
Capital & Planning Group (CPG)

[Introduction to the CPG process and SharePoint site](#)

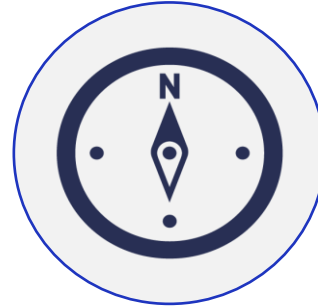
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Introduction to CPG

High-level Overview



What is CPG

CPG is a cross divisional group that approves **business plans and capital requirements** for existing and new business at Lloyd's

Syndicate proposals are submitted to CPG and are then reviewed and approved by a committee consisting of several senior individuals at Lloyd's

Role of CPG

Approve business plans for the market to **meet the Council's risk appetite** for the prospective year of underwriting

Sets capital, based on past performance, to support the business plan

Importance of CPG

The CPG performs its functions subject to and in **accordance with the strategy, policy and principles** set by the Council and Executive Committee (ExCo)

The CPG is **accountable to the Chief of Markets & the Chief Financial Officer**, with regard to the performance of its functions and the exercise of its powers

Introduction to CPG

Process

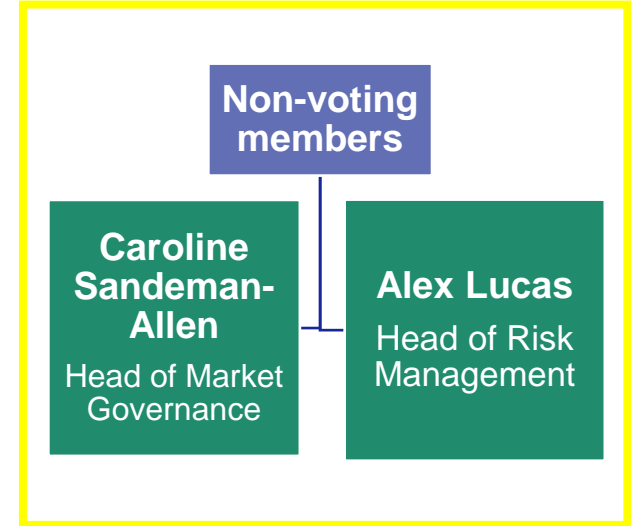
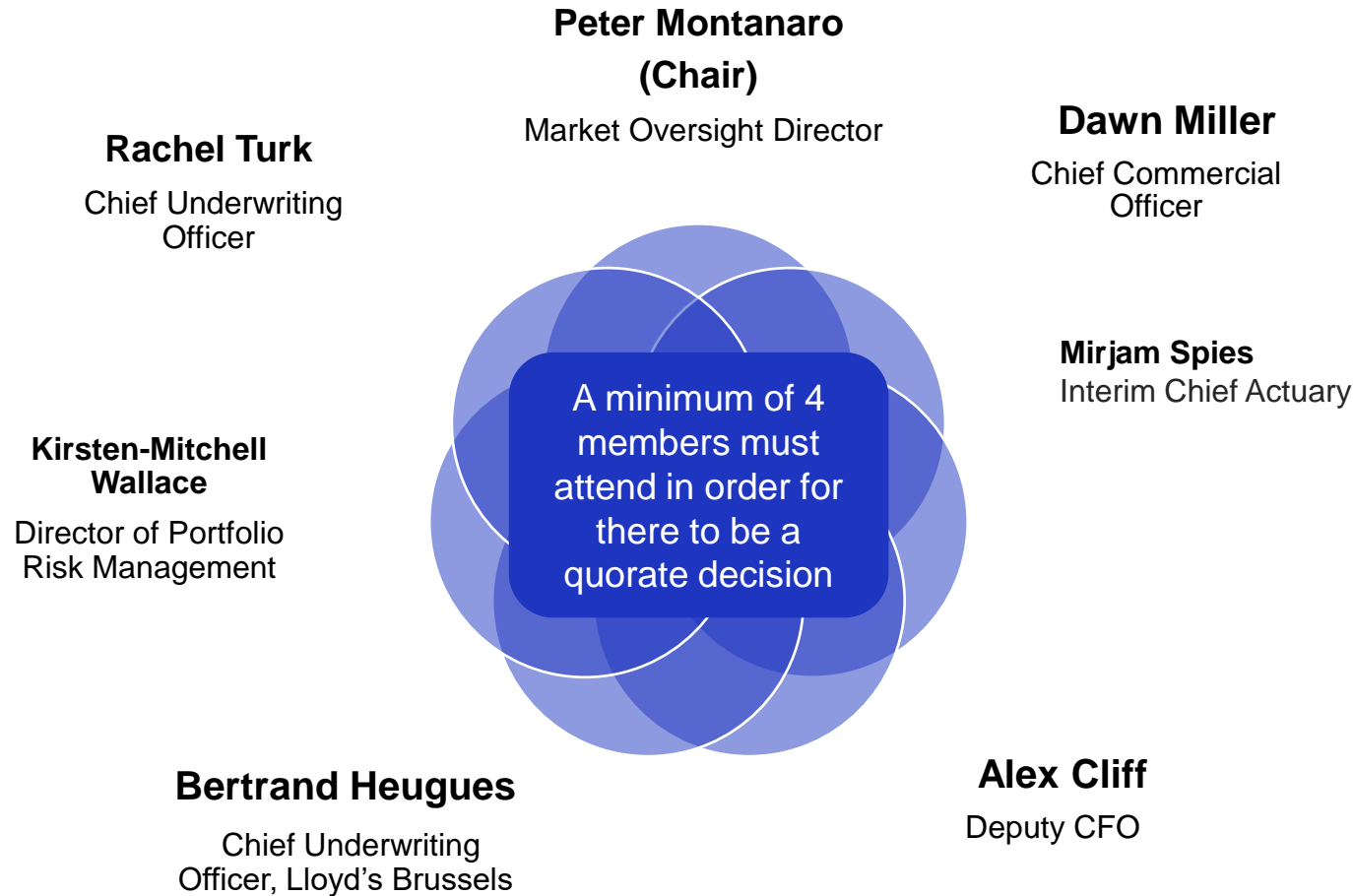


