



ELTO 2023 Annual Report

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2023 achievements

Throughout 2023, the Employers' Liability Trading Office (ELTO) continued its upwards trajectory, achieving higher success rates and bolstering investments to align the service with its strategic objectives, ensuring its effectiveness and adaptability.

STRATEGIC OBJECTIVE 1

ELTO is the key route for claimants to trace an insurer

ELTO holds over **34.8 million** records covering 44 million policy years

81.6% of disease enquiries get a successful response

98.4% of accident enquiries get a successful response

STRATEGIC OBJECTIVE 3

Increase the number of claimants receiving a response that allows them to pursue the right insurer

Overall success rate

88.4%

STRATEGIC OBJECTIVE 2

All claimant enquiries through the search service receive (when requested) a response in line with FCA requirements

120,915
successful enquiries

STRATEGIC OBJECTIVE 4

ELTO is run efficiently for the industry's policyholders

ELTO is the only regulated tracing office in the UK

79.5% Net customer satisfaction score

83.7% Net member satisfaction score

Results from annual Customer and Member Satisfaction survey

Chair's statement

ELTO's vision has always been to ensure that individuals looking for their employer's insurer can obtain a successful result. ELTO's focus remains on enhancing the customer journey and improving success rates for those individuals seeking their employer's insurer.

Our Vision has always been, and will remain, a world where anyone who has suffered a work-related illness or injury has immediate access to the information they need to help facilitate making a claim.

Central to this mission is our commitment to capturing accurate information, ensuring we maximise successful search results for ELTO users. I am proud to share that the last year marked a significant milestone in ELTO's journey to improve Employer Reference Number (ERN) capture on behalf of the industry, securing positive change for our Member Insurers.

Since the inception of ELTO in 2011, Members have been tasked with collecting the ERN from their policyholders to populate their policy records on the ELD. However, capture of the ERN has proven to be a consistent challenge over this time, with various collection methods implemented by both ELTO and its Members to date. Unfortunately, improvements have been slow and time consuming and the level of compliance in this area has been a concern for all of us, and indeed the FCA, for a number of years.

This is why ELTO have been working hard with the HMRC for a number of years now, to achieve a better ERN capture process for the industry. Through a data enrichment process, we have been supplementing Member data with that obtained working directly with HMRC, with increasingly positive results.



During 2023, we felt it was time to ask the FCA to consider the Regulatory landscape around ERN collection, given the consistently positive results ELTO have been achieving, with much higher ERN population rates than existing Member processes have been able to achieve. I couldn't have been more delighted when the FCA accepted the compelling evidence we put forward, that it was time to change the Regulatory landscape for ERN collection for the industry.

The ICOBS 8.4 rule change now allows ELTO to undertake the ERN Collection work on behalf of Member insurers. ELTO will now also take on the responsibility of using our 'best endeavours to obtain the ERN' for our Members.

This change has been welcome news to all Members and wider industry Stakeholders who are involved in supplying the required Employers' Liability (EL) information, reducing some of the Regulatory burden surrounding the transaction of EL insurance, and it follows also some of the Governance required of Members to monitor compliance in this area.

The improvement work however does not stop here as I am actively working with the ELTO Board and ELTO team in the background to further invest in automating the ERN collection process with HMRC in the near future, as part of our commitment to providing a "Best Endeavours" solution to the collection and storage of ERN information.

Moving on to our core KPI's, I'm delighted that the search success rate continued to remain high at over 88%. That means that more than 120,000 people were able to successfully trace their employer's insurer thanks to our important work. That was achieved despite the service seeing a material 50% increase in the number of search requests. This trend was primarily due to a surge in Noise-Induced Hearing Loss enquiries before the implementation of the fixed recoverable costs changes in October 2023. We observed a stabilisation in the number of enquiries in the following months.

ELTO members and users benefitted from the immediate results produced where the enquiry was matched directly by the Employers' Liability Database (ELD), which reached more than 84% of all enquiries in 2023, a slight increase on last year. That is a remarkable achievement, showcasing dedication of the teams supporting the daily operations of the ELTO service. It reflects the immense effort of countless individuals who have developed the ELD to now house just over 34.8 million individual records, spanning many decades.

I am immensely proud of the achievements and determination of the ELTO team over the past 12 months. The enhancements and support we delivered are the results of the unwavering dedication and focus of our entire team, user groups, key partners and suppliers.

Together, we have significantly improved the service we provide. Looking ahead to 2024, we will continue to enhance our customer experience and develop our services for the insurance industry, ensuring a resilient and user-friendly service for all our Members.



Steve Browne, Chair

Operational statement

Our mission: To provide an excellent service that gives claimants and their representatives quick and easy access to a database of EL policies through an online enquiry facility, helping them to find their employer's insurer.

Our unwavering commitment to delivering exceptional service has not changed. We implemented a series of initiatives to enhance the customer journey and security, with key highlights including:

- ▶ Bolstering our cyber security defenses Continued our efforts to upgrade and enhance ELTO's digital infrastructure
- ▶ Made further improvements to member reporting technology.

