

Reserving Return Changes

Changes to the reserving data model since
December 2023

As of April 2024

Reserving Return - Key changes since December 2023

- Loss Portfolio Transfer (LPT) processes for accepting syndicates. Where the accepting syndicate does not have underlying data for splits of the data, a new process will enable Lloyd's to allocate the data appropriately. No LPT reporting required now on the ceding syndicate. A separate email with further details to be sent to the impacted syndicates.
- Reserving class tag added to give additional information on reserving class.
- Net paid claims – Changed to cumulative from incremental collection. This was the only field that remained incremental. With the collection of net paid cat codes, which needed to be cumulative, we believe having only this one field being on an incremental basis would create issues and confusion in the return. We have also removed the requirement to submit CNV for this field.
- Still to be determined
 - QMA reporting changes to be incorporated into the reserving return
 - Collection of the syndicate class of business (SCOB) to syndicate reserving class mapping

Reserving Return - Summary of proposed major data model changes*

Old basis	New basis	Rationale
Risk codes	Lloyd's Generic Line of Business, syndicate's reserving class and risk code	Gross estimates (not data) provided by Lloyd's Generic Line of Business and syndicate reserving class, and Lloyd's will allocate to granularity required where appropriate. Gross data to be provided at risk code, Lloyd's Generic Line of Business and syndicate reserving class.
Reinsurance at risk code	Lloyd's Generic Line of Business and syndicate reserving class	Collect net information annually, at Lloyd's Generic Line of Business and syndicate reserving class for the latest return period. This is required for the Lloyd's internal model. No net risk code information collected.
N/A	Inclusion of ultimate estimates	Allows for review of full underwriting year (rather than only written estimates which we collect now) which will be more consistent when looking at performance vs plan and discussing with managing agents. (Gross and net)
Once per annum	Collect gross data quarterly and estimates annually	Allows removal of the GQD return, Lloyd's oversight activities and engagement can be spread through the year given data can be used quarterly for oversight. (Gross only)
Incremental data	Cumulative data	Reduces errors and resubmissions from amalgamating incremental returns.
All history	Summarised data for 20+ pure years of account	Trivial IBNR on prior years so not required at same granularity for reserving exercise. (Gross and net)
7 currencies	Minimum USD and GBP	No currency collected in the 191 form. Currencies stored following results of reserving exercise collected in quarterly cat data and RRA. Minimum requirement is USD and GBP.
N/A	Lloyd's cat coded data	Allows for greater accuracy in reserving exercise when removing catastrophe data and therefore fewer market queries.
N/A	LPT / ADC flag	Additional reporting for receiving syndicates. Removes distortions in data where the receiving syndicate is unable to allocate to correct risk code or year of account. Allows us to remove double count in our data.
All Solvency II data by risk code and item	Solvency II data by SII class only and only required line items	Strip the return to what is required only for South African reserving given it is in the SA regulations.
N/A	Initial expected loss ratios by reserving class	Additional reporting to assist in triaging concerns before discussing with managing agents (Gross Only)
N/A	Removal of items not being used	Remove by risk code and year of account: ULAE, URP, claims outstanding other, claims outstanding discount credit and non-life annuity flag (Gross and net)

* Minor amendments may be required on conclusion of the QMA return review