, and we are confident this will not be required going forwards. The data required will instead be sourced from other existing returns. We have proposed an amendment to the FSL such that the **591 form can be removed from the Reserving Return.**

# Templates

## RRQ

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Final reporting requirements and useful resources can be found here.

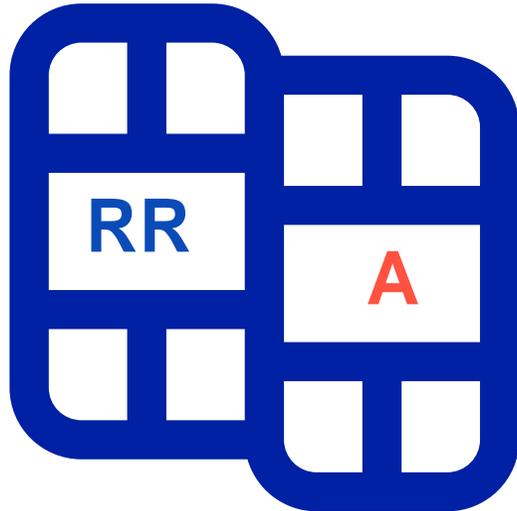
- [RRQ Specifications](#)
- [RRQ Instructions](#)
- [RRQ CSV Template](#)
- [RRQ Validations](#)

Available via Reserving Data

# Templates

## RRA

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Final reporting requirements and useful resources can be found here.

- [RRA Specifications](#)
- [RRA Instructions](#)
- [RRA CSV Template](#)
- [RRA Validations](#)

Available via Reserving Data

# Questions

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LLOYD'S