Further strengthened cyber security

Throughout 2023 we extended our cyber-security focus beyond internal systems to include our vendors and supply chain partners. We implemented rigorous security assessments and due diligence measures to ensure third-party vendors adhered to robust cybersecurity standards and practices. We have also invested in the upgrading of our systems, network and software to latest versions with enhanced security features and implemented comprehensive cybersecurity training programs for employees to raise awareness about cyber threats, phishing scams and best practice for data protection. Additionally, we have strengthened ELTO's risk profile by undertaking the development of an enterprise risk register, taking the Board of Directors through some rigorous risk-based deep dives to establish a risk appetite and introduced a formal process for managing risks on an ongoing basis. Overall, our efforts to improve cyber-security in 2023 were rooted in a proactive approach, combining technological enhancements, employee empowerment and strategic initiatives to mitigate risks and protect data from evolving cyber threats.

Investing in ELTO's digital infrastructure

We laid the groundwork for upgrading ELTO's server infrastructure in 2024, to a later version of the Windows Server operating system, ensuring enhanced functionality and future-proofing the application with extended support until 2029. In 2023 we made further investments to enhance our virtual servers by upgrading memory, CPU and disk capacity, thereby significantly improving the ELD's search functionality performance, ultimately making it quicker and easier for claimants to trace their employer's insurer.

Improving management information (MI) for our members

In addition to realising the benefits of upgrading our servers to the latest operating systems, we migrated our Datamart to a virtual machine will significantly enhance the generation and delivery of our **management information (MI)** to our Members. This transition will also provide clearer more in-depth reporting capabilities.

ELTO members' activity

Time to supply (TTS) **increased** from 84.8% in 2022 **to almost 85.5%**, which is a positive result for our Members.

TTS is calculated by Members loading policies to the ELD within 90 days and tends to fluctuate throughout the year, with 2023 being no exception. We encourage Members to load without delay to ensure a more complete database to improve the outcome of any searches made by potential claimants.

Our members with historic policies responded to 89.6% extended searches within 28 days, **a slight decrease** from 94.3% in 2022. The proportion of **successful responses to extended searches decreased slightly to 48.6%** compared to 50% in 2022.

Our investigators reviewed **18,818** extended searches, **reducing enquiries sent on to our members by 4,434**.

83.7% of claimants who searched the ELD were able to are able to find a policy instantly, **a slight decrease of 0.6%** from 2022.

Continuing to listen to our claimants and members

User survey

Each year ELTO undertakes a claimant and member satisfaction survey. The survey captures important measures and KPIs in relation to how the service is performing. Responses were down in 2022 and going forward we are looking at improved ways of capturing satisfaction.

Member results

Overall satisfaction with the service was **83.7%** in 2023, an increase of **9.4%**. Areas which saw improvements were:

- ▶ administration site – satisfaction increased by **3.6%**
- ▶ extended search - satisfaction increased by **27.6%**
- ▶ timeliness - satisfaction increased by **30.2%**

Claimant results

We have seen a small increase in satisfaction of 0.9% from 78.6% to **79.5%**. Areas which saw an increase in satisfaction were:

- ▶ ELTO website navigation – decreased by 3.4%, however, clarity of information increased by **10.6%**
- ▶ onscreen help – increased by **0.9%**
- ▶ clear process – increased by **0.4%**
- ▶ response time – increased by **1.8%**
- ▶ relevance of the search result – increased by **11.0%**

Areas we can improve on include the performance of searches and better training for claimants. We are offering training days for our claimants and Members in 2024 to get the most out of the search function.

Audit

The ELTO tracing audit programme was introduced in July 2012, assessing the extent to which Members comply with the requirements of the ELTO Tracing policy, through either a historic tracing or upload audit.

The cumulative sum of all member tracing audit scores is aggregated and market-weighted to provide an overall measure (tracing audit KPI) of the industry's tracing performance. The sixth cycle of tracing audits was significantly progressed throughout 2023, with final audit reports issued to 42 eligible Members. Following mergers and Part VII transfers, a total of 73 Members are eligible for audit in the sixth cycle. At 31 December 2023, 46 sixth-cycle tracing audits had been completed with a reported weighted tracing audit KPI of 87.2%. This compares favourably against the final KPI from the fifth cycle of audits of 82.7%. The tracing audits focus on two main areas – the identification of available records and the quality of the tracing process – with agreed recommendations followed up by the ELTO Audit team to ensure implementation and enable visibility of progress to be provided to the ELTO Board.

In 2018 we published our Historic Upload policy. Where a Member believes that all employer liability policy records they hold are accurately represented on the ELD they may be eligible for an historic upload audit. These audits also focus on two main areas

– the identification of available records and the completeness and accuracy of those records held on the ELD. Where a Member passes a historic upload audit, they are no longer required to perform regular tracing activity and are not subject to subsequent tracing audits. That means that the volume of Members eligible for a tracing audit may decrease between cycles. A total of 61 Members have successfully achieved the historic upload criteria across all audit cycles, including three Members who had achieved this criteria in the sixth cycle. Under the terms of the ELTO-FCA cooperation agreement the FCA continue to receive the results of all tracing and upload audits as well as all red-rated audit reports, with any others provided on request.

In June 2016, the FCA published a modification by consent recognising ELTO as eligible to issue SUP 16.23A.6(1) reports (previously ICOBS 8.4.4R (1)) (Data Assurance Reports) in respect of current records. In 2023, ELTO provided this service to 64 Members. In 2023 ELTO have formally agreed to provide this service to 65 Members.

Financial overview

The ELTO budget for 2023 was set with the base figure of **£3.30 million**.

