FORUM OF INSURANCE LAWYERS

Informing Progress - Shaping the Future

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Building Expertise through the LMA and IUA's new Claims Capability Framework

The London market has been successful in recruiting junior claims talent in recent years, with the proportion of junior roles filled by fresh graduates and school leavers rising from 37% to 52%. However, while the early pipeline has grown, the proportion of claims professionals with 15 years or more experience in the market has continued to fall and now sits at just 31%, with recruitment within this demographic also dropping from 22% in 2023 to 17% in 2025. Firms now face the challenge of training, developing, and retaining these new entrants so they become capable of leading the industry in the years to come.

To improve the chances of success, the Lloyd's Market Association (LMA) and the International Underwriting Association (IUA) have come together to launch the Claims Capability Framework, a structured pathway that spans the first two years of a claims professional's career in the London market. For insurance and legal practitioners working with claims teams daily, the framework is more than an HR initiative; it is a market-wide response to a capability gap that carries serious implications for how claims are handled, resourced, and resolved now and in the future.

A Rapidly Evolving Talent Issue

The scale of the shift in the workforce over a short period is causing increasing concern, as the market has become better at attracting people towards the profession, but, at the same time, worse at retaining them. This drain of knowledge and expertise leaves a lack of experienced practitioners who know how to run complex, disputed, or high-value claims through to resolution, particularly in specialist sectors.

Research from Gallagher Bassett's *2026 Carrier Perspective* report found that talent attraction and retention jumped from seventh to first place among UK insurers' top business concerns in a single year, with 22% of responding firms naming it their single biggest issue. Claims management and adjusting was identified as facing the most acute shortages of all among all functions.

The underlying demographics within the UK insurance market highlight the context in which the shift in profile is taking place, with the London Market Group's (LMG) own research showing that insurance is a comparatively 'old' sector when measured against its peers. LMG's data shows 24% of people working in insurance are under 30 and 24% are over 50, whereas these figures for the wider financial services industry are 23% and 18%, respectively. Furthermore, it projects that the under-30s' share of the workforce could fall to just 7% by 2034, despite the market needs expected to exceed somewhere above 80,000 workers by that time.

The Framework Detail

Developed by the LMA and IUA, the Claims Capability Framework has been co-created by 37 professionals from 25 market firms, spanning heads of claims, claims managers, emerging claims professionals, and HR and learning and development specialists from Lloyd's, the company market and the broking community. This breadth of authorship reflects an authentic cross-market attempt to reach a consensus on what 'good' looks like during the initial two years working in insurance.

The framework sets out six core capability areas, ranging from market and technical claims knowledge through to governance, operations, and interpersonal skills. Within each area, it clearly lays out the specific knowledge, skills and learning experiences a new entrant should be expected to develop. The capability areas are built around statements at two progression levels, the first covering foundational skills and the second extending towards greater autonomy. Emphasis is on learning on the job, supplemented by relevant structured learning resources, including CII qualifications and LMA Academy modules.

The aim is to provide the individual and their employer a consistent picture of what capability should look like at each stage of those first two years, while allowing firms to integrate the framework into their existing learning and development programmes rather than imposing a rigid pathway.

LMA Claims Director, Janine Powell, has described the framework as providing "*a clear and consistent pathway of skills, technical knowledge and learning experiences that new entrants should expect to develop during their first two years in the market*," adding that it had been created by the market, for the market. Joe Shaw, Director of Claims at the IUA, used similar terms by saying the London market faces a challenge in ensuring new entrants receive the training and development needed to build successful long-term careers by "*laying out a clear pathway for achievement*" and giving practitioners the technical skills and the professional network to support that development.

Part of a Careers Ecosystem

The framework follows the LMA and IUA collaboration on free, online claims 'taster' job simulations launched in 2024, developed with Forage and linked to the LMG's London Insurance Life platform. These practical modules were aimed at raising the visibility of claims careers among students and early-career candidates before they entered the market. Taken together, these highlight a deliberate strategy to extend and improve the entry-level pipeline and ensure there is a consistent and credible structure for developing people once they are through the door.

The data suggests the entry-level pipeline is working, as the LMA's Futures Academy and Apprenticeship Discovery programmes show strong engagement and are consistently oversubscribed. Retention and progression beyond that initial stage have been acknowledged as the harder problem to overcome. Trends in talent sourcing within the industry indicate a fundamental issue in that the proportion of individuals recruited from Lloyd's existing talent pool has fallen from 74% to 69%. In comparison, recruitment of experienced adjusters with 15 or more years' experience from within the market has dropped from 22% to 17%.

Competitors poaching from an already limited pool of experienced professionals, and challenges retaining staff after firms have invested in their training, are the pressures most often cited as driving these trends. However well designed the new capability framework is, it is a foundation-stage career intervention and does not immediately address the drain of experienced talent. The real test will be whether it feeds into a meaningful investment in mid-career professionals, which is where the market analysis indicates the retention risk is most critical.

Why this Matters Now

The Claims Capability Framework has practical value that extends beyond learning and development for legal and claims professionals working across the London market. Training entrants using a consistent, transparent standard over a sustained period should produce claims handlers with a greater grounding in technical knowledge and market practices. In turn, this should support smoother interactions on matters related to coverage, claims handling, and disputes. It also offers firms a clearer sense of what junior claims handlers can reasonably be expected to know, and where senior input is likely to be needed when instructing panel counsel or working alongside claims teams on complex matters.

Senior claims professionals surveyed by the LMA highlighted the pace of technological change and automation, alongside a reduction in market knowledge and expertise, as among the most significant risks facing the profession going forward. The LMA has suggested that the responsible use of AI and automation could free up experienced claims professionals from lower-value casework, allowing their focus to remain on the essential human dimensions, such as communication, relationship management and technical judgement.

Legal practitioners who rely on claims teams to build well-evidenced and reasoned positions on complex or contested claims can see a market investing in structured development, digital capability, and retention to ensure it will be better placed to sustain the depth of judgement that complex claim litigation and coverage disputes ultimately depend upon.

Looking Ahead

The Claims Capability Framework represents a first step to addressing the London market's talent challenge by giving new entrants a clear and credible pathway through their first two years in the industry. The more difficult work of retaining and progressing claims professionals beyond this still lies ahead, and this is where experience is hardest won and easiest lost. For FOIL members and the wider legal and insurance community, the framework serves as a useful indication of the market's direction of travel, along with how important those early years are in safeguarding the depth of claims capability available to support complex litigation in the years ahead