

THE LONDON JOURNAL

THE VOICE OF YOUR PROFESSION

2024

SOCIAL RELEVANCE

Explaining our relevance is a constant effort to which we must commit ourselves. We should be proud and passionate about the work we do



The Insurance
Institute of London
Chartered Insurance Institute

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FROM DOMINICK HOARE

As you read this year's London Journal, my call to you is to consider how we raise the 'voice' of the industry to ensure our long-term success and progression. Our excellent authors discuss everything from cyber security and supply chains through to new technologies like AI. Discussing the big issues of the day has always been a hallmark of our profession, but we have to ensure our voice is heard more broadly across society at large.

The next six months illustrate the reach of specialty insurance. From playing a major role in enabling an exhibition of sporting accomplishment at the Olympic and Paralympic games in Paris to supporting clients navigate the outcome of several important global elections.

I have always been proud to work in an industry which springs to action when societal challenges need solutions. Using our strong voice, we must protect and elevate this role.

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WHAT'S NEW AT THE IIL?

Activity across the Insurance Institute of London has ramped up this year.

CPD

We have hosted several in-person CPD events, but demand for webinars remains strong, reflecting the changes in how our members work now. These events provide an opportunity to learn from industry experts and stay updated on the latest trends and developments. We thank the members of IIL's 11 CPD committees for identifying such a wide range of subjects and engaging speakers.

We are eager to expand our reach and would like to livestream our CPD events. If your firm has the space and equipment necessary to make this possible, we invite you to partner with us. Your contribution could help us deliver more events in this format.

Educational visits returned to our programme at full force this year. In May, we hosted our first residential visit. A small group of future industry leaders spent three days visiting a Scottish island, to learn more about nature-based solutions to mitigate and adapt to climate change. Back in London, members were thrilled to have the chance to go behind the scenes at the Royal Opera House. There was also a fascinating visit to the Royal Courts of Justice. We teamed up with Ecclesiastical, who arranged for us to visit All Saints Church in Fleet, rebuilt after a catastrophic fire. Later this month, we are looking forward to touring The O2.

NEW BOOK

In partnership with the Chartered Institute of Loss Adjusters, we launched the 2024 edition of Business Interruption Policy Wordings in February. More than 500



people from around the world registered for the book launch. For more information about our latest publications, see pages 28-29 of this edition of the London Journal.

It is said that everyone has a book in them. Do you have a London Market topic in mind for yours? If so, let's work together to bring it to life. Get in touch to find out how we can help.

SUPPORTING STUDENTS

Supporting students on their professional qualification journey is part of our DNA, so IIL's Qualification Mentoring Scheme is important to us. We are refreshing the Scheme to ensure it dovetails with the CII's new training programme.

Our Buddy Mentors help today's students overcome the loneliness of self-study. If you qualified at the Advanced Diploma level (ACII or APFS) in, or after, 2016, and would like to offer your services as a Buddy Mentor to our next intake,

please contact my colleague, Flora Simpson (flora.simpson@cii.co.uk).

NOT ALL WORK

One thing we have noticed since the pandemic is increased interest among members in social networking events. The Winter Ball, hosted by our Young Members Committee, is astonishingly popular. All 1000 tickets for the last event sold out months in advance. Have you got your tickets for the next one yet?

We've also added some new events designed to appeal to members of all ages. For example, at the end of June, we will

spend a morning at the Spitalfields City Farm, helping with planting crops, animal grooming and feeding, DIY jobs, and, of course, mucking out! Come along and make new contacts while supporting a great charity.

To all members of The Insurance Institute of London: Notice is hereby given that the Annual General Meeting of the Insurance Institute of London will be held online on Monday, 30 September 2024, at 12.30 pm. Any special business proposals must be emailed to the Institute Secretary, Allison Potts (allison.potts@cii.co.uk), by 5 pm UK time on Wednesday, 26 June 2024. ●



ALLISON POTTS
Institute Secretary (CEO),
Insurance Institute of London

THE SOCIAL RELEVANCE OF INSURANCE

The last 12 months give me great confidence that we will continue to be a key enabler of a better future for our world, says IIL President Dominick Hoare

If you are reading the *London Journal*, I am almost certain you understand how insurance underpins our businesses and economy, as well as society at large. However, can we honestly say that the average person walking down the street understands the relevance of the global specialty insurance industry?