ELTO – the year in numbers

Overall search enquiry success rate

Review period:

2023

Total enquiries

120,915

Successful traces

106,678



Review period:

2022

Total enquiries

88,969

Successful traces

80,297



decrease

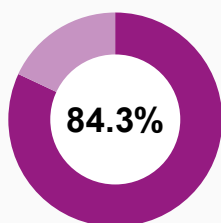
2.0%

By result type

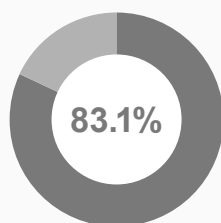
Simple search enquiry

Successful enquiries immediately obtained from the database.

2023



2022



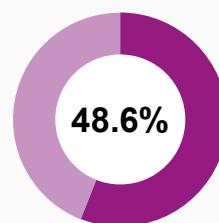
1.2%

increase

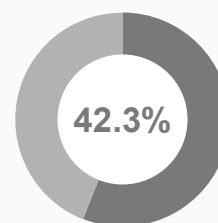
Extended search enquiry

Successful enquiries obtained from members searching their records.

2023



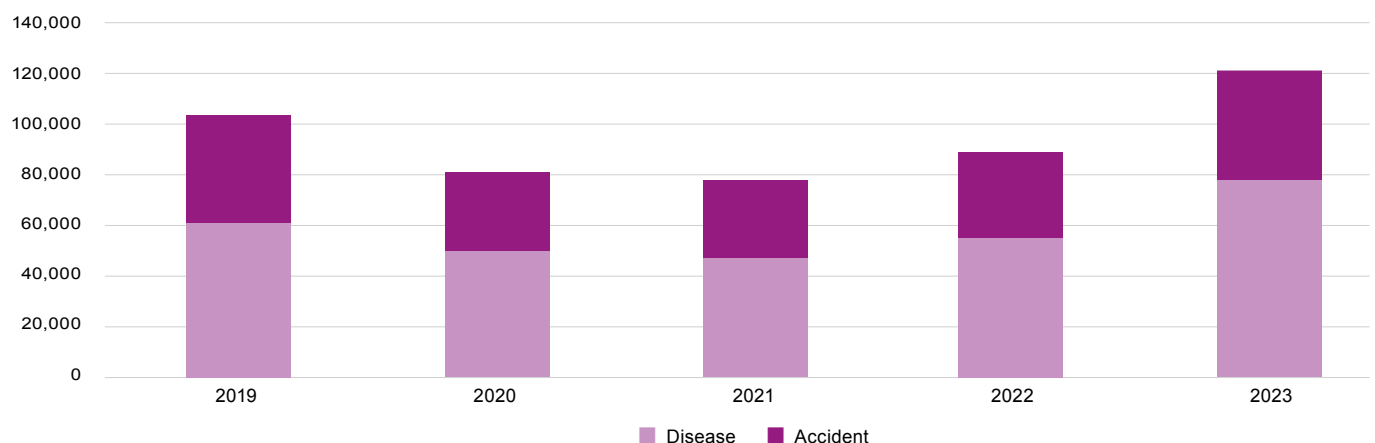
2022



decrease

