

LLOYD'S



Velonetic

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Blueprint Two

Working Session

22 April 2024



Agenda

	Welcome	John Neal
	Opening remarks	Bob James & Chris Halbard
14:00 – 15:25	Vanguard approach and testing framework	Alvaro Montenegro & Kerry Rainer
	Cutover activities	Teresa Jennings & Steve Stinson
	White paper and data room	Jonathan Burdett & Matt Unsworth
15:25 – 15:40	<i>Break & move to spotlight sessions (10 or 15-minute break between sessions)</i>	
15:40 – 16:05	Spotlight session: testing & Vanguard	Alvaro Montenegro, Kerry Rainer & Patrick Molineux
16:20 – 16:45	Spotlight session: training & onboarding	Sean Anderson, Nicole Mott & Karen McDonagh Reynolds
16:55 – 17:20	Spotlight session: cutover activities & data migration	Teresa Jennings, Steve Stinson & Ryan Gilligan
17:20 – 17:30	Closing remarks	Chris Halbard, Bob James & Matt Unsworth
17:30 – 19:00	<i>Drinks & canapés</i>	

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Welcome



John Neal
CEO, Lloyd's

Opening remarks



Chris Halbard
CEO, Velonetic



Bob James
COO, Lloyd's

Remembering Joe Dainty



Getting ready for a safe and secure cutover



The digital platform build for Blueprint Two phase one cutover is near completion with **90% of delivery sprints concluded**; the build will finalise in July 2024, with market cutover to the new services expected in October 2024



Market testing of the new platform is already underway and will run in four concurrent cycles, **with >90% of all premiums and claims available to be tested by June 2024**



Alongside rigorous testing, **a robust governance process is in place** to provide assurance to market participants ahead of phase one cutover, together with artefacts to support cutover approval

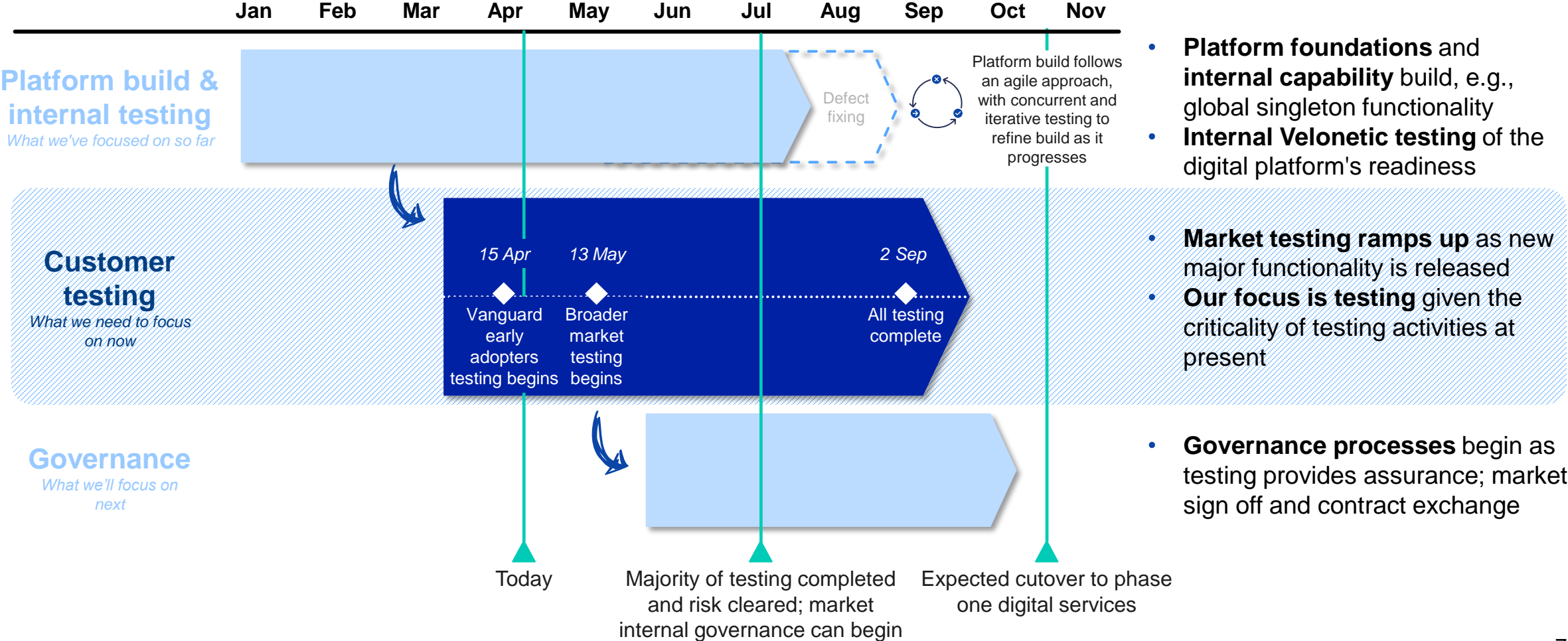


Your support is required across the following activities to aid a safe and smooth cutover:

