

Operations Update



Operations Update Q1 2026

Welcome to the Q1 update, highlighting key activities and developments within the operations areas relevant to the market.

2026 has begun not just at a run, but at a sprint across the world of operations, change, technology and delegated authority (DA) within the Lloyd's market. Blueprint Two has dominated recent updates, but there is a lot of activity across other areas.

Blueprint Two – or the transformation formally known as

Following Lloyd's **full year results** and **strategy** updates, Lloyd's announced on 19 March that Blueprint Two would be sunset. Velonetic also provided an **update** on 2025 and outlined the following activities planned for 2026:

In 2026, Velonetic will:

- ensure the continued resilience of the existing heritage estate
- transition fully to an incremental delivery roadmap
- plan for cutover and dual-run decisions
- strengthen data integrity and assurance
- enhance operational readiness for market modernisation.

Velonetic remained stable as a core service in 2025 and operational resilience is a regular topic of conversation with Lloyd's and Velonetic.

There is still work to do and it is worth noting that this is **not** a complete stop. The areas of focus for the LMA with Velonetic in 2026 will be:

- Maintaining operational resilience across the heritage estate, as well as extending and improving it further – for example, by introducing multi-factor authentication (MFA) on critical internet-facing applications and ensuring support is maintained across the Velonetic heritage estate.
- Contractual updates:
 - The heritage services contract (FERN) is due for auto-renewal at the end of 2026.
 - The expected Digital Processing Services Agreement (DPSA) is effectively sunset as well; therefore, we will need to review the existing heritage services contracts and update them to a modern version incorporating AI and many other components expected in the DPSA.
 - The Exit Plan requires updating based on the new “incremental” approach.
 - Material Outsourcing Notifications (MON) in line with regulatory guidance and Lloyd's.
- Review of the incremental delivery roadmap – including sequencing, resource impacts, timeframes, testing, etc.

- Communications and market engagement – ensuring that we, as a market, get meaningful input into the plans and impacts.
- Maintain the strong market governance over the heritage services contract (FERN) for run, change and risk.

The opportunity for innovation and modernisation still exists so please do look at your own data flows and connectivity across your own ecosystems.

The LMG's Data Council – data standards

We continue to work with the wider community, including the IUA, LIIBA, LMG, brokers, carriers, vendors, Lloyd's, ACORD and SMEs to finalise the Core Data Record standards. Two of the four standards are published on the LIMOSS Market Business Glossary (MBG) with Claims due in Q2 and DA to finish the set over summer.

Data standards are the enabling services we collectively need to adopt to help simplify how we share our data and process business from enquiry to claims payment. We have a “coalition of the willing” working to create a library of use cases so you can see how others have progressed on their own data journeys. These will be published in Q2 on the LMG, IUA, LMA and LIIBA websites.

To support adoption and to help drive standards and data flow conversations, we delivered two sessions at the Insurtech Insights Europe conference on data standards and innovation; great conversations and a packed house, balancing the desire for AI innovation with the practicalities of needing better data standards across the market. ACORD standards are a must, be it Core Data Record or EBOT/ECOT.

Broker performance MI dashboard – aged debt empowerment

The broker performance MI dashboard developed with Velonetic launched in February. With only 43% of premium payments made on time, there is room for improvement across our market. The tier 1 service is available to all managing agents, with a tier 2 service available for those who want more detailed data. Further information is available at velonetic.co.uk/broker-dashboard.

Co-ordinated vendor testing for operational resilience

The LMA's operational resilience committee is progressing the first co-ordinated vendor testing using a claims systems supplier for 21 managing agents. The testing will conclude in April and is expected to produce a blueprint to facilitate the enablement of other co-ordinated vendor tests. Results and feedback will be available in Q2 2026. For more details, contact **Matt Wood**.

Urgent Settlement Framework (USF)

Previously known as Urgent Settlement Guidance among other names, this is another area championed by multiple LMA committees. Lloyd's has recruited more dedicated resource to enable it to accelerate this work, which is now divided into three phases: 'strengthen', 'extend' and 'evolve'. Phase 1, to strengthen, will be published in May and we will work closely with Lloyd's as it develops further thinking for Phase 2 in H2 this year and beyond. For more details, contact **Matt Wood**.

Delegated authority (DA) – change

There are several change activities underway in the DA space, including:

Computable Binding Authority Agreement (CBAA)

The wordings are on track for a complete refresh this year. In line with **DARE**, the intention is to enable the sharing of the wordings and rules via an information model and set of APIs, leveraging

existing contract-building partners. An ambitious project with high complexity and high value. For more details, contact **Carla Wise**.