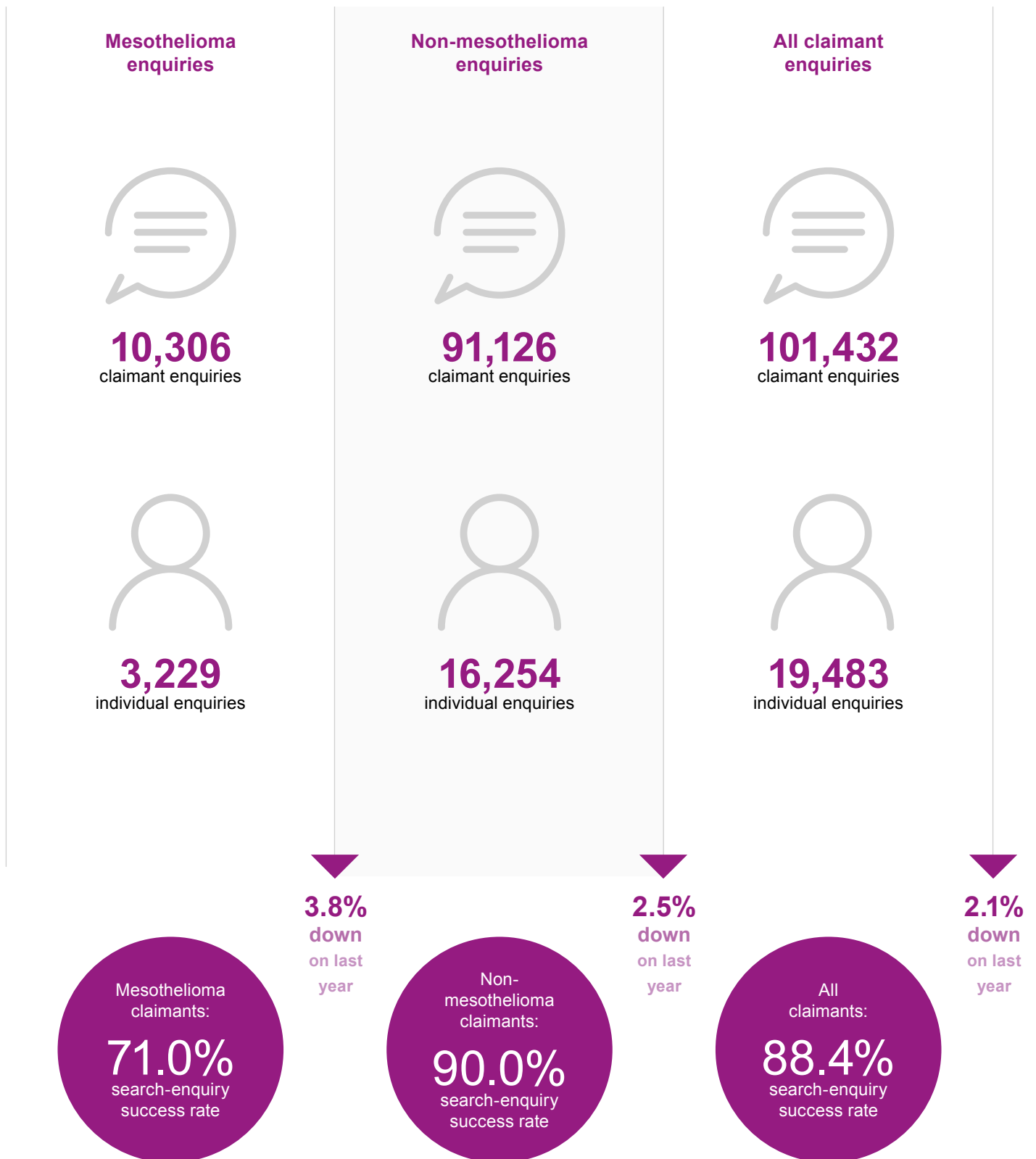
14.9%

Split of ELD enquiries by accident or disease (%)



Claimant search-enquiry success rate

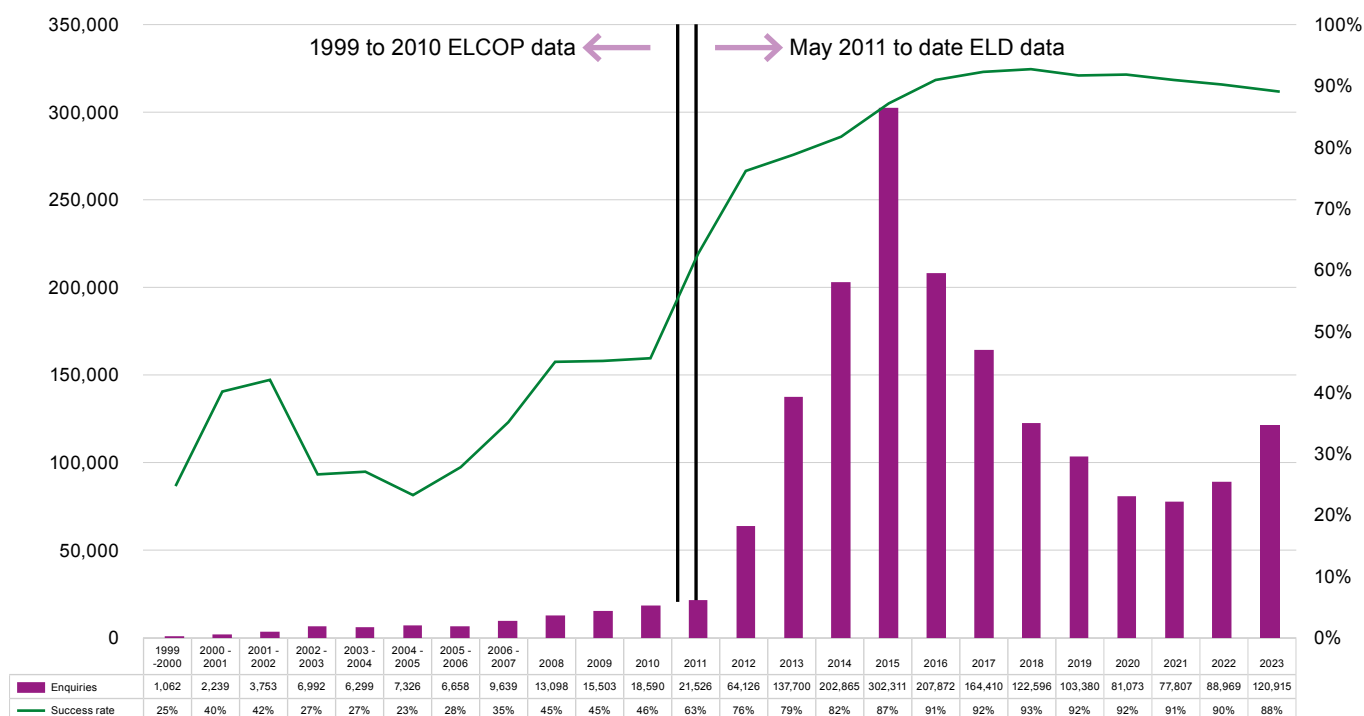
The overall volume of enquiries through the service in 2023 was significant with **simple search success rates remaining high at 83.7%**. This indicates enquirers are able to find a policy instantly on the ELD without the search going to an extended search.



The same individual claimant can appear in the both the mesothelioma and non-mesothelioma category.

ELCOP/ELTO enquiries and success-rate trends

Commentary – ELTO replaced the previous voluntary Employers' Liability Code of Practice (ELCOP) tracing service.