- Test the new services
- Train and onboard users
- Ensure internal governance and decision making to sign the new digital processing services agreement (DPSA) and the termination letter

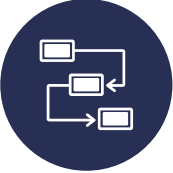
Our engagement will evolve as the programme progresses

Current focus is on customer testing




- **Platform foundations and internal capability** build, e.g., global singleton functionality
- **Internal Velonetic testing** of the digital platform's readiness
- **Market testing ramps up** as new major functionality is released
- **Our focus is testing** given the criticality of testing activities at present
- **Governance processes** begin as testing provides assurance; market sign off and contract exchange

Four key testing principles underpin the phase one plan

- 


Logical sequence of release

➤ Starting with the **foundations** (base premium and claims processing), then layering complexity

- 


Releasing what you need most, first

➤ Releasing **majority of complex processing** upfront, focusing on premium transactions first (which carry the majority of the risk), before testing simpler claims

- 

Quick defect resolution where it really matters

➤ Shifting resource into **fixing defects for earlier releases first**, with simpler processing available from August

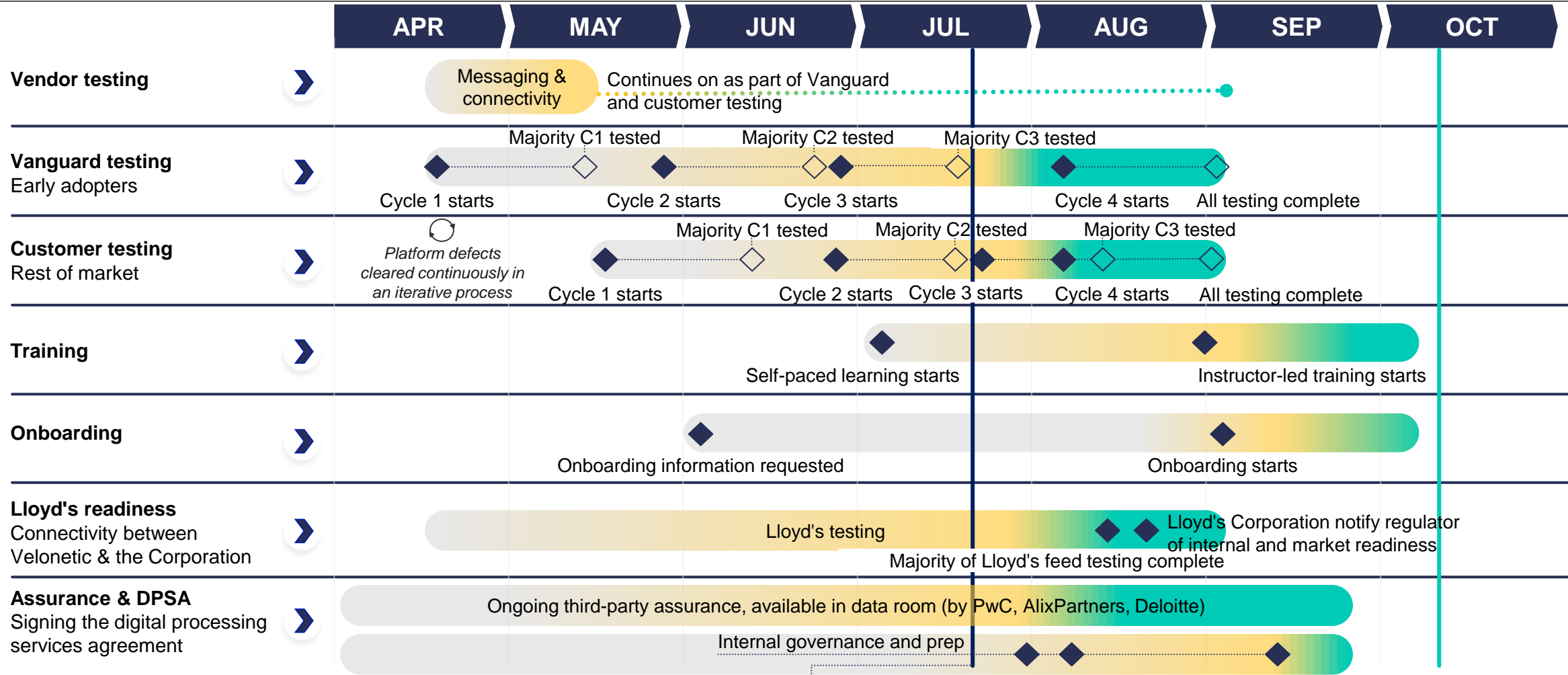
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Vanguard early adopters test ahead of the market