This is not a “problem” we can solve with a banner hanging down a building on Lime Street. Explaining our relevance is a constant effort to which we must commit ourselves. We should be proud and passionate about the work we do and the benefit we offer to wider society. It’s for this reason I want relevance to be intrinsic to the purpose and mission of the IIL.

With the year of my presidency set to be another where the only precedent is for unprecedented things to dominate everyone’s attention, it has never been more important for the industry to illustrate its relevance.

MACROECONOMIC ENVIRONMENT

The cost-of-living crisis, inflation and interest rates have dominated the agenda for the last 12 months and speculation over rate setters’ next moves continues to set the scene for businesses and economies around the world. Added to that, turbulent geopolitical situations remain front of mind, and from supply chains through to food and cyber security, the risk environment remains complex, fast moving and unpredictable.

Bringing very novel challenges, 2023 was undeniably the year Artificial Intelligence (AI) moved onto centre stage.

While the global energy security situation has evolved considerably, it has been heartening to see the worst predictions of sustained price rises did not come to light, and we should be proud of the insurance industry’s role in rapidly responding. As more green energy projects come online to meet the challenge of the climate crisis, and new technologies evolve our approach to energy, the last 12 months give me great confidence that we will continue to be a key enabler of a better future for our world. I am especially heartened by the work my colleagues at



Munich Re have undertaken in developing our Green Solutions portfolio, which will enable industry developments through risk mitigation, insurance solutions and financing to facilitate further growth in the green sector.

All these trends interact with supply chains, and their ability to respond and evolve in the face of such complexity has been truly remarkable. It is testament to our industry, and especially colleagues working in cargo and marine, that in the face of adversity, our ingenuity to find quick ways to provide services has been a crucial element of keeping global trade flowing. It has required a level of talent and skill which exemplifies the very best of our profession.

To underline our relevance, we should be bolder, louder, and more committed to telling these stories to the public. For our people, the ability to keep the world moving through our expertise is highly rewarding, and telling this story with clarity is a crucial way we will attract talent.

TALENT AND SKILLS

Sharpening our collective skillset is not an easy thing to do, but it is central to the unique expertise of our industry and has enabled us to deliver time and again throughout history.

One of the best qualities of the Lloyd's market is its 'melting pot': the convening effect of bringing together so many people, from longstanding experts in critical but niche sectors, through to those at the forefront of innovation, such as cyber and green technologies.

The industry's ability to respond to wider trends is a fundamental ingredient in our social relevance. We must ensure our evolving talent strategy continues to seek out a rich tapestry of diverse backgrounds and perspectives. This is fundamental to our commercial advantage in such a complex world. We should celebrate the current generation of talent entering our industry. They are the most diverse yet, both in thought and background, and as we continue to make progress towards our cultural ambitions and goals, I am encouraged by their commitment to build a better and more

fulfilling future for both our industry and society.

Further, underpinning our ambition on skills is the enduring rigour of the CII's system of training and qualifications, offering truly world class career progression and development opportunities.

Just as those at the beginning of their careers need training in the fundamentals of our industry, those of us further into our careers require skills to enhance our professional development, enabling us to unlock future insights, products, and solutions for customers.

The work of the CII to provide the foundation and training to fuel the skills engine of the industry, is something I am especially proud. The skills agenda does not just drive business capabilities, but also underpins the 'Lloyd's Culture Commitments' which we all follow around *Leadership, Behaviour and Speaking Up*.

Everyone knows we still have a lot of work to do on talent and skills, but I am proud of the work many have put in to build a robust ecosystem, which will power our progress in the coming years.

SOCIETAL RELEVANCE

Talent will not just be a driver of our societal relevance moving forward, but a consequence of how our industry has never been more relevant in enabling progress around the world. Our work is about much more than simply insurance or reinsurance. Our work is about enabling those we provide for, to 'get on' with what they are doing, with peace of mind and security.

In a very real sense, nearly every single person in the world is in some way provided for by our work, directly or indirectly. For those people at the point of use for insurance, it isn't simply about walking past the Lutine Bell or gazing

at the towers of Lime Street, before analysing a risk profile at your desk.

