

Lloyd's of London



LLOYD'S

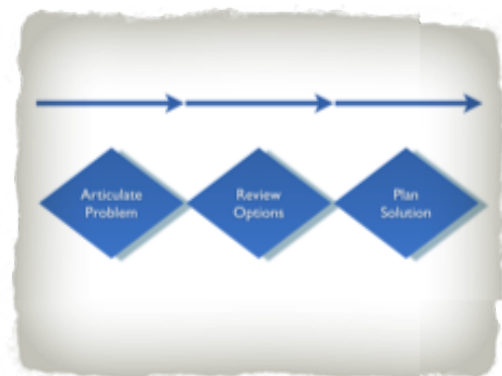
Wisereach helps Lloyd's strengthen compliance model

Wisereach assisted a leading City corporation on a strategic governance initiative to identify changes required to meet future regulatory compliance. Utilising a structured approach and our in-depth industry knowledge we worked together with the client's own subject matter experts to identify and recommend a number of performance, compliance and knowledge management improvements to meet the requirements with minimal impact to their existing methodology.

Lloyd's, the world's leading insurance market, approached Wisereach when they identified a need for assistance on their Performance Data Project. Lloyd's internal project team had been tasked with reviewing the data currently captured from market participants to evaluate whether it is relevant and up-to-date and whether it will be sufficient to accommodate the likely requirements of Solvency II.

Wisereach provided a dedicated project management capability and structured approach utilising a number of techniques to open up discussion and debate and then to close down the agreement on the way forward.

Utilising in-depth industry experience and knowledge Wisereach also provided a viewpoint from the perspective of the Managing Agent to assess the systems and process impact of any potential changes.



The project team evaluated and refined Lloyd's robust framework, which supports the key strategic objectives of underwriter performance management via a number of activities relating to the approval of syndicate business plans and the subsequent monitoring thereof.

The team also worked closely with Solvency II practitioners to identify the likely data changes that may be required to achieve compliance.

Lloyd's uses existing data collected via the Core Market Returns system to approve and monitor syndicate business plans to support the overall performance of the Lloyd's franchise. Defining a concrete set of recommended improvements was problematic because the Solvency II requirements are still being finalised but Wisereach were able to use their experience of similar regulatory requirements in the financial sector to work with Lloyd's to identify the most likely areas for change.

The results indicated that more detailed data is likely to be required in order for Lloyd's and the market as a whole to comply with Solvency II.

The exact nature of the additional requirements and the mechanism that will be used to collect the data is yet to be finalised. Lloyd's wishes to minimise any increased reporting burden and is therefore looking to only collect additional data where absolutely necessary.

Solvency II is a fundamental review of the capital adequacy regime for the European insurance industry. It aims to establish a revised set of EU-wide capital requirements and risk management standards that will replace the current Solvency requirements.

- Solvency II will set out new, strengthened EU-wide requirements on capital adequacy and risk management for insurers with the aim of increasing policyholder protection; and
- the strengthened regime should reduce the possibility of consumer loss or market disruption in insurance.

Wisereach have deep knowledge of the insurance industry and a pragmatic approach to delivering results for our clients. Our Solvency II experience means we can advise you from overall strategy through to practical implementation of appropriate controls in your processes and systems.

Talk to us about how we can help you successfully navigate your compliance requirements.