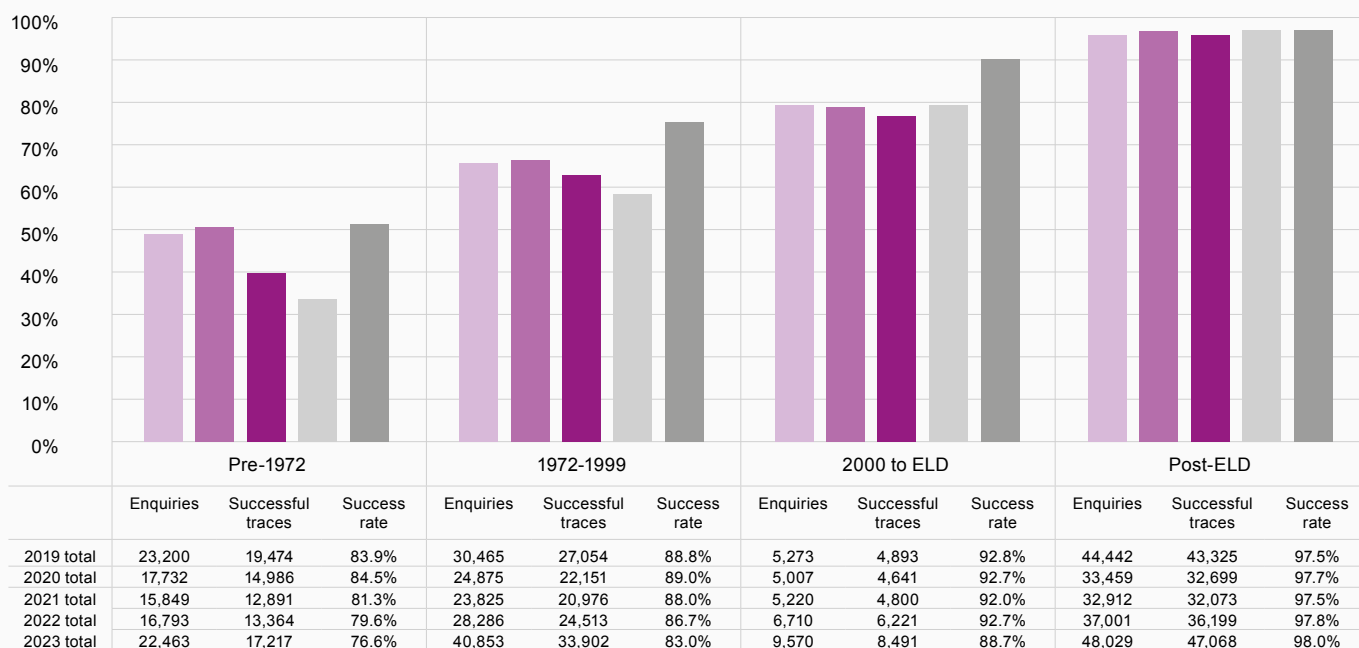


Note: No data is available for the period January to April 2011.

Exposure periods – consistent high performance across all exposure periods

Overall search success rates across all the exposure periods are now beginning to level out. However they continue to be above 90% for all post-1972 exposure periods.

ELD success rate – exposure period trends



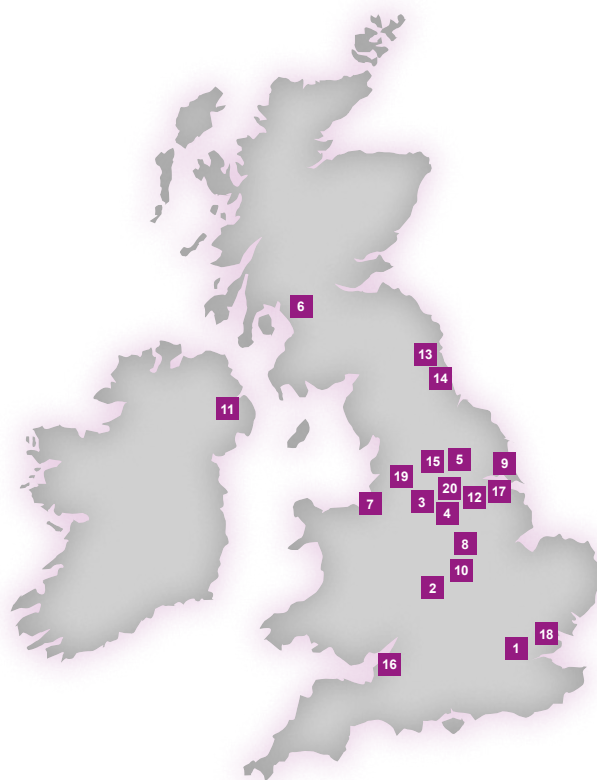
■ 2019 ■ 2020 ■ 2021 ■ 2022 ■ 2023

Claimant and defendant periods of exposure (Pre-1972, 1972-1999, 2000-ELD, Post-ELD)

Enquiry type	Fast track (Mesothelioma) enquiries			Non fast track enquiries			Total enquiries		
	Enquiries	Successful traces	Success rate	Enquiries	Successful traces	Success rate	Enquiries	Successful traces	Success rate
Claimant enquiries	10,306	7,327	71.1%	91,126	82,320	90.3%	101,432	89,647	88.4%
Defendant enquiries	3,229	2,237	69.3%	16,254	14,749	91.0%	19,483	17,031	87.4%
Total enquiries	13,535	9,564	70.7%	107,380	97,114	90.4%	120,915	106,678	88.2%

