Insurtech Board Meeting Minutes
13th February 2020

Date: 13th February 2020
Location: Tech Nation, Boardroom, 3 Finsbury Ave, London EC2M 2PA
Time: 15:00 - 17:00
Actions at end of document

Attendees:
1. (ELK) Ed Leon Klinger, Chair, Flock,
2. (DP) Daniel Pender, Reviti Life,
3. (LB) Luisa Barile, Bought By Many,
4. (NB) Nico B, Norton Rose Fulbright,
5. (JP) Jemima Pitceathly, Tech Nation,
6. (SM) Shân Millie, Bright Blue Hare,
7. (SJM) StJohn Mackenzie, HM Treasury,
8. (RM) Rob Moore, Hiscox,
9. (PN) Paul Novelle, Tech Nation,
10. (VB) Vivek Banga, Polaris Plus,
11. (WT) Will Thorne, Channel 2015

Phone: Trevor Maynard

Apologies:
1. Matthew Cullen, ABI
2. Paul Heybourne, Aviva
3. Stephen Brittain, Insurtech Gateway

Introduction:
- ELK last session covered with the insurtech panel exist
- ELK update on the chair
    - Universal language created for assessing projects
    - Asked everyone to come to session with a proposal
    - If we can talk through even just two or three
    - Live work stream up and running by DP and NB-
    - NB conversations with insurers recently
- ELK actions to take- when we are having next meeting and having a conversation about cadence- suggestions for new additions to the Board

Funding Update:
- PN stated not much to add regarding funding, there have been conversations with treasury about future funding- fintech week is 20-24th of April, natural point for treasury to expand on what they do with budget
- ELK asked for PN to layout as clear non complex language how funding works and where it comes from- how can the Board have positive impact

- - PN stated the way that the programme and panel bundled together in one package from the treasury
  - Reviewed work across programme, panel and board to look at what the funding envelope should be
  - Panel should have a proper dedicated secretariat- compared this to Lawtech
  - Asked for challenge fund money- proving to be a bit more of a challenge in terms of understanding where this might lie
  - Pot of money to be allocated across the panel or board for pilots or challenges
  - Money to pilot solutions or to challenge the market and get them to come up with solutions
  - Positive noise about the fact the panel would continue
  - Working closely with treasury colleagues- need to determine how resources are too be divided
- ELK asked SJM for insight
  - Interest is making sure that insurtech doesn't get lost within fintech
- PN stated Fintech 2.0 will be reviewed over summer, board and working groups will continue on and look where everything fits- vision document produced for fintech and insurtech
  - Insurtech and onboarding are the ones motoring so keep these ones going
  - Review period over the summer and look for a bigger relaunch september october time
  - Funding for three years
- DP questioned what would happen if the Board had no funding
- ELK questioned whether within the tech nation infrastructure
  - PN worst case scenario would be out of Tech Nation and would have to take on its own life
  - Tech Nation could say to run it properly that it would have to be funded appropriately with a proper secretariat
  - Bigger questions around pilot funding, potential chance it is taken out of Tech Nation
- RM- is the money divided up from the
- TM asked about Insurtech UK group- they represent 75 members- organising insurtech week london in October- (group needs to know about this)- can they be invited to sit on the board?
  - LB sits on both boards wants to ensure strong link with insurtech UK
  - TM   thinks it is still confusing that they put on this event with the government
  - LB haven't quite got the split correct
  - ELK hopes that this will become clear in the purpose discussion- have we achieved that with this?
    - Note: defining our purpose ensure that we do not overlap with Insurtech UK group

Purpose: defining why, how and what
- ELK asked to discuss the overarching existence of the Board

- WT discussed the definition, liking the idea of the Board operating as a cross industry group
  - VB suggested that the Board should foster the growth of insurtechs as there is currently no agenda to represent insurtechs
  - Create an environment for insurtechs to flourish as once they have been created they have a trade body to go to
  - LB suggested bringing other parties to the table in order to create an environment where more ideas can be created
  - ELK questioned whether LB means bringing in more resources
  - LB stated that the Board must think about the bigger picture in order to enable UK insurtech scene to be globally successful
- DP suggested looking at insurtech scene as three overlapping circles:
  1. Insurance companies (which are already well represented)
  2. Investment groups (which are already well represented)
  3. Insurtechs (before insurtech UK were relatively underrepresented)
- Suggested that the Board should operate in the middle of these circles bringing them together to create overlap
- The Board looked at the lawtech definition and discussed application to insurtech
  - ELK highlighted the importance of the thought leadership piece
  - DP in relation to the three circles, movement should be towards finding opportunity behind the three streams
  - RM suggested looking at digital transformation as it applies to all three aspects
  - VB questioned whether representation is right in the group
  - ELK said that this is one of the things the Board will determine- rebuilding the group and reshuffling
- SM suggested building visibility for what the customer needs
- ELK suggested thinking about something that links society and the economy as well as digital transformation
  - VB noted that from an incumbency perspective doesn't think that industry will be interested in digital transformation as it is already happening within organisations
  - Added that sticking with insurtechs keeps group focused
  - SM suggested replacing the word 'agenda' with 'ecosystem'
- The Board decided to package digital transformation with ecosystem

