

Insurtech Board

Minutes for the Meeting, 20 May 2019

Date: Monday 20th May 2019

Location: 9A, Hiscox Insurance UK, 1 Great St Helen's, London EC3A 6HX, UK

Time: 14:00 - 16:30

Attendees:

1. Will Thorne, Innovation Leader, The Channel Syndicate, Chair (FDP)
2. Paolo Cuomo, Co-Founder InsTech London & Principal, Boston Consulting Group
3. Ed Leon Klinger, CEO, Flock
4. Mark Dennis, Global CEO & European COO, Digital Partners, Munich Re.
5. Pollyanna Deane, Partner, Simmons & Simmons
6. Lidia Bozhevolnaya, Head of Strategy, Hiscox
7. Vivek Banga, Managing Director, Polaris
8. Trevor Maynard, Head of Innovation, Commercial, Lloyds
9. Matthew Cullen, Assistant Director, Head of Strategy, Data & Analytics at the Association of British Insurers
10. Paul Heybourne, Head of Innovation & Mobile, Aviva
11. Daniel Pender, CEO, reviti
12. Edward Crowther, Policy Advisor, HMT
13. Meera Last, Programme Manager, Tech Nation

Apologies:

1. Steven Mendel, CEO & Co-Founder, Bought By Many
2. Gordon Baker, Future Sectors, Business Growth Directorate, BEIS
3. Blair Turnball, MD Digital & Retail, Aviva UK
4. Martin Mankabady, Partner, Dentons
5. Greg Michel, Head of Sector Programmes, Tech Nation

1. Introduction

- 1.1. WT began by thanking Lidia Bozhevolnaya (LB) for hosting the meeting at Hiscox.
- 1.2. WT went on to acknowledge that we had new members joining us for the first time. WT asked the new members to introduce themselves.
- 1.3. Ed Leon Klinger (ELK) introduced himself as the CEO of Flock, a prominent Insurtech in the UK.
- 1.4. Mark Dennis (MD) then introduced himself, as the European COO for Munich Re Digital Partners.

2. Talent & Knowledge Workstream

- 2.1. LD began by announcing the progress of the talent & knowledge workstream. We identified this as a key issue from the report Meera Last (ML) put together, she said. Start-ups told us that they are lacking specialist insurance knowledge, and would find support in this area useful. There are a number of reasons why it can be hard to recruit insurance specialists.
- 2.2. LD went on to clarify that the idea was to design a secondment pilot, to transfer talent from an insurance company, broker or the Lloyd's marketplace, to an insurtech, with the benefits being evident from both sides. The expectation for pay would be on the incumbent. There are many benefits for both sides, LD went on.
- 2.3. There are two key questions that arose as part of the discussions LD had with Hiscox's Head of Talent. This group needs to clarify the business case from the incumbent perspective, and clarify the precise role, time and requirements.
- 2.4. LD proposed that the group consult with Insurtech UK to understand more specific needs, and to create a job description. This will then be used to create a solid business case, to be taken back and proposed to insurance incumbents.
- 2.5. Vivek Banga (VB) mentioned the twenty proposed "need items" that Insurtech UK have worked on defining. LB agreed that those would be a useful basis for designing any specific role.
- 2.6. Mark Dennis (MD) commented that some insurtechs may prefer to have a generalist or all-rounder, as the culture in smaller businesses sometimes requires.

- 2.7. WT agreed that, from an incumbent perspective, you would want to offer a development opportunity to a high-performing generalist who could benefit massively from experiencing a different way of working.
- 2.8. Ed Leon Klinger (ELK) stated that he felt the idea overall was a good one, but that there are some risks that should be flagged. Issues around IP, competition, culture change, being mindful of current partnerships and potential conflicts of interest, and control over the fundamental job description that is offered to secondees.
- 2.9. LB acknowledged these potential risks, and thanks ELK for flagging. They shall be taken into account as the proposal is developed.
- 2.10. Dan Pender (DP) commented that a mentorship programme could work just as well, with the avoidance of some of those issues.
- 2.11. Pollyanna Deane (PD) responded that she thought some of these issues can be addressed within a secondment framework.
- 2.12. ML agreed, and mentioned the FCA secondment programme that this idea is partially inspired by. It may appear that there are risks with the creation of this programme, but in fact the uptake is good and the scheme is popular.
- 2.13. Paul Heybourne (PH) agreed, and added that Aviva have already done this activity previously. They seconded a senior member of staff into an executive role in one of their investments.
- 2.14. Trevor Maynard (TM) asked if it would be possible for PH to share the internal business case, to help with the construction of the board's own case.
- 2.15. WT asked LB for the next steps.
- 2.16. LB stated that the next steps, including: consulting further with Insurtech UK to create specific role titles; drafting a secondment agreement; and creating a business case for incumbent insurers.
- 2.17. WT thanked LB, and the working group for their excellent progress on the proposal.
- 2.18. WT went on to mention that he has had a catch-up with Insurtech UK, and has run this past them. They were warm to the idea.
- 2.19. The Group reflected that they would like to hear from Insurtech UK on their detailed list of requirements. A proposal to invite them to present at the next board meeting was considered and accepted.