➤ Giving Vanguard early adopters access **four weeks ahead** of the market, using the **extra time to smooth the market testing experience**

Key testing and cutover moments

Cycles will run concurrently; majority of market testing will have commenced and progressed by end July



- Activity ramping up
- Activity in flight, bulk of derisking ongoing
- Majority of activity risk cleared

Market internal governance to begin as majority of testing completed and majority of risk cleared

DPSA signed

Managing agents to notify regulator

Termination letter signed

Expected cutover to phase one digital services

What you need to do, month by month



APR

MAY

JUN

JUL

AUG

SEP

OCT

Market checklist

- Vanguard early adopters ready and able to start testing
- Broader market confirms choice of test offering:
 - LIMOSS coordinated testing
 - Enhanced testing

- LIMOSS coordinated and enhanced customer testing participants ready and able to start testing

- Governance forums scheduled to enable approval of cutover and signing of the new DPSA
- Firm ready to implement process changes for technology

- DPSA signed and returned
- Firm ready to begin training

- Preliminary Board approval for cutover
- Vendor system changes and connectivity confirmed
- Managing agents confirm regulatory notification to Lloyd's

- Final Board approval for cutover confirmed
- Termination letter signed and returned
- Firm ready to set-up users in onboarding

- Connectivity to market gateway confirmed

Vanguard approach and testing framework



Kerry Rainer
Chief Strategy Director, Velonetic



Alvaro Montenegro
Product & Technology Director, Velonetic

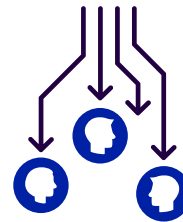
Three models for customer testing



Vanguard

Early connectivity, functionality and end-to-end business scenario testing with early adopters group

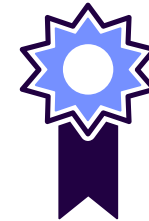
More Vanguard information, including scope of testing and reports is available on our [Testing webpage](#).



Coordinated

Testing all end-to-end processes, defined by Velonetic and LIMOSS

To be agreed by LIMOSS, Velonetic and market associations



Enhanced

Testing of scenarios tailored to customer requirements, supported by Velonetic

Available to all customers at a cost

DPS functionality will be released for testing across four cycles

Cycle 1
 Vanguard start: 15 April
 Customer testing start: 13 May

- Base premium and claim processing:**
- Direct, singleton, subscription open market business
 - Broker submissions
 - Technical processing (incl. queries)
 - OP, AP, RP on new business
 - Premium instalments
 - Delinked Premium entry
 - Premium corrections
 - Carrier response (incl. queries)
 - Standard EDIs and CWT
- Further functionality:**
- Reporting
 - Settlements
 - Additional elective services
- Fast follow (22 April 2024):**
- Remaining claims standard EDIs

Cycle 2
 Vanguard start: 28 May
 Customer testing start: 24 June

- More complex transactions, including:**
- Heritage reachback (premiums and claims)
 - Delinked premiums released
 - Claim sanctions
 - Claim corrections
- Premium A&S / IMR portal for submissions and work package tracking further functionality:**
- Remaining standard EDIs (LIMRES, RESETT, REDIAL)
 - Reporting
 - Writeback
 - LORS portal
- + Cycle 1 defects**

Cycle 3
 Vanguard start: 24 June
 Customer testing start: 22 July

- Additional functionality:**
- Proportional treaty submissions
 - Surplus lines
 - Lineslips
 - Facilities
 - Scheme Canada
 - DA
 - ARCS and DCF
 - Reporting
 - LORS EDIs
 - All bespoke EDIs
- Velonetic internal claims and premium workflows further enhanced** (including automated premium validation and additional premium query functionality)
- + Cycle 2 defects**

Cycle 4
 Vanguard start: 5 August
 Customer testing start: 5 August

- Final tranche of phase functionality:**
- Mid-market change
 - Mid-term broker change
 - Premium sanctions
 - Part VII
 - Experts
 - NAIC
 - Reporting
 - All Acord4ALL EDIs
 - Purged claims
 - Run off
- + Cycle 3 & 4 defects**

Vanguard overview: confirmed participants

Carriers

TOKIOMARINE KILN | AXA | Swiss Re
 HISCOX | ZURICH | MS Amlin
 TRAVELERS | HAMILTON | beazley
 canopus | Antares | Allianz
 SOMPO INTERNATIONAL | GLOBAL AEROSPACE
 RiverStone International | QBE | FARADAY
 LLOYD'S

