

Lloyd's Market Association response to further consultation on Remedy 1C

We support the response of the ABI to the latest consultation. For the LMA, the key points are:

- Whilst we cannot offer a legal opinion, the proposed solution to the issue outlined seem reasonable, and remedy 1C should be implemented.
- The capped rate(s) should apply equally to insurers as well as CHOs – this should be implemented via enforcement order for preference.
- The setting of the rate remains critical – it should be set as low as possible, as close as possible to the actual cost direct hire. The success or failure of the entire reform hangs upon this issue.
- Without applying at least remedy 1C the CMA will not address the *Adverse Effect on Competition* previously identified.