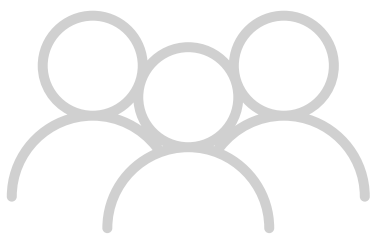
The top 20 employer locations as identified by claimant search enquiries on ELD

	Employer location	Enquiries	Successful traces	Success rate	% of all claimant enqs
1	London	13,776	12,861	93%	13.6%
2	Birmingham	2,536	2,238	88%	2.5%
3	Manchester	1,844	1,592	86%	1.8%
4	Sheffield	1,691	1,466	87%	1.7%
5	Leeds	1,663	1,458	88%	1.6%
6	Glasgow	1,582	1,325	84%	1.6%
7	Liverpool	1,290	1,171	91%	1.3%
8	Nottingham	1,022	879	86%	1.0%
9	Hull	1,005	881	88%	1.0%
10	Leicester	813	675	83%	0.8%
11	Belfast	760	666	88%	0.7%
12	Doncaster	679	613	90%	0.7%
13	Newcastle	670	586	87%	0.7%
14	Sunderland	662	592	89%	0.7%
15	Bradford	658	585	89%	0.6%
16	Bristol	649	558	86%	0.6%
17	Scunthorpe	639	590	92%	0.6%
18	Essex	576	506	88%	0.6%
19	Edinburgh	555	447	81%	0.5%
20	Rotherham	520	463	89%	0.5%



Top 10 disease types as identified by claimant search enquiries on the ELD

	Disease	Enquiries	Successful traces	Success rate	% of all claimant enqs	% of all claimant disease enqs
1	Noise induced hearing loss	36,239	30,737	85%	35.7%	59.9%
2	Mesothelioma	10,306	7,327	71%	10.2%	17.0%
3	Asbestosis	3,387	2,504	74%	3.3%	5.6%
4	Asbestosis-related illness	1,592	1,243	78%	1.6%	2.6%
5	Vibration white finger (VWF)	1,545	1,227	79%	1.5%	2.6%
6	Pleural plaques	1,417	1,017	72%	1.4%	2.3%
7	Pleural thickening	1,089	784	72%	1.1%	1.8%
8	Hand-arm vibration syndrome (HAVS)	931	881	95%	0.9%	1.5%
9	Asbestosis-related cancer	903	700	78%	0.9%	1.5%
10	Repetitive strain injury (RSI)	581	562	97%	0.6%	1.0%



Registered users

In **2023**, the number of **registered users** who had made at least one enquiry in the last 2 years.

2,487

Policy records held on the ELD

At the close of Q1 2023, the ELD contained **34.8 million** **policy records** covering the equivalent of more than **46.3 million policy years**, of which 9.4 million are voluntary policy records representing nearly 22 million policy years.



Time to supply policy records onto the ELD

% of records supplied within expected period *

85.5%

* The expected period to supply the data is 90 days

Policy type

COMPULSORY COUNT

25.5m

policy records as defined by the necessary instruments issued by the FCA and relate to new or renewed EL policies post-implementation of the ELD (1 April 2011); and EL policies relating to claims traced/notified post-implementation of the ELD but with inception dates pre-ELD implementation



VOLUNTARY COUNT

9.3m

policy records with an inception date prior to 1 April 2011 that an insurer has loaded for any reason other than the FCA instrument



TOTAL COUNT 34.8m

Corporate governance

The Board

ELTO is an industry body with a robust and transparent governance structure. The ELTO Board has been in place since April 2010 and meets at least four times per year. The Board pays close attention to corporate risks, regulatory matters and key performance indicators. The current directors are:

Steven Browne – Chair

AXA Insurance UK Plc
(Chair from March 2018)

Steve Chinn

Covea Group
(Appointed 8 June 2022)

Graeme Trudgill

BIBA
(Appointed 20 November 2019)

Helen Bancroft

Allianz Insurance Plc
(Appointed 12 March 2019)

Darren Rowswell

Catalina Worthing Insurance
(Appointed 14 September 2022)

Peter Webb

Aviva
(Appointed 24 November 2020)

Kelly Beach

Zurich
(Appointed 7 December 2022)

Richard Guest

RSA Group
(Appointed 12 March 2019)

Richard Beresford

National Federation of Builders
(Appointed 7 December 2022)

Emma Lawton

BAI Claims
(Appointed 1 July 2020)



ELTO has a contract with Tracing Services Limited (TSL), which manages the day-to-day service provision to ELTO customers. TSL takes direction from and reports to the Board. TSL has a contract with DXC Technology to manage the hosting of the ELD and with Sopra Group to manage the day-to-day technical support for the ELD.

Membership

ELTO's Members are firms with EL policy liabilities for UK employers, both active and run-off insurers. Members subscribe to ELTO's articles and rules which compel them to submit data to ELTO in a specified format within specified timescales. Members are also obliged to comply with ELTO's Tracing policy.