Discussing the 'how'
- WT noted that the word 'domestic' should be changed
  - SM agreed stating that it should be about making the UK an attractive place to come and do business

Purpose
- ELK suggested that this should be as transparent as possible so that anyone can read it and roughly understand
  - Everything should be tracked to the why, the how and there should be multiple KPIs against these

Assessing new workstream proposals submitted by board members

Proposal 1 and 2 comments *(please refer to annex)*
- WT proposed that UK should be positioned as a leading market for insurtechs in order to improve the UK insurtech ecosystem and create a more competitive environment
  - NB added that there seems to be a lack of guidance and no 'conveyor' belt to bring companies this way
  - The Board agreed to conduct research into what this conveyor belt could look like
  - SJM suggested a forum where there is the opportunity to question the problems that consumers face
- ELK highlighted that the Board is uniquely placed to solve these problems and make recommendations to hand to DIT
- ELK asked LB whether there would be pushback on supporting large insurtechs
  - LB stated she doesn't think that this will be an issue
  - DP highlighted there should be a balance of proposals
- NB questioned whose job it is to make sure UK insurtechs have the power to expand into the USA
  - WT a lot of capital is required to push into the USA
  - Stated that in the UK market this kind of seed funding there is a lot of Series A but very little B,C and D
- ELK asked WT to come up with a draft workstream
  - PN suggested taking an approach by producing short papers with recommendations

Proposal 3 comments (*please refer to annex)*
- PN suggested taking a similar approach to that seen in the onboarding working group with a commitment to producing a landing page to provide more transparency
  - Production of a dashboard
  - Resources can be corralled internally around processes
  - High level pledge on the basis that this will grow over time
- RM questioned whether people would sign up to it
  - Stated that the principles are good but could be difficult when it comes to pilots
  - Stated that there are not always procedures to follow
  - ELK highlighted that from both sides this could be beneficial as the insurers would be exposed to many innovative companies
- WT expressed concern over parties signing up to this, the process cannot be guaranteed
  - SM highlighted that it should be thought of as clarity of what is going to be achieved rather than a guarantee of partnership
  - WT noted that a charter or agreement could be useful, however, using third party software is a no go

- NB suggested a checklist and best practice mapping
  - LB noted that when thinking about insurtechs and incumbency, there are many different processes and forcing organisations into one process is challenging
  - PN highlighted that this should be a communication piece more than anything
  - RM agreed with LB stating that imposing a process across these organisations may be difficult
- ELK suggested that this could be built with the previous workstream
  - Suggested that this would evolve into a new workstream with similar set of principles for best practice and partnership
  - LB agreed suggesting that this workstream should take a gradual approach

Proposal 4 comments (*please refer to annex*)
- Suggested that innovation and incumbency should be looked at together
  - Cross functional group with the purpose of understanding what the insurtechs are working on and the appetite of the incumbent
  - This would take the form of a thought leadership piece
  - SM added that this would incorporate the customer view
  - The Board agreed that this should point out overlaps and identify white spaces acting almost as a 'consultancy'
  - ELK suggested that the Board could work with the likes of ninety
  - SM highlighted that choosing the list of who to invite is very important

Proposal 5 comments *(please refer to annex)*
- LB suggested looking at the talent pool
  - RM highlighted that looking at creating more learning opportunities to fast track people to understanding could be helpful
  - For example, an insurtech topic for CII learning
  - VB in conversation with Sian Fisher, CII are looking at doing something like this

Proposal 6 comments *(please refer to annex)*
- DP suggested looking at increasing investment for innovation
  - Would be useful to say that regulated firms can allocate their money with favourable capital treatment with an innovative point of view
  - Could encourage large companies to take risks
  - Frees up capital on the balance sheet
  - RM questioned whether innovate finance could be used to improve usage and transparency
  - PN suggested combining green paper between last two ideas

ELK closed the meeting and thanked the Board for attending

Actions:
- **ACTION:** Board to internally define purpose- reach conclusion by next meeting
- **ACTION:** JP to organise next meeting via Doodle poll

