



## **EMPLOYERS' LIABILITY TRACING OFFICE** **WHAT IT IS AND WHAT IT WILL DO**

---

- **What is the Employers' Liability Tracing Office (ELTO)?** ELTO is being set up as a separate body to help claimants find the insurer of their former employer, where they are suffering from a disease/injury caused at work. To do this, ELTO will build and maintain a complete EL Database (ELD) of all new and renewed EL policies, all old EL policies that have new claims made against them, and all successful traces from the existing EL Tracing Service and from ELTO. This differs from the existing EL Tracing Service, which is supported by a voluntary code of practice and relies solely on insurers checking against their own policy records.
- **Membership:** All bodies who own current or past EL liabilities for UK employers, including active and run-off insurers, will initially be invited to join ELTO as members on a voluntary basis. We hope FSA will provide requirements in 2010 for such bodies to publish information about EL policies, which could be satisfied by becoming a member of ELTO. These bodies will be required to submit the required data to ELTO in a specified format and within specified timescales, and to continue tracing their own historic policies, in accordance with ELTO membership rules. ELTO will operate a sanctions process for late/inaccurate data delivery, and will audit insurers' tracing practices.
- **Governance and stakeholder involvement:** ELTO will be owned by its members. The ABI will continue to discuss the most appropriate governance structure with Government and other stakeholders. Our proposal is for an ELTO Board with six directors appointed by DWP - for example, trade union representatives and claimant representatives - and six industry directors appointed by ELTO members, with an insurer as Chair. The ELTO Board will agree initially how to ensure ELTO delivers for claimants; and will meet at least four times a year to oversee the performance of ELTO and insurers' compliance. We have asked Adrian Brown, UK Chief Executive of RSA, to lead on ELTO on behalf of the industry.
- **Industry delivery:** ELTO will have a contract with Tracing Services Ltd, a subsidiary of the Motor Insurers' Bureau (MIB), which will manage the day-to-day service provision to ELTO members and customers. Anne Griffiths, Head of Casualty at Zurich will chair a programme board of insurers to work with Tracing Services Ltd to devise the detailed requirements for delivery based on Board objectives, and to help the industry deliver on time and on budget.
- **Timescales:** ELTO will be quickly set up with staff, an independent website and helpline, and will take over the current tracing service from April 2010. From April onwards, insurers will join ELTO on a voluntary basis and will begin preparations to transfer the required data. From January 2011, all members will be required to upload new and renewed policies, and old policies with new claims made against them. From April 2012, all members will be required to upload new and renewed policies, with additional information such as a unique reference number for policyholders. From October 2012, ELTO will roll out a sanction regime.