The proportion of EL insurers who opted to join ELTO as Members remained extremely high, increasing from 199 at the end of 2022 to 217 at the end of 2023. This represents in excess of 99% of the current EL market. Non-members were approached to obtain their policy data as catered for by FCA regulations and where this has been obtained it has been loaded onto the ELD.

ELTO is funded through a levy on its membership which is based on an individual insurer's proportion of Members' EL gross written premium (GWP). All Members are, on an annual basis, required to provide ELTO with their previous year's GWP. All Members whose GWP is above the de minimis level of £5 million are liable to pay a levy.

FCA Tracing Office audit

ELTO's service satisfied the FCA Tracing Office requirements during 2023. Please see the Independent Assurance Report on pages 15 to 16. ELTO remains committed to ensuring its services are delivered through a well-governed, robust framework.

FCA tracing regulations

ELTO has a formal Tracing Policy which reflects FCA tracing regulations and a full audit programme has been implemented to ensure the industry does all it can to fulfill its obligations.

Summary financial statements

Statement of comprehensive income for the year ended 31 December 2023

	Note	2023 £	2022 £
Turnover		3,300,929	3,323,970
Gross profit		3,300,929	3,323,970
Administrative expenses		(3,300,929)	(3,323,970)
Operating profit	3	-	280
Interest payable and expenses	5	-	(280)
Profit before tax		-	-
Tax on profit		-	-
Profit for the financial year		-	-

Balance sheet as at 31 December 2023

	Note	2023 £	2022 £
Current assets			
Debtors: amounts falling due within one year	6	36,452	58,458
Cash at bank and in hand		1,449,227	1,028,727
		1,483,679	1,087,185
Creditors: amounts falling due within one year	7	(1,483,679)	(1,087,185)
Net current assets		-	-
Total assets less current liabilities		-	-
Net assets		-	-
Capital and reserves		-	-

Directors' statement

These summarised financial statements do not constitute the full accounts but are a summary of the statement of comprehensive income and balance sheet contained in the full accounts. The full accounts were approved by the Board on 19 June 2024 and were audited by CLA Evelyn Partners Limited, who issued them with an unqualified audit opinion on them. The accounts have been filed at Companies House.

A copy of the full accounts can be obtained from: Employers' Liability Tracing Office, Linford Wood House, 6–12 Capital Drive, Milton Keynes, MK14 6XT.



Steve Browne, Chair

Directors' FCA compliance statement

Report by the directors of Employers' Liability Tracing Office Limited (ELTO) on the requirements of ICOBS 8.4.9 as set out in the FCA Handbook in respect of the year ended 31 December 2023.

In accordance with the requirements in ICOBS 8.4.9R(7)(a) of the Financial Conduct Authority (FCA) Handbook effective as at 31 December 2023, the Board of Directors of the Employers' Liability Tracing Office (ELTO) are able to confirm that for the year to 31 December 2023, ELTO complied in all material respects with the requirements in ICOBS 8.4.9R(1) to (6).

The financial statements were approved and authorised for issue by the Board and were signed on its behalf.



Steve Browne, Chair

Independent assurance report

Independent assurance report to the directors of Employers' Liability Tracing Office on the requirements of ICOBS 8.4.9 of the FCA Handbook in respect of the year ended 31 December 2023.

- 1) We have been engaged by the Directors of Employers' Liability Tracing Office Limited ("the Company") to perform an independent reasonable assurance engagement in respect of the requirements of ICOBS 8.4.9 of the FCA Handbook effective as at 31 December 2023. ICOBS 8.4.9 requires an auditor satisfying the requirements of SUP 3.4 and SUP 3.8.5 R to SUP 3.8.6 R, to provide an independent assurance report to the Directors of the Company addressing the accuracy and completeness of the database as defined in paragraph 2 below for the year ended 31 December 2023.
- 2) The database maintained by the Company comprises information provided to it by the Members of Employers' Liability Tracing Office ('the Underwriters'). Under the FCA regulations (ICOBS 8.4), it is the responsibility of the Underwriters to ensure that information provided to the Company is accurate and complete. Underwriters provide information to the Company by uploading their own information onto the database. The Company then has responsibility to ensure that it maintains a database which accurately and reliably stores information submitted to it by the Underwriters for the purpose of complying with the FCA regulations and has systems which can adequately keep it up to date in the light of new information provided to the Company by the Underwriters. Any reference in this report to accuracy and completeness of the Company's database relates only to the accurate and complete maintenance of data uploaded to the database by the Underwriters.
- 3) For the purposes of this report, a 'material error' is an error in a data field which would significantly affect the outcome of a search by an external user of the database. We have determined for the purposes of this report that materiality is defined as the occurrence of errors at a rate of 1% or more in the specific population which is subject to a test or other procedure.

Respective responsibilities of the Directors and CLA Evelyn Partners Limited

- 4) The directors of the Company are responsible for the Company's policies for the accuracy and completeness of the database and for ensuring that the Company complies with all relevant requirements of the FCA including those of ICOBS 8.4.9 in order to meet the requirement of a qualifying tracing office.
- 5) The Directors of the Company are responsible for preparing a certificate stating whether the Company has complied with the requirements in ICOBS 8.4.9 (1) to (6) in relation to the year ended 31 December 2023. The Directors have included their report in this published annual report.
- 6) As set out in paragraph 1, our responsibility is to form an independent opinion based on our assurance procedures, addressing the accuracy and completeness of the database for the year ended 31 December 2023.
- 7) This report, including our opinion, has been prepared for the Company to assist the Directors in complying with ICOBS 8.4.9 of the FCA Handbook. As required by ICOBS 8.4.7 1(b), we permit the disclosure of this report by the Directors in their published annual report to enable the directors to demonstrate they have discharged their governance responsibilities by commissioning an independent assurance report in connection with those requirements of ICOBS 8.4.9 that relate to the accuracy and completeness of the Company's database. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company for our work or this report save where terms are expressly agreed in advance and with our prior consent in writing.