- **ACTION:** Board to think of useful additions to group
- **ACTION:** ELK to replace the word 'agenda' with 'ecosystem' in definition and why, how and purpose statements
- **ACTION:** ELK to work with SM on wordsmithing this Purpose to focus more on the customer
- **ACTION:** WT to write up 'green paper' proposal on UK insurtech global positioning alongside NB, SM, ELK and RM for the work plan (must have clear deliverables)
- **ACTION:** DP to write up proposal 5 with the help of RM, WT, LB and NB
- **ACTION:** Board to decide second workstream (workstream 2 is confirmed
- **ACTION:** Ensure that DIT is present at the next meeting

Annex 1

Workstream proposals

Proposed workstream	What	Why	How	Expected impact	Proposed KPIs to measure
1. Strategic investment best practice	Facilitate & drive an agreed set of best-practices/ guidelines for corporate (strategic) investors & Insurtechs.	**Help UK Insurtechs achieve scale** ✅ **Help UK Insurtechs compete on a global stage** ✅ **Promote the UK Insurtech agenda** ❌	**Partnerships** ✅ **Investment** ✅ **Innovation** ❌	Demystifies and de-risks the process of raising strategic money for fledgling startups, building trust Bridges the communication, cultural, and expectations gap between insurers and startups Enable Insurtechs to more easily receive funding from strategic investors	Number of downloads/web-page views/other Number of confirmed investments undertaken whilst adopting the best practices Amount (£) invested whilst adopting the best practices Number of strategic investors to endorse/support/other these guidelines

Proposed workstream	What	Why	How	Expected impact	Proposed KPIs to measure
2. Promoting the UK Insurtech ecosystem globally	.Producing a 'Green paper' to recommend ways to enhance attractiveness of UK Insurtech ecosystem to global companies/inv estors	**Help UK Insurtechs achieve scale** ✅ **Help UK Insurtechs compete on a global stage** ✅ **Promote the UK Insurtech agenda** ✅	**Partnerships** ✅ **Investment** ✅ **Innovation** ✅	Will enable policymakers to focus efforts on areas where industry experts believe the attractiveness of the UK Insurtech ecosystem can be enhanced.	Inward investment over a 5 -10 year period. Interventions acted upon. Number and size of foreign owned companies setting up in UK.

Proposed workstream	What	Why	How	Expected impact	Proposed KPIs to measure
3. Onboarding insurtechs into incumbents	Creating guidelines and/or a charter to improve the onboarding processes for insurtechs into incumbent insurers	**Help UK Insurtechs achieve scale** ✅ **Help UK Insurtechs compete on a global stage** ✅ **Promote the UK Insurtech agenda** ❌	**Partnerships** ✅ **Investment** ❌ **Innovation** ❌	Following the guidelines produced by the Fintech Panel for fintechs (downloaded over 8,500 times) an improved process, whether that be information flow, standardisation of approach or increased flexibility could help insurtechs work more effectively with incumbents and grow their businesses more quickly.	NPS feedback from Insurtechs Tracking number of partnerships Others to be considered

Proposed workstream	What	Why	How	Expected impact	Proposed KPIs to measure
4. Innovation review	Commission report into areas of innovation and demand in insurance industry to map activity	**Help UK Insurtechs achieve scale** ✅ **Help UK Insurtechs compete on a global stage** ❌ **Promote the UK Insurtech agenda** ❌	**Partnerships** ❌ **Investment** ❌ **Innovation** ✅	Allow both insurtechs and insurers to understand an up to date landscape of innovation to encourage partnerships	TBC

Proposed workstream	What	Why	How	Expected impact	Proposed KPIs to measure
5. Talent in the industry	CII specific Insurtech courses	**Help UK Insurtechs achieve scale** ✅ **Help UK Insurtechs compete on a global stage** ✅ **Promote the UK Insurtech agenda** ❌	**Partnerships** ❌ **Investment** ✅ **Innovation** ✅	TBC	TBC

Proposed workstream	What	Why	How	Expected impact	Proposed KPIs to measure

| 6. Increasing capital for innovation | 'Green paper' recommendations on Capital allocation for innovation | **Help UK Insurtechs achieve scale** ✅

Help UK Insurtechs compete on a global stage ✅

Promote the UK Insurtech agenda ❌ | **Partnerships** ❌

Investment ✅

Innovation ❌ | To improve the amount of capital available for innovation in the insurtech sector | Policy measures adopted Tracking of investment KPIs |

Proposed workstream	What	Why	How	Expected impact	Proposed KPIs to measure
7. Universe Events	Bi-annual / Quarterly event/festival	**Promote the UK Insurtech agenda** ✅	**Partnerships** ✅ **Investment** ✅	Culture-shift to facilitate and enable innovation, creating an environment that is conducive to UK insurtech partnerships (Greater understanding of what is stopping this from happening now?)	On-going relationships which arise through meetups – tracking pipeline through bi-annual survey. Investigate challenges which are arising – what are the barriers, how can we tackle them?