DA Streamlined Compliance (DASC)

Linked to Third-Party Risk Management (TPRM), a request for information (RFI) was issued in Q1 with a positive set of responses from a wide range of vendors. We will now look to progress the full project in conjunction with LIMOSS. We continue to work with users, SMEs and Lloyd's to ensure the question sets are appropriate for the use cases across the market. For more details, contact **Matt Wood**.

Third-Party Risk Management (TPRM)

Utilising the same technology stack as Streamlined Compliance, we are aiming to support centralised due diligence with standardised question sets and document collection on the basis of 'ask once, share to many'. This will not replace the need to evaluate the due diligence, based on your own risk appetite, but it will allow vendors and market participants a one-stop-shop for TPRM. The solution will also provide a good overview of concentration risks at the aggregated level. This has formed part of the same RFI as Streamlined Compliance. It is particularly timely with new incident reporting rules recently issued by the Prudential Regulation Authority and the Financial Conduct Authority. For more details, contact **Matt Wood**.

PRA PS7/26 - Operational resilience: Operational incident and third-party reporting

FCA PS26/2 - Operational incident and third party reporting

COO Forum

At February's COO Forum, we had an interesting presentation from Mohit Sharma of Lloyd's Singapore, providing updates on the various offices across APMEA, including Gift City India, Japan, Singapore and more. This was followed by an informative AI presentation from MEA looking at the work they are doing across the market for customers and suppliers. If you would like more detail, please reach out.

Expert fees

A pilot has been agreed, running from 23 March for two months, with Velonetic in conjunction with the IUA and LIIBA. This is expected to resolve several process issues around the payment of survey fees for syndicated risks. This is in fine art and specie and limited to three collection agencies, for the pilot, but is expected to roll out to all classes and collection agencies if successful. For more details, contact **Rose Pyke**.

Lloyd's strategy

Lloyd's strategy was shared on 19 March. The LMA welcomed the new strategy and the clear and coherent direction of travel. The specific areas that we, as Operations, will be working with Lloyd's on are set out below:

Efficient and flexible marketplace, including:

- incremental technology modernisation
- protecting market operational resilience
- enabling individual strategic choice via flexible, open architecture
- adoption of data standards
- the data strategy delivering on the core responsibility to reduce friction and only collect the data required.

The LMA Operations Committee (LMAOC) will take the lead on this for the LMA.

LMA Academy

In Q1, the LMA Academy delivered the four-day *Operations Management Business Simulation* programme.

20 further events were held in Q1, including a new *Introduction to Insurance Market Cycles* course, which will run several times throughout the year. Visit the [LMA Academy](#) page of our website for upcoming dates.

Registration opened for the *Early Talent Kickstarter* programme, designed for those at the early stages of their careers. The programme commences in October. Further information is available on the LMA Academy page of our website.

Signposts and feedback

Dates for your diary

- The LMAOC meetings take place on 15 April, 20 May and 17 June.
- 24 June – All-day event at the Lloyd's Old Library in conjunction with Ruschlikon on data standards adoption. Invitations have been issued, but if in doubt please drop me a line.
- June – Next COO Forum (exact date TBD).
- Q2 – Velonetic's incremental delivery plan due.

Register for [LMA Academy events via our website \(login required\)](#).

You can find details of current committee participation on the relevant LMA website pages ([Board](#) and [LMAOC](#)), alongside a brief summary and minutes of the monthly Operations Committee meetings (login required). Details of the Delegated Authority Committee participants are also available.

It's not only committee members' views that matter; we also want to hear from managing agents who are not participants but on whose behalf the Board and committees act. If your firm has a view on any matters we need to hear, please do get in touch.

Lastly, a message below from Rob Myers who leaves the LMA after seven years of dedicated service. Rob has been an asset for the market and an absolutely lovely, generous colleague. I'm sure you will agree that he will be missed across our operations community.

Farewell from Rob Myers, 25 March 2026

"This is my final day with the LMA marking the end of 44.5 years' working life in the Lloyd's and London market. Almost seven years ago, I joined Sheila and the LMA team. In prior roles, I'd worked with the LMA (and its predecessor organisations) over the previous three decades and I have to say it was not something I'd planned or expected; but it proved to be a great decision."

"I have thoroughly enjoyed my LMA days through what has been an interesting series of events, here in the market and indeed globally. What has made it so enjoyable for me is the ever-present spirit of community, collaboration and collective desire to do the right things, striving to make this wonderful Lloyd's and the London insurance market a better place."

Joe Brace

Operations Director

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