Scope of assurance work

- 8) We conducted our reasonable assurance engagement in accordance with International Standard on Assurance Engagements – 'ISAE 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information' issued by the International Auditing and Assurance Standards Board.
- 9) We apply International Standard on Quality Management 1 and, accordingly, maintain a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.
- 10) We have complied with the independence and other ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants in England and Wales, which is founded on fundamental principles of integrity, objectivity, professional competence and care, confidentiality and professional behaviour.
- 11) Our work included examination, on a test basis, of evidence relevant to the accuracy and completeness of the database for the year ended 31 December 2023. We planned and performed our work so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence on which to base our opinion in respect of the accuracy and completeness of the database for the year ended 31 December 2023.

Our work included the following procedures:

- ▶ making enquiries of relevant management
- ▶ evaluating the design and implementation of the key processes and controls for the accuracy and completeness of the database for the year ended 31 December 2023
- ▶ testing, on a sample basis, the preparation and maintenance of the database using a combination of compliance and substantive procedures
- ▶ obtaining written representations from management.

Inherent and other limitations

- 12) Non-financial information is subject to more inherent limitations than financial information, given the characteristics of the subject matter and the methods used for determining such information. The absence of a significant body of established practice on which to draw allows for the selection of different but acceptable assessment and evaluation techniques which can result in materially different outcomes and conclusions and can affect comparability. The precision of different assessment and evaluation techniques may also vary. Furthermore, the nature and methods to determine such information, as well as the assessment and evaluation criteria and precision thereof may change over time.

Our reference to accuracy and completeness of the Company's database relates only to the accurate and complete maintenance of data uploaded to the database by the Underwriters. Accordingly, our assurance work has not included an examination of the data uploaded to the database by those firms required to maintain an employers' liability register under ICOBS 8.4.4 of the FCA Handbook.

Our assurance work has not included examination of the derivation of the information contained within such employers' liability registers nor upon any other third-party information.

Conclusion

13) Based on the results of our procedures, in our opinion, the database is complete and accurate in all material aspects as regards to the maintenance of data uploaded to the database by the Underwriters, at the year ended 31 December 2023, and that there are systems in place which can adequately keep the database up to date in the light of new information provided by the Underwriters, in accordance with the requirements of ICOBS 8.4.9 of the FCA Handbook.

Use of our report

14) This report is made solely to the Company in accordance with the terms of our engagement. Our review has been undertaken so that we might state to the Company those matters we are required to state to it in this report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company for our review work, for this report or for the conclusions we have reached.

19 June 2024

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Glossary

Compulsory record type

Policy records as defined by the necessary instruments issued by the FCA and relating to new or renewed EL policies post implementation of the ELD (1 April 2011) and EL policies relating to claims traced/notified post-implementation of the ELD but relating to records with inception dates pre-ELD implementation.

Employers' Liability Tracing Office (ELTO)

ELTO is a not-for-profit organisation set up to provide claimants and their representatives with quick and easy access to a central database of employers' liability (EL) policies through an online enquiry facility that helps them to find their employer's EL insurer. ELTO has replaced the previous voluntary Employers' Liability Code of Practice (ELCOP) tracing service, which was in place since 1999 and helped thousands of claimants trace the EL insurer to pursue a claim.

Employers' Liability Database (ELD)

The ELD, or 'database' as referred to in this report, launched in April 2011 and contains all new and renewed EL policies, policies from before April 2011 which have new claims made against them and policies that have been and will continue to be identified through the ELTO tracing service.

Employer reference number (ERN)

The ERN is also known as the employer PAYE reference. From 1 April 2012, the capture of the ERN and all subsidiary company names and their ERNs (if applicable) became mandatory for insurers to provide on new and renewed records. The ELD's ability to provide enquirers with successful trace results is supported by establishing a unique identifier for employers. ELTO has adopted the ERN as the most effective unique identifier available.

Extended search

If the customer is dissatisfied with the simple search results or the search fails to return any records, then the user can request an extended search. The enquiry is sent to all ELTO members to check against their policy records. A response is provided within 28 days and any subsequent positive results are then provided to the claimant. The FCA is the regulator for financial services firms and financial markets in the UK GDPR <https://ico.org.uk/for-organisations/guide-to-data-protection/>

HMRC

His Majesty's Revenue and Customs – tax office

Secondary extended search

A secondary extended search is where the preceding simple search and extended search processes have led to an unsuccessful result but further investigations by an ELTO Tracing Investigator have identified new information. Consequently, the enquiry is reissued to members which will enable an insurer to find a positive match.

Simple search

Enquiries are made on the database using the initial 'simple search' facility whereby the system searches the information input by the customer against the EL policies held on the database. The results are returned in real time.

Voluntary record type

Policy records with an inception date prior to 1 April 2011 that an insurer has loaded for any reason other than the FCA instrument.



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