Brokers

wtw | Bretton Woods INTERNATIONAL
 LOCKTON | Marsh | es risks
 HOWDEN | Griffiths & Armour
 Gallagher
 Gallagher Re | EVOLIN
 Guy Carpenter | AON
 AMWINS
 ACRISURE | LLOYD'S

Vendors

DataPro corporation | EBIX | Charles Taylor
 GUIDEWIRE | gpm insurance software
 DOCOSOFT | websure
 northdoor | Novidea
 Advantage GO | DXC TECHNOLOGY | ROPNER INSURANCE SERVICES
 Duck Creek Technologies | eurobase
 Verisk | ECLIPTIC

Progress since 15 April



Vendor connectivity testing started, including file folder retrieval for messaging



Majority of Vanguard companies onboarded



Testing cycle 1 functionality deployed to customer test environment



Customer co-ordinated testing (CCT) contract and onboarding instructions shared with customers

Next steps for testing



Remaining vendors to be onboarded and begin connectivity testing



Follow up with remaining vendors and customers in respect of missing certificates, onboarding information and/or business scenarios



Vanguard business scenario testing to ramp up




Preparation for customer co-ordinated and enhanced testing



Release of test results in fortnightly cycles

Take a look at our platform demo in the expo!

ICOS: Broker view



ICOS

Notifications

sitloydsbroker sitloydsbroker

Dashboard

Claims

Policies

Insureds

Queries

Welcome sitloydsbroker@gmail.com

Your actions

[Add new claim](#)

All claims [📄](#)

○ UCR: Unique Claim Reference / UMR: Unique Market Reference / Insured Name

What are you looking for? (UCR / UMR / Insured Name)

 [Search](#)

Class of business

Carrier Claim status

[Clear all filters](#)

Unique claim reference	Class of business	Insured name	Bureau	Time elapsed	Date of loss	Claim status	Sanction status
BLLOYDSUATRETEST0602	-	-	LLOYDS	14 Days	-	Draft	-
B1234YHU4509jhm800	-	-	LLOYDS	8 Days	-	Open	-
B12345PatchReleaseClaimRetest	-	-	LLOYDS	14 Days	-	Open	-
B6201202402161756	-	-	LLOYDS	4 Days	-	Draft	-
B4321432177777	-	-	LLOYDS	3 Hours	-	Draft	-
B2505ged769247BB	-	-	LLOYDS	23 Hours	-	Draft	-
B4271vurd61890BB	-	-	LLOYDS	2 Hours	-	Draft	-
94df174f-c032-4481-8d0e-55552694730e	-	-	LLOYDS	92 Days	-	Draft	-
B1234543278970432	-	-	LLOYDS	1 Day	-	Draft	-

All queries

sitloydsbroker@gmail.com

Unique Claims Reference B1234YHU4509jhm800

Testing query900

12:59 21 February 2024

carriermixedmarket1@outloc

Unique Claims Reference B1234YHU4509jhm800

test

12:07 21 February 2024

sitloydsbroker@gmail.com

Unique Claims Reference B1234YHU4509jhm800

sent to carrier

09:50 13 February 2024

sitloydsbroker@gmail.com

Unique Claims Reference BUATTestLiyodsSETT1202

Query raised to Carrier.