1. **Plan review:** All aspects of Syndicate Business Plans are reviewed including premium, expenses, reinsurance, catastrophe exposure in line with syndicate categorisation and capabilities.
2. **Capital review:** Capital will be set based on a validated and approved internal model, accounting for past performance and realistic assumptions of the uncertainty, on both a one-year and ultimate basis. Reserving reviews occur alongside the capital assessment ensuring that syndicates have the right assessment of uncertainty.
3. **Account Managers:** Account Managers ensure insights and analysis from technical teams (called syndicate Virtual Teams) are effectively consolidated. They produce a proposal for each syndicate which draws on the outcomes of the technical work, with a narrative overlaid including areas for debate / exception. This summary paper is provided to CPG covering key stats and KPIs, alignment to CPG principles and market messages.
4. **Risk Management review:** Risk Management will focus on challenging and advising on, 1) whether the CPG process delivers outcomes in line with the Council risk appetite, 2) whether the CPG operates within an effective control framework, including the appeals process, and 3) individual decisions and outcomes. Additionally, Risk will facilitate regular engagement with the PRA.
5. **CPG:** CPG is the body which ultimately approves all plans and associated capital each year. CPG may choose to delegate elements of approval to subject matter expert teams according to an agreed decision making framework.



Introduction to CPG

CPG Membership

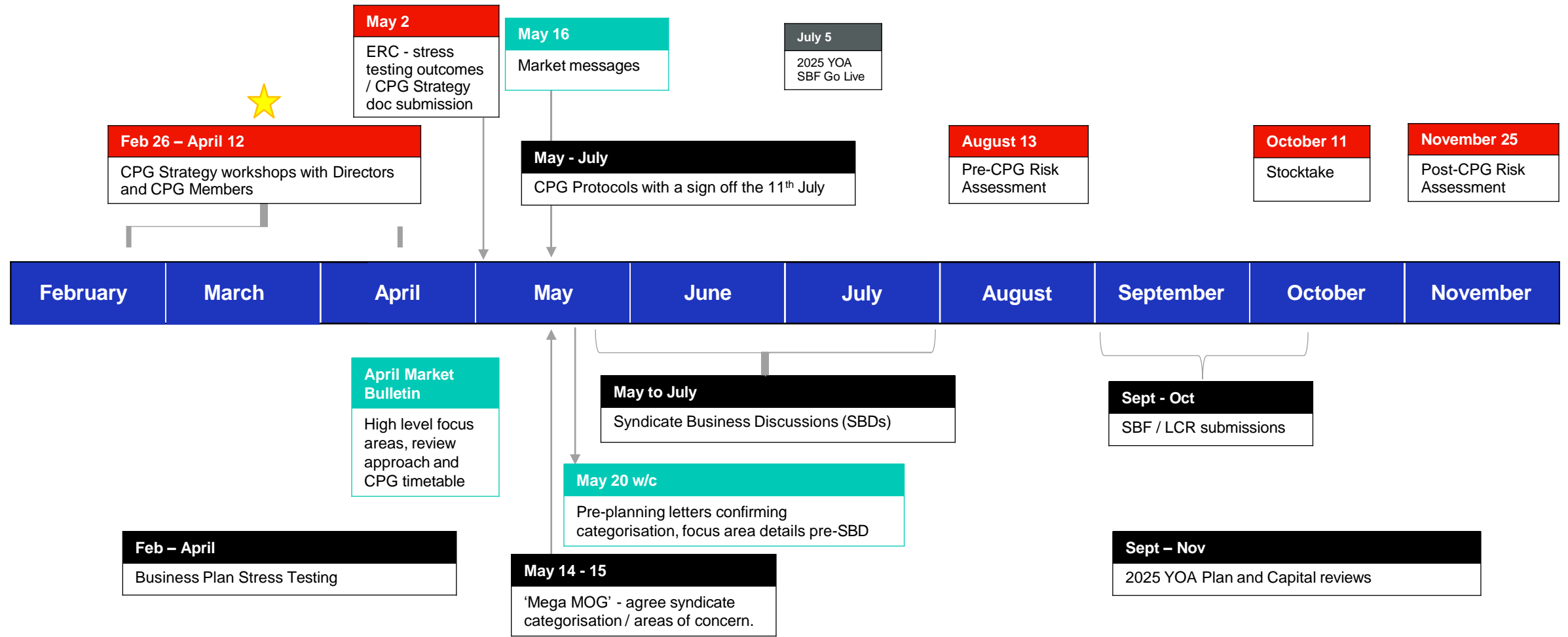


CPG Members are required to attend all CPG meetings where possible to facilitate consistent and robust decision making.