3. Open Insurance

- 3.1. Matt Cullen led the update. We had a briefing from the ABI on the Pensions Dashboard project, he said, and on the potential for Open Insurance in the next few years. APIs would be opened to providers, only with the explicit consent of the policyholders. MC went on to explain that the Pensions Dashboard project aims to explore this principle. DWP has committed to take forward a pensions dashboard.
- 3.2. MC commented that what is required is a definition of important use cases within insurance, to see if the Open Insurance proposition can deliver value to the industry and to customers. He went on to say that so far, the response from industry has been mixed, but not overtly negative. A solution that this board could lead on is a white paper, detailing the use cases, positives, negatives, and key impacts of the Open Insurance idea.
- 3.3. TM commented that the use cases and the need should be articulated, to validate any work that might follow.
- 3.4. MC agreed, and went on to say that there are key use cases that should be explored, like digital wallets, further dashboards and aggregated views, and more.
- 3.5. VB commented that it would be an enabler for innovation. The group agreed.
- 3.6. The decision was made to author a white paper as a group to outline the use cases, benefits and potential for innovation that Open Insurance could offer. We will articulate the positive benefits, and the questions that the policy makers will need to take it into consideration.

4. Lab of Labs Proposal

- 4.1. TM led the update. He recapped that the idea was broadly to loosely join together the labs across London, to create a central location that can be a natural fit and location for any insurtech events, hosted by DIT or otherwise.
- 4.2. TM expressed to the group that he had had discussions with several ecosystem partners, to gauge the possibility of executing something. TM went on to say that he would like to establish whether we should go ahead, in the form of a briefing with DIT, to check whether the work required is appropriate and whether the iteration we have proposed is the right one.

5. Treasury Update

- 5.1. Ed Crowther (EC) gave an update from the Treasury. He mentioned that they were aware of Insurtech UK's decision to create a list of requirements, and

agreed to discuss with the Insurtech Board what the outputs from a Treasury perspective would be.

- 5.2. It was also established that the group would find it extremely useful for Insurtech UK to present back, so we can have a joint understanding of what is needed.

6. AOB

- 6.1. ELK asked if the group had considered doing anything in the area of access to capital and financing.
- 6.2. ML responded that a consultation had taken place previously, but it was decided that the board could not offer the right proposition for the problems identified.
- 6.3. ELK offered to draft a positioning statement, to explore potential work in the area of alternative finance and access to capital.

Actions

1. Lidia, Meera & Trevor to meet with Insurtech UK to get ideas for specific roles that insurtechs would want to get secondees in; present back to interested insurers and work on business case/ way forward.
2. Matt, Will, Pollyanna, Vivek, Dan & Ed to mutually begin a draft of a white paper on the Open Insurance proposition.
3. Ed Crowther to arrange a call with DIT/Insurtech Board to understand appetite for the Labs of Labs idea.
4. Paul to share the Aviva business case and approach with Lidia & Trevor.
5. Will to reach out to Insurtech UK to arrange a showcase at the next meeting; idea is to get them to present their list of items that they plan to lobby for with UK government. - in progress
6. Meera to give an update to the group regarding FDP and IB funding. - in progress
7. Ed Klinger to develop a strawman for a new workstream that relates to funding challenges, especially CVC. To be shared in the next few weeks, after which members can request to join this workstream.
8. Meera to arrange the next meeting, to be held in September, at 3 Finsbury Avenue - I'll send a placeholder over shortly :)