12:09 12 February 2024

Cutover activities



Teresa Jennings
Operations Director, Velonetic



Steve Stinson
Head of Transformation Programmes, Velonetic

Landing a safe and secure cutover



Previously shared a high-level cutover plan



We've conducted a number of deep dives on premiums, claims and settlements

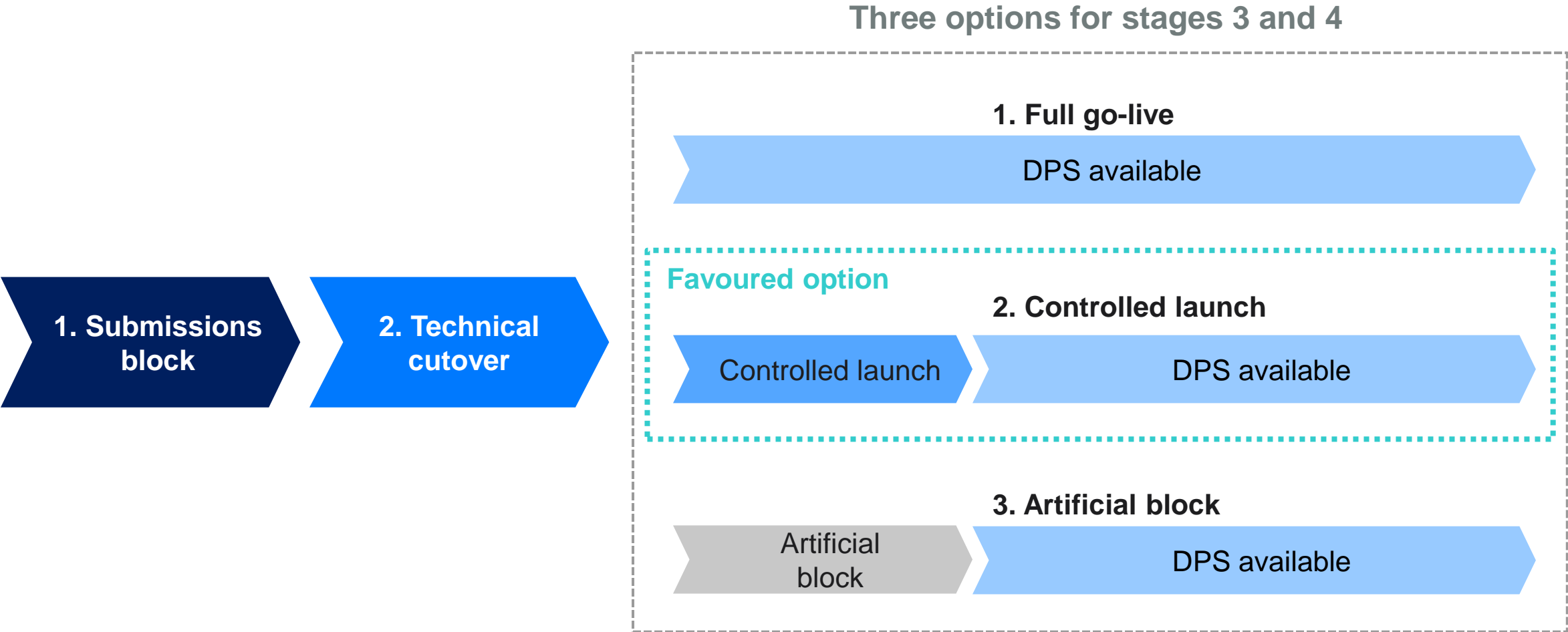


We've engaged the market and taken on board your feedback



The change of the cutover date has enabled us to look at other options for the later stages of cutover, particularly rollback