Our impact is on food supplies being shipped across areas of conflict; livelihoods being protected from economic shocks and accidents; mitigating the effect of increasing cyber

risks to businesses and governments; and climate change driving an energy transition with cutting edge technological sophistication at unprecedented speeds. The nature of the risk landscape means as professionals, we are constantly moving and facing the next task. But we should take stock and remember how gratifying it can be to develop unique solutions to meet the challenges brought to our in-trays,

underwriting boxes and desks.

Remembering the impact and the importance of our work is not just vital for bringing the next generations of talent or winning new business, but for assuming the responsibility our work necessarily entails. No matter how many years of experience, it is essential to take stock of this responsibility and to serve these challenges as ambassadors of our wider industry, both in London and around the world.

In a complex, sophisticated and rapidly changing world, our mission to cultivate knowledge and understanding in all matters relating to the branches of insurance has never been more important. There is a unique opportunity in that if we grasp this challenge and tell the story of our mission with pride and clarity, the social relevance of insurance will be clear for generations to come. ●

THE CII'S SYSTEM
OF TRAINING AND
QUALIFICATIONS
OFFERS TRULY
WORLD-CLASS
DEVELOPMENT



DOMINICK HOARE, ACII

President, Insurance
Institute of London 2023-24
Group Chief Underwriting
Officer, Munich Re Specialty
Group

THE FLEXIBLE WORKING CONUNDRUM

Balancing the needs of different segments of the workforce

It's no secret that the question of returning to the office is still a controversial one in the insurance industry and, if anything, growing in controversy as businesses begin enforcing more regular office attendance.

Recent reports suggest that 40% of companies in the UK are now enforcing five days in the office, but anecdotal evidence from across the insurance industry varies widely, with hybrid working still an option for many, and 78% of people reporting a better work-life balance as a result, whilst some companies are now insisting people return to the City five days a week.

There are other well-known benefits to hybrid and flexible working, which can include financial and wellbeing gains from reduced commuting, cheaper train fares and the opportunity to live further afield, among numerous other benefits.

There is no question, however, that the size and nature of the business, and the segmentation within it, matters. Naturally, there are variances in how our business operates by department and role.

Whilst divisions such as risk and operations may have less need to be in the City, for 'front-line' workers such as brokers and underwriters, presence in the market is critical to create opportunities for trading. Nevertheless, brokers and

underwriters also have analysis and reporting among other focussed tasks, which can often be done better at home if they face fewer distractions, so being in the office five days a week can make these tasks more challenging.

This is why we must employ and trust experienced people to be self-aware, knowing where they get the most done,

managing their time and understanding when it's appropriate to be present for brokers.

For a trust-based model to be successful, however, it is first necessary for employees to gain the level of experience and education needed to both perform their job well and thrive. It is well known that many of those early in their




careers suffered from the absence of a bustling market between 2020 and 2023. Being unable to spend time with their colleagues or receive enough face-to-face training, they bore a lack of opportunities to gain critical skills.

At Chaucer we are targeting our early-career employees as well as older new joiners and returners, to ensure they gain the best possible training and time with their teams to improve their skills, whilst retaining a policy that allows flexibility. We do not believe that forcing people back into the office to keep an eye on them is the right way to foster a successful workforce. Behaviour breeds behaviour, however, so for this approach to work it's critical we employ the right leaders at all levels, who will model the kind of behaviour we need and be able to instil the same values in their teams.


Communication and maturity are the critical components which enable this. Throughout my career I have managed many teams overseas and, in my experience, you can know more about what's going on in someone's life in another country if they communicate well, than you will of someone who sits two desks away if they choose not to communicate. It's not about watching the hours that are spent at the London desk, but more about what is produced and how progress is shared.

In our recent independent culture survey of our 600 employees, which obtained a very high 90% response rate and 76% engagement, hybrid working emerged as the number one reason people appreciate working here. 95% of respondents agreed with each of the following statements: "Hybrid working enables me to work more productively", and "The company's approach to hybrid working enables me to achieve a better work-life balance".

Even in areas which can impact early career employees more significantly, 85% of respondents agreed that hybrid working had not affected their career progression or perception of team spirit. As I discussed with the Lloyd's under 35s group, younger people who work from



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OFFICE TO KEEP
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WAY TO FOSTER
A SUCCESSFUL
WORKFORCE



home are understandably afraid of being overlooked in favour of those colleagues who are in the office all week.

