

Market Bulletin

Ref: Y5443

Title Modernised approach to dealing with poor conduct and behaviours in the market

Purpose To consult on modernised framework for dealing with poor conduct and behaviours within the Lloyd's market

Type Event

From Claire Schrader, Lloyd's General Counsel

Date 12 September 2024

Deadline Responses to the consultation are requested by 16 December 2024

Related links <https://www.lloyds.com/conducting-business/market-oversight/acts-and-byelaws/proposed-new-conduct-framework>

Lloyd's is proposing to implement a suite of changes to modernise and streamline its approach to dealing with poor conduct and behaviours in the market which includes dealing with financial and non-financial misconduct. We wish to consult on the key changes that we propose implementing.

The new framework for managing such issues is designed to –

- Ensure better alignment with firms' own internal HR and disciplinary processes, supporting firms' ability to investigate their own employees and to address issues themselves;
- Expressly recognise our trust in the ability of those managing agents and syndicates that meet the expected levels of maturity under the Culture Principle to investigate and resolve issues before intervention is required from Lloyd's;

- Provide greater clarity as to the types of conduct or behaviours that Lloyd's considers unacceptable, including for non-financial misconduct, and to set out when and how Lloyd's will intervene;
- Align Lloyd's Enforcement and Oversight functions so that Lloyd's can adopt a more holistic approach when dealing with cases, with Oversight intervention being at the heart of this process, but with Enforcement being available as needed; and
- Improve Lloyd's internal decision-making processes, so that decisions can be made in a more timely and consistent manner, whilst also preserving necessary procedural safeguards.

Details of the changes and how to provide feedback are set out in our consultation document. The consultation document, together with the proposed Enforcement Byelaw amendments, can be found on our website at <https://www.lloyds.com/conducting-business/market-oversight/acts-and-byelaws/proposed-new-conduct-framework>.

Responses to the consultation and any enquiries can be sent to conductconsultation@lloyds.com. Responses should be provided by 16 December 2024.

Full details of the consultation can also be found at <https://www.lloyds.com/conducting-business/market-oversight/acts-and-byelaws/proposed-new-conduct-framework>.