Exploring three options for latter stages of cutover



Controlled launch: evolving view for cutover



A controlled launch on day one with a smaller group of market participants



Return to full processing for all customers after one working day

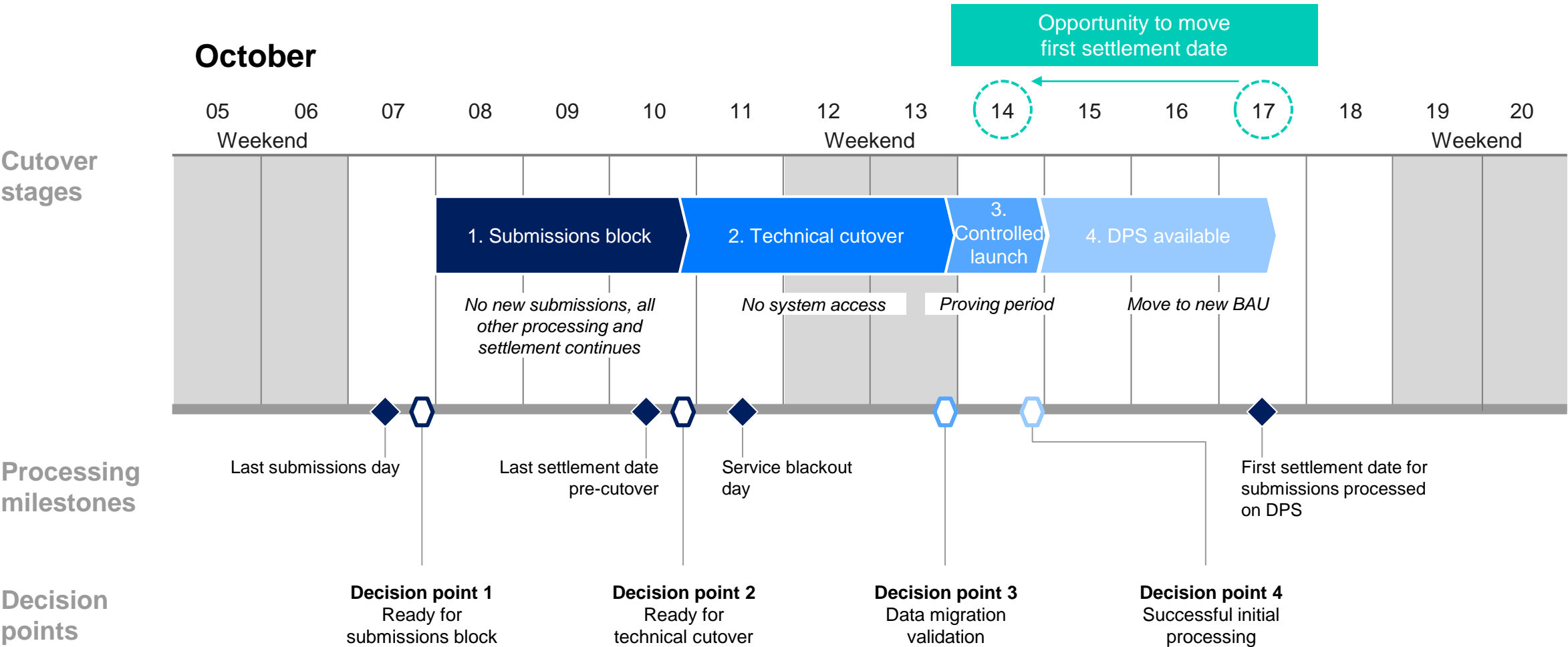


Opportunity to reduce the number of non-settlement days

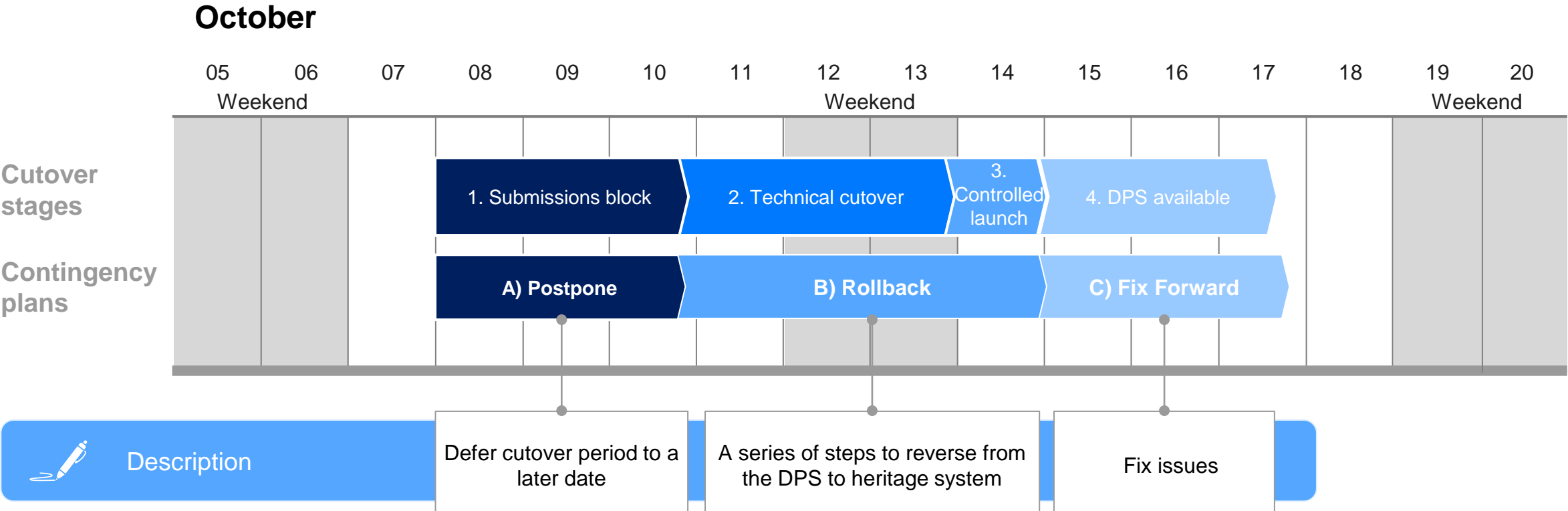


Safer transition with potential to rollback during controlled launch period

Controlled launch: timeline



Controlled launch: contingency plans



We've continued to develop next level of detail



Premium transactions that are signed but not fulfilled will be migrated

i.e., de-linked premiums and deferred installments



Guidance on timelines will be shared in coming weeks on bespoke scenarios

Model wordings library, LORS, mid-term broker changes (MTBC), large work packages, direct settlement



We're finalising specifications for a tool to migrate in-flight claims transactions






Parallel unique claims references (UCRs) are in scope



Velonetic will continue working to clear all query work in progress (WIP)

Rehearsals ahead of cutover

	Paper-based rehearsal	Dress rehearsal	Dress rehearsal
 Date	14 May	25 - 27 May (UK bank holiday)	24 - 26 August (UK bank holiday)
 Description	Paper-based cutover run through	Dress rehearsal to simulate the cutover period	Dress rehearsal to simulate the cutover period
 Customer access	Full access – no effect on customers	No systems available for the duration of the dress rehearsal	No systems available for the duration of the dress rehearsal

Cutover activities during May and June 2024



Finalise approach for latter stages of cutover



Publish cutover plan



Share guidance on premium and claims timelines



Further develop in-flight solution



Engage with you through walkthroughs, workshops and Q&A surgeries



Conduct rehearsals and provide feedback

Assurance activities: white paper & data room



Jonathan Burdett
Partner, Deloitte



Matt Unsworth
Transformation Director, Lloyd's

Our white paper will support and aid decision makers



We'll be **transparent in the governance around decision-making** for phase one cutover