This sense of fear will also be recognisable to those that work part-time or need hybrid work for childcare commitments, which is often skewed towards women. In a similar vein, we should consider caring responsibilities for other family members, principally parents. As the population grows and ages, medical services are struggling and the strain on adult social care grows. This places a burden upon families to take care of their elders, or even live with them, during illness and towards the end of life. This may include relocation or regular travel and hospital visits, which places additional demands on time, resources and emotional wellbeing. Hybrid and flexible working relieve the pressure of being in London during office hours and permit a greater degree of freedom, with coordinating healthcare obligations and handling emergencies.

For employees with certain health conditions, disabilities or neurodivergence, for example, being forced into the office can be stressful, as commutes can be hard and noise and distractions can at best reduce productivity, or at worst be distressing. We do not believe these people are any less valuable to our business.

The question of allowing hybrid working, then, is one of democratisation and inclusivity, and it is down to us as employers to ensure we are on the right side of this debate. Not all companies or teams see it this way and presenteeism is still rife in our sector as some old attitudes remain, but it's a change I hope to see in the market; trusting and empowering our colleagues, rather than micro-managing them.

It's down to team leaders to keep thinking critically, observing output and engagement rates to ensure people are happy, productive and present according to their roles and responsibilities. In turn, it is a company's obligation to ensure managers are trained for this – and the right people are chosen in the first place.

At Chaucer, we believe that to attract the best talent and for the greatest benefit of our business we need to retain a flexible approach. To enable this, we have asked our people to help us with five key pillars for success:

1. Enable early in career colleagues
2. Welcome and foster new joiners and returners
3. Adopt team 'anchor' days
4. Attend Chaucer mixers and socials when possible
5. Observe good meeting etiquette – cameras on, contribute

We aim to be an employer of choice for those people who have ambition and work hard, but do not necessarily feel that sitting in a City office all week gets the best out of them. ●



NICOLA STACEY, ACII
Deputy President,
Chartered Insurance Institute
Chief Underwriting Officer,
Chaucer

EMPLOYEE RETENTION

- ✓ ☒ RETAIN
- ✓ ☒ MOTIVATE
- ✓ ☒ TRAIN

A CALL TO ACTION

Exploring the insurance industry's challenges in recruiting and retaining younger talent

In Spring 2023, I was given the opportunity to research a problem that I was passionate about. The topic being an enormous challenge faced by the market: the insurance sector's ability to recruit and retain young talent, particularly Generation Z employees.

This demographic, born between the late-1990s and early 2010s, is expected to account for 27% of the workforce by 2025, yet insurance companies are struggling to attract and retain them. This has far-reaching implications for the industry's longevity and adaptability, in an ever-evolving market landscape.

UNDERSTANDING THE PROBLEM

The root causes of this talent crisis are multifaceted. One significant factor is the industry's perceived lack of appeal among

younger generations. Traditional notions of insurance evoke images of monotonous paperwork, rigid corporate structures, and conservative work environments, which do not always resonate with the values and aspirations of Gen Z individuals. Moreover, the industry's reputation for being slow to adapt to technological advancements alienates digitally native young professionals seeking dynamic and forward-thinking career paths.

Lastly, the insurance sector faces competition from other industries perceived as more glamorous or innovative, such as technology, finance, and entertainment. These sectors may offer perks, flexible working, and opportunities for rapid career advancement, making them more attractive options for ambitious young talent.

These challenges are not new. In 2014, the Chartered Insurance Institute (CII) reported that only 18% of students would consider a career in insurance, and market research showed that 52% of insurers found it difficult to recruit and retain people under thirty. In response to this, industry bodies have been promoting the industry, such as the CII's Discover Risk programme and the London Market Group (LMG) starting an advertising campaign for insurance in schools. Insurance brokers and carriers have also created their own apprenticeship and graduate schemes, as part of their talent management strategies. Despite all this, LMG's 2020 study shows that less than 20% of the people in the insurance industry are under thirty. More needs to be done.

THE IMPORTANCE OF ADDRESSING THE ISSUE

The ramifications of failing to address the talent gap in the insurance industry are far-reaching. Without a steady influx of young professionals bringing fresh ideas, diverse skill sets, and innovative thinking, insurance companies risk stagnation in an increasingly competitive marketplace.