■ Director involvement

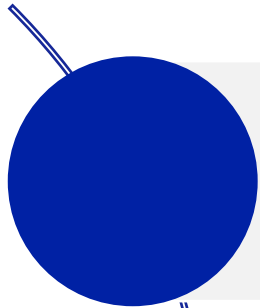
■ Market communications

Key milestones in 2025 process



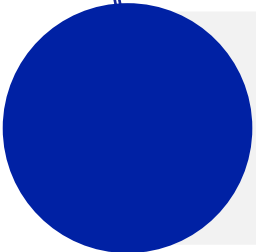
CPG Teams and Responsibilities

Main responsibilities of groups involved in the CPG process



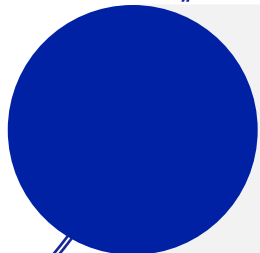
Chief of Markets (COM) / Chief Financial Officer (CFO)

Responsibilities include setting the annual CPG Strategy, overall accountability for approving business plans and capital submissions, as well as considering managing agent appeals and providing information to the Executive Committee and Council.



CPG Chair

Responsibilities include supporting the establishment of the CPG Strategy, which sets the parameters for the approval of capital and plans, presiding over meetings to ensure that discussions are relevant and appropriately challenged, and ensuring that the CPG ultimately fulfils the outcomes outlined in the CPG Strategy.



CPG Secretariat

Responsibilities include supporting the CPG Chair in the implementation of the CPG Strategy, designing and facilitating an efficient process, coordinating management information, ensuring a robust governance framework is in place, maintaining a central repository of data to track CPG activity and decisions, ensuring the successful delivery of operational targets, and monitoring overall progress against key deadlines.

CPG Teams and Responsibilities

Main responsibilities of groups involved in the CPG process



Account Managers

Responsibilities include coordinating inputs from all subject matter expert teams to develop a unified position and comprehensive view of the business plan and capital, but also leading critical communication with managing agents, which includes conveying CPG decisions and applied loadings.