Governance is thorough and well-established across Velonetic and Lloyd's



Acceptance criteria, assurance mechanisms and tolerance thresholds are in place for programme decision-making and will be shared in the white paper



The white paper will provide **additional transparency** on:

- Nature of changes, testing, cutover approach and contingency & risk mitigation planning
- Assurance given to Lloyd's and Velonetic by their own assurance providers
- Artefacts made available to the market to evidence outcomes of assurance activities



White paper will be **published in May**, following consultation with market associations

The data room will support assurance activities



Data room will provide market firms with **well-structured information to support risk management and governance** around cutover



Access will be provided to **all Velonetic customers**



Instructions for registration will be provided shortly



Data room will support a **Q&A function** to facilitate the **central management of queries around the artefacts provided**



Data room will be **launched in May**; **additional content added over the coming months** as testing and assurance activities progress through their stage gates

Key content focus within the data room

Velonetic technical readiness

- Functional & non-functional completion reports
- Technical readiness status assessment
- Technical cutover readiness report & rollback plan (including contingency planning)
- Build reports (digital processing services/Technology and Transformation Advisory committee status)
- Data migration strategy & assurance
- Build readiness assessment

Velonetic operational readiness

- Operational & technical services transformation (hypercare, ServiceNow, customer help portals)
- Onboarding and post-go live support readiness reports
- Velonetic communications plan
- Operational resilience testing
- Operational cutover plan
- SOC 2 type 1 reporting

Market readiness

- Vanguard testing completion report
- Customer testing completion report
- Onboarding tracking
- Cutover readiness report
- Regulator notification confirmation
- Adoption readiness report
- External education tracking
- Communications & engagement documentation
- Dress rehearsal reports

Lloyd's Corporation readiness

- Lloyd's test strategy
- Lloyd's end-to-end test completion reports
- Lloyd's operational readiness report
- Regulatory completion
- Business continuity plans
- Third party assurance

Information we'll aim to deliver

- RAID management
- Governance structure
- Miscellaneous progress reporting
- Operational roles & responsibilities
- Lloyd's self-assessment
- Lloyd's cutover plans & preparation

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Training & onboarding



Sean Anderson
Head of Service
Transformation, Velonetic



Nicole Mott
Senior Manager,
Transformation, Velonetic

Training: what you need to know



Modular approach available on Velonetic Education, our interactive learning platform



Send user details to the Velonetic Education so we can provide access



Self-paced learning will be available for all users by end of July 2024



Face-to-face and virtual instructor-led learning commences 27 August for managing agents and 2 September for company market carriers and brokers



Updates to user manuals on 17 June and more updates will follow until cutover

A blended approach to learning

Free of charge

User manuals

User guides are available via the Velonetic Education learning platform



Self-paced learning

Updates made to learning materials in January and March 2024 via website

Short e-learning courses available from end of July via learning platform:

- User administration
- Premium
- Claims
- LORS
- Proportional treaty
- Supporting modules



Chargeable

Instructor-led and additional self-paced learning

More in-depth, self-paced learning

Instructor-led:

- Group tutorials
- Virtual



Onboarding: what you need to know



Check your direct debit mandates and which entities own each stamp / broker code



Velonetic will request detailed onboarding information from 5 June



Onboarding forms need to be returned to Velonetic by 23 August



Velonetic will create your organisation and set up user admins from 2 September



User admins to set up users from 9 September (requires multi-factor authentication)