Moreover, as older generations retire,

the industry faces the looming threat of a knowledge vacuum, where critical institutional knowledge and expertise are lost, without being appropriately transferred to younger generations.

INCREASING OUR EFFORTS TO ATTRACT AND RETAIN GEN Z TALENT

Despite the challenges we are all facing, there are still several actions we can take to recruit and retain Gen Z employees within our industry:

1 MODERNISING RECRUITMENT STRATEGIES

Companies are revamping their recruitment processes to appeal to Gen Z candidates. This includes leveraging social media platforms, hosting virtual career fairs, and creating a company presence online, where prospective candidates can learn more about the company culture before they apply. We need to communicate with Gen Zs using their language and appearing on their channels (LinkedIn, Instagram, TikTok, etc). To change their perception of insurance, we need to use real-life examples of employees, and showcase what their day-to-day jobs look like.

2 OFFERING FLEXIBLE WORK ARRANGEMENTS

Recognising the importance of work-life balance to younger workers, many insurance companies are adopting flexible work arrangements, such as remote work options and flexible hours, to accommodate diverse lifestyles and preferences. Known as the generation who wants to 'have it all', they look at older generations and are not inspired by the lifestyle that comes with working in the corporate world. Gen Z have ambitions of pursuing their hobbies and passions outside of work, travelling and living abroad; they will be looking for jobs at companies who can help them achieve their personal aspirations, alongside professional ones.

3 INVESTING IN TRAINING AND DEVELOPMENT

Early career talent thrives when

provided with structured learning and development, alongside on-the-job learning and development. In addition, organisations are creating rotational programmes which provide exposure to different areas of the business. This helps Gen Z employees identify areas of interest and develop a more holistic view of the organisation and the insurance industry, making them more well-rounded employees in the future. Lastly, providing mentoring and coaching is important for Gen Z as they adapt and learn about your organisational culture.

4 PROMOTING DIVERSITY AND INCLUSION

Creating inclusive work environments where individuals from diverse backgrounds feel valued and empowered is crucial for attracting and retaining young talent. Gen Z research also tells us they value face to face networking opportunities and the ability to work in a fun work environment, where they can build meaningful relationships.

5 CHALLENGING AND MEANINGFUL WORK

To appeal to tech-savvy Gen Z individuals, insurance companies are embracing innovation and digital transformation. Gen Z live in a world where the rise of young CEOs in the UK is very visible, with the likes of Gymshark's Ben Francis and Whitney Wolfe Herd, founder of Bumble. Individuals in their 20s and 30s managing bigger organisations is no longer a rarity. Whilst this is not common in insurance, we must provide young talent opportunities to complete challenging work and progress their careers over time.

6 COMPENSATION IS STILL IMPORTANT

Salary is indeed still a key factor when it comes to Gen Z's attraction and retention. But given Gen Z's diverse needs, they are not driven by salary alone, and the factors above help create a work environment where they can thrive. Research shows salary is a key factor that can make employees leave an organisation, if they believe they are not rewarded fairly for

their efforts, but unless the cultural and environmental elements above are in place, salary will not be the key reason for staying with a particular organisation.

A CALL TO ACTION: COLLABORATING TO SOLVE THE TALENT CRISIS

While all companies have a responsibility to act independently, addressing the talent crisis requires a collective and concerted effort from across the insurance industry. Collaboration between industry stakeholders, including insurers, brokers, industry associations, educational institutions, and government agencies, is essential to develop holistic solutions that address the root causes of the problem.

First and foremost, industry leaders must come together to redefine the narrative surrounding careers in insurance and showcase the diverse opportunities available within the sector. By highlighting the industry's role in promoting financial stability, protecting individuals and businesses from risk, and driving societal resilience, stakeholders can reshape perceptions and attract a broader pool of talent.

Furthermore, collaboration is needed to develop innovative training and education programs that inform young professionals about the career opportunities available in the insurance industry.

Finally, embracing technological innovation and digital transformation must be a collective priority for the industry.