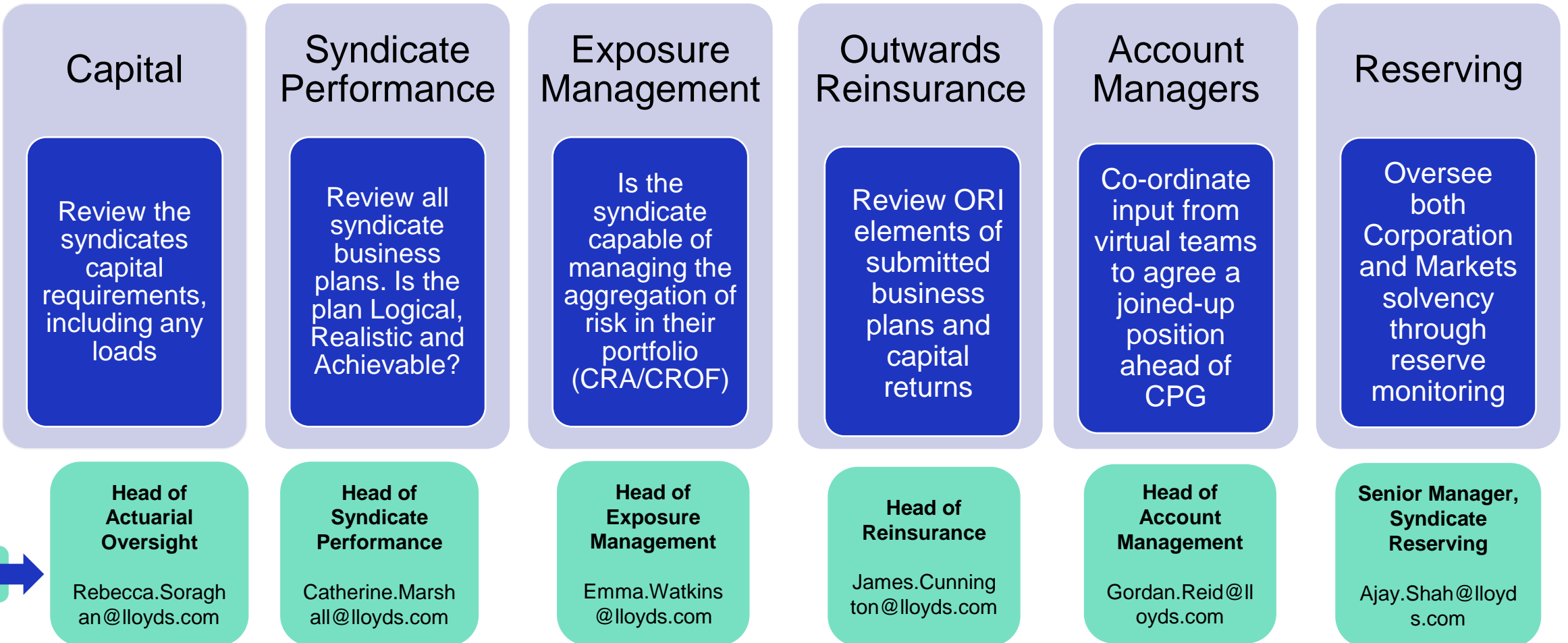
Subject Matter Experts (SMEs)

Responsibilities include conducting technical reviews of the business plan and capital requirements in accordance with the CPG delegated framework, presenting a final recommendation to the CPG for approval, and notifying them of any issues or concerns that require their attention.

Risk Management

Responsibilities focus on two main areas: firstly, determining whether plan and capital decisions align with Lloyd's risk tolerance, and secondly, ensuring that the CPG process and decision-making adhere to a robust control framework. The process also involves providing impartial analysis throughout the procedure and presenting a formal analysis by the CRO to the Risk Committee upon completion.

Virtual Team and key contacts



Key Contacts →

Escalation and appeals process



Should the CPG make a decision which the managing agent does not accept, further engagement with Lloyd's may take place

Phase 1:

Informal discussions may occur post CPG with the Chief of Markets and Chief Financial Officer

Phase 2:

- A syndicate may appeal the original decision with the relevant Director via the AM
 - The Director formally reviews the case and takes the final decision in consultation with the other Director
 - Appeals are fully documented by the AMs with a clear audit trail to evidence the decision making process
 - **All appeals should be completed within 72 hours of appeal being raised**

Phase 3:

- A syndicate may escalate further for review by the Lloyd's MSARC which may, where it considers appropriate amend, modify or withdraw the decision made by the CPG or the relevant Director