Data migration



Ryan Gilligan
Account Delivery Lead,
DXC



Teresa Jennings
Operations Director,
Velonetic



Steve Stinson
Head of Transformation
Programmes, Velonetic

Two major data sets for migration

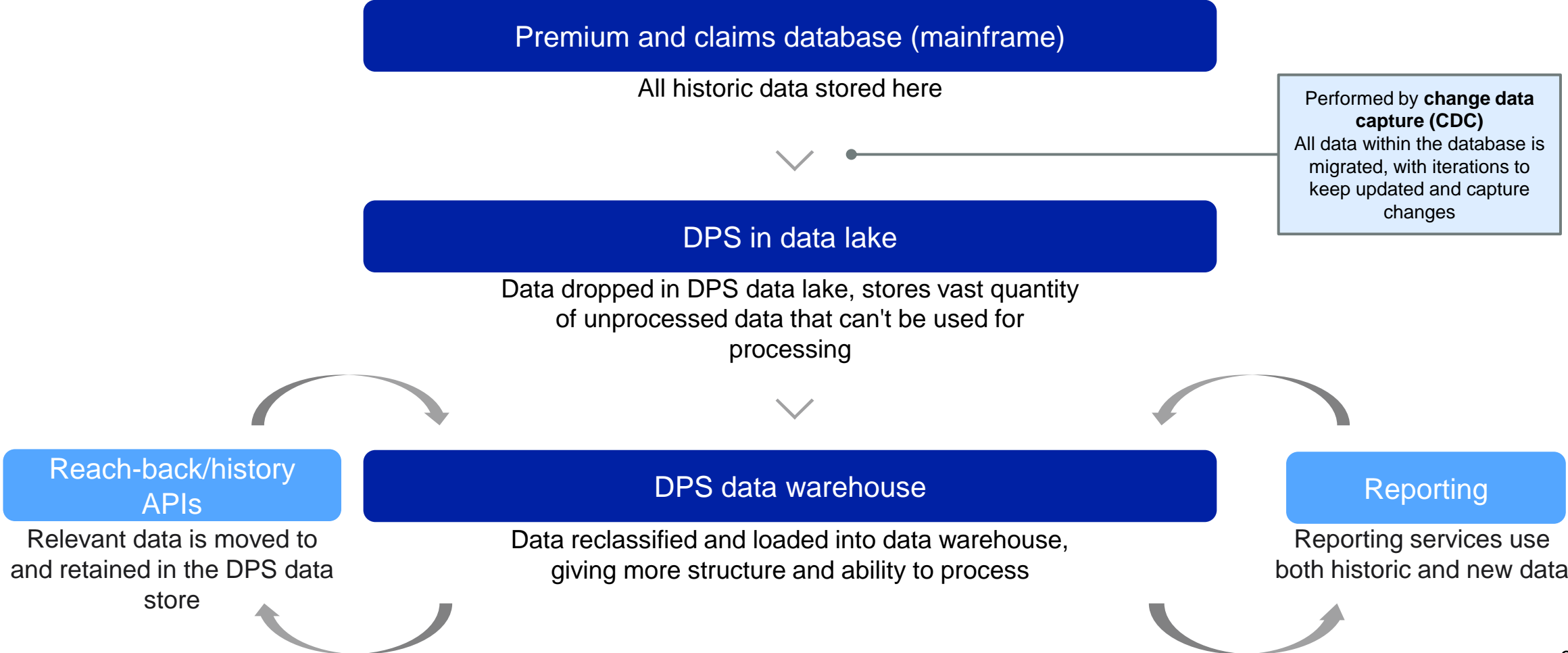
Insurers Market Repository (IMR)

Storage of all documents in support of business placed in the market

Premium and claims records

Storage of all premium and claims data processed in the market

Deep-dive on mainframe data migration process



Deep-dive on documents and meta-data within the IMR

IMR Documents

All documents currently stored within the IMR system



AWS data sync

Installed to copy all documents across to DPS, incrementally syncing to stay up-to-date



DPS Document Repository Service

All documents and meta-data available to view and process on DPS

IMR Meta-data

The meta-data that describes the documents within the current IMR system



Export and load

During cutover, an export will be taken point-in-time and exported to DPS



Robust assurance will be followed to ensure data integrity

Assurance execution to be aligned with data centre migration assurance approach, using industry standard tooling and best practice, low level data integrity checking techniques and data assurance testing.

Assurance test	Objective	Approach	Governance
Technical data Assurance	Validate data integrity using quantitative checks across the pre and post transfer data sets	Reports will compare: <ul style="list-style-type: none"> • row counts • key fields • aggregate size across the pre and post transfer databases 	Test plan agreed, test exit reports produced and included in the DPSA service acceptance criteria
Functional data assurance	Validate data integrity across the data sets based on qualitative checks across the pre and post transfer datasets	Physical validation of data transferred to the DPS data lake on a sampling basis using a manual test approach	Test plan agreed, test exit reports produced and included in the DPSA service acceptance criteria

Lessons learned from the 2023 data centre migration



Dress rehearsals are essential to the identification and resolution of potential blockers



Closely monitor performance testing results and performance during migration



Allow sufficient time in the plan for documentation



Ensure a collaborative and collective team environment

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Closing remarks

Getting ready for a safe and secure cutover



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Key resources to support cutover

1



Adoption guide

Iterative guide with the latest information on key people, process and technology changes

2



Model office

Interactive spaces on Galleries 3 and 4, facilitating adoption workshops led by Lloyd's and Velonetic engagement team

3



Blueprint Two website

Refreshed website centralising all details and artefacts in one place

4



Learning platform

Central repository with all training materials

5



Vanguard programme

Sharing experiences and insights from Vanguard testing

6



Market events

Ongoing events to share key information and actions required to adopt the new digital services

Next events
Q&A: 7 & 8 May
Market event: 24 June

Supported by an experienced, collaborative Blueprint Two engagement and CRM team