The talent crisis facing our industry is a pressing challenge that demands immediate attention and collective action. By working together to redefine perceptions, invest in talent development, and embrace innovation, we can cultivate a vibrant and diverse workforce, capable of driving future growth, innovation, and success. We must come together now to collaborate, and pave the way for the next generation of talent. ●



ALINA SCHATTEEN ACII
Integration Director,
RSA UK&I

Caroline Wagstaff's top tips for attracting new talent into the specialty market

2023 was the year that the London Market Group decided to start finding the solution. My ambition was to be brave, to take on a number of firsts; hoping that we could prove our concept and learn. It was also driven by a fierce conviction that we have to build a long term and lasting programme. Our financial services peers in other parts of the city have been honing

their outreach to young talent for years. Specialty insurance is still on the starting grid – but if we want to solve the problem, we have to commit to the long term, so solutions had to be repeatable and scalable.

TELLING A BETTER STORY

Specialty insurance is a great place to work, and young people who find roles in the market wax lyrical about why they love it – but this somehow got no further than the boundaries of EC3!

So, we created the LondonInsuranceLife website as the centre of that story: great role models telling compelling stories about what they do and how they got here. Profile, videos, podcasts – and my favourite, “the passions page.”

I was inspired to think about how we talked about our industry by a young terrorism underwriter who said, in jest, that her friends thought she sold insurance to terrorists. So, rather than talking about classes of business, we ask visitors what they are interested in, and then show them the intersection with what we do.

But having the single source of information is not enough – young people need to know about it, so the next step was generating traffic by using the channels in which young people gather – TikTok, Instagram and LinkedIn. Topics have been driven by the interests of our viewers and range from ‘how do you get a good CV?’ to risks in a football match, which got 100,000 views in the first 24 hours. We have made our own content, worked with influencers, and even had a cat video! But the most powerful tool we have is the young people in our market – if they can share our materials, using their networks to tell our story, we can really move the needle.

USING THE POWER OF COLLABORATION

When I first took this job, I was told that I should go into schools to talk about the market. Leaving aside the logistics of one person and hundreds of schools, I felt it was vital that we build a process which had multiple touchpoints and where we could bring students into the market and see it in action. I also believed that the London

Market’s unique ability to collaborate – something it does every day with the sharing of risk, would be its secret sauce in thinking about talent.

So, we have created the London Market Futures Academy – the first cross-market work experience programme. The numbers speak for themselves; we have built partnerships with 50 schools in areas of high socio-economic challenge, presented to 1,000 Year 12 students, got 450 expressions of interest in our two week Futures Academy, and had 115 participants in 2023. We partnered with over 50 firms to make it happen – three days of collective activity, four days in a market firm, and a Careers Festival.

Other than the fact that I needed a lie down at the end, everyone – students, volunteers, HR teams, all spoke so positively of their experience. As one student said, “I got lots of insightful knowledge that differed greatly from my stereotypical understanding of insurance,” others talked about getting an insight into corporate life and honing their communications skills.

One-third of our participants applied to come back in the autumn for our second new event: the Apprentices Discovery programme, where 20 firms who were hiring for school leavers met students at a careers fair. Companies have been delighted to meet a cohort that doesn’t need to be told what specialty insurance is – we have done that job for them already. But secondly, even the large firms have found it has given them access to a pre-qualified group with wide diversity markers; 63% of our cohort came from an ethnic minority background, 50:50 male/female, and 35% from low-income families. This is vital as the market works to both widen the breadth of its appeal, but also its representation.

But we are not ignoring university students. Rather than being also-rans at careers fairs, we hosted our own events in nightclubs and art galleries, getting students in front of young brokers and underwriters to talk about what they do. Having trialled events in two cities last year, we will run them in more cities in 2024, and spread the news wider still.

CONVERTING INTEREST TO APPLICATION

But, most importantly, we need a place where they can find the entry level roles for school leavers and graduates. Specialty insurance employs around 1,200 young people in total every year. To put that in context, that is the same number as EY across the UK, and there are very few “marquee names” in the market. Therefore, we need to make it as easy as possible for potential applicants to find us. So, on Londoninsurancelife there is a jobs board where firms can post those roles for free.

I am delighted to say that our first Futures Academy students have been offered full-time roles in the market, and that more firms are looking to take part in 2024. But we have also learned a few lessons too. We discovered that to talk to 17-year-olds you have to think more like a teacher and less like a professional. We have learned that you have to follow up with students if you want to keep their attention. Firms have also learned that they will get more value if they follow up directly with new contacts.

But mostly, we have learned that to succeed, you can’t get off the escalator after reaching the first floor. Every year our target audience is completely refreshed, and we have to start again. I am delighted that the market seems keen to do this. It seems we have all learned that we can make change happen on talent, but to do so we have to work together and commit to this for the long term.

To quote Matthew Moore at the launch of the campaign, “if we can grow the percentage of our working population that is under thirty, the future of insurance will be in safe hands. Which for those of

us in the over-forties generation, is very good news indeed.” ●

Scan the QR code to see LondonInsuranceLife



CAROLINE WAGSTAFF
CEO,
London Market Group

2024 marks the 10-year anniversary of my active involvement in DEI in the London Market, via my membership and current chair position within the ILL I&D Committee.

Over the past decade, the London insurance market has undergone a transformative journey towards fostering greater inclusion and diversity. The industry, historically perceived as traditional and conservative, has recognised the need for change to thrive in a rapidly evolving global landscape. This article aims to provide a comprehensive 10-year review of the strides made in the London insurance market, concerning inclusion and diversity, exploring the challenges faced, the initiatives implemented, and the positive outcomes achieved.

THE STATE OF INCLUSION AND DIVERSITY IN 2014

In 2014, the London insurance market found itself at a crossroads, grappling

with a lack of diversity and an image that seemed resistant to change. The workforce was predominantly male, and there were minimal representation and advancement opportunities for individuals from underrepresented groups. Recognising the urgency for change, industry leaders initiated a series of conversations and initiatives aimed at reshaping the culture and perception of the market.

CHALLENGES FACED

The road to a more inclusive and diverse London insurance market was not without its challenges. Deep-rooted traditions and a resistance to change posed initial hurdles. Addressing unconscious biases, breaking down systemic barriers, and fostering a culture of inclusivity required a significant shift in mindset across the industry.

INITIATIVES IMPLEMENTED

The London insurance market responded to the call for change by implementing a range of initiatives designed to promote diversity and inclusion. One key strategy was the establishment of mentorship

programs that paired experienced professionals with individuals from underrepresented backgrounds. These programs aimed not only to provide guidance and support, but also to facilitate networking opportunities crucial for career advancement.

Launched in 2014, Inclusion@Lloyd's emerged as a response to the recognized need for transformative action within the insurance sector. It strives to address the industry's historical underrepresentation of diverse talent and create an environment that values and celebrates differences.

At its core, Inclusion@Lloyd's is a strategic framework designed to guide and support the industry on its journey towards greater diversity. The initiative focuses on four key pillars: Diversity and Inclusion, Talent and Development, Wellbeing, and Outreach. Each pillar represents a critical aspect of creating a workplace culture that is not only diverse but also supportive, nurturing, and accessible to all.

Dive In, the global movement for diversity and inclusion in the insurance industry, started in 2015. The initiative

was launched in London as a collaboration between insurance industry leaders, and it quickly expanded to become an annual international event. Dive In aims to create awareness, inspire action, and promote diversity and inclusion within the insurance sector. Since its inception, Dive In has grown significantly, with events taking place in various cities worldwide, fostering a global conversation about the importance of diversity and

A DECADE OF PROGRESS

Examining inclusion and diversity in the London insurance market



inclusion in the insurance industry.

Additionally, industry leaders committed to increasing transparency in hiring and promotion processes. This involved regularly reviewing and updating recruitment strategies to ensure they were fair, unbiased, and attracted candidates from diverse backgrounds. Companies began to adopt blind recruitment practices to mitigate unconscious biases and level the playing field for all applicants.

Training programs focused on diversity and inclusion became a staple in many London insurance firms. These programs aimed at raising awareness, educating employees about the importance of diversity, and fostering a more inclusive workplace culture. Sensitising the workforce to the value of diverse perspectives contributed to breaking down stereotypes and promoting mutual understanding.

POSITIVE OUTCOMES

A decade into this journey, the London insurance market has witnessed significant positive outcomes resulting from its commitment to inclusion and diversity.

This has included the development of internal employee resource groups championing diversity and inclusion within their respective organisations, and a robust partnership of six market-wide networks, working together as a collective to focus on wider inclusion, breaking silos to create better engagement and understanding across diversity strands insuranceinclusionnetworks.org/

