

Monthly #QOTW Summary

MARCH 2023

March sees Lloyd's of London issue its annual report for the previous year and it always serves as a pretty good indicator of what's happening in the London Markets and wider general insurance industry.

So from the Lloyd's report some numbers:-

- Annual GWP: £46.7 billion
- Underwriting Profit: £2.6 billion
- Combined Ratio (Loss ratio): 91.9%
- Investment Loss: £3.1 billion

Overall a positive set of results, which shows strong growth in terms of GWP and improving underwriting performance. Attritional losses are down as are expense ratios, so Lloyd's is clearly in a very strong position. It looks like the investment loss is partly due to exchange rates, and the view is that trading throughout 2023/24 should see this move to profit. In addition, Lloyd's are predicting continual growth in GWP and rigorous rate strength to sustain profitability.

For me this suggests that there will be little or no softening of rates in the immediate future, and client expectations should be managed accordingly.

On a lighter note, we continue to help brokers win and retain risks and QotW examples a few of them.

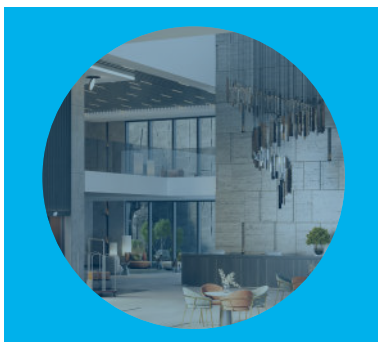
Ewen



Always great to get a compliment from a supporting broker, so for #QotW this week from the Bravo Network conference we go to Perry Glover from A10 Brokers Ltd:

"We were struggling with a Motor Fleet case and approached the Compass Fleet team. Time pressured, the client moved the goalposts three times. Rebecca Ridd in your Fleet team quoted with minutes to spare, came up with the goods and smashed the target – boom!"

Thanks Perry, glad we could assist!



For #QotW this week our Construction specialists were asked to look at an Interior Designer who specialised in refurbishments of high-end hotels.

We were able to quote Contractors All Risks including Plant under our delegated authority binder, when local and composite insurers were able to quote within timescales.

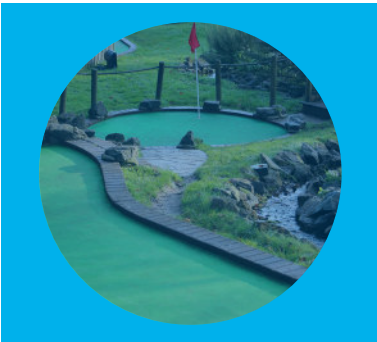
The benefits of in-house binders!

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A great result for our Liability team this week when we were asked to assist on a risk that had numerous employers' liability claims totalling half a million GBP.

The trade was heavy too as the client specialised in shotblasting and applying specialist coatings to structural metal work. Existing insurers had refused renewal, but Compass came up with a solution from a Lloyd's syndicate that provided the coverage needed for the client to continue trading.



#QotW this week saw the Compass team look to assist a broker with a company who are involved in designing and building children's activity play centres, mini golf courses and the like.

The local composite insurers were unable to include work being carried out in North America, but no problem from our Liability experts who quoted via our A rated lineslips to cover all activities.



Quite often we see construction companies where the bulk of the work is carried out by bona-fide subcontractors (BFSC). Many insurers cannot accommodate the lack of own wages so obtaining cover for the broker was proving difficult.

The client was a Property Developer refurbishing large properties in London so high limits of indemnity were also required. Compass came up with a solution including excess liability covers from two Lloyd's underwriters to secure the deal.

Contact Ewen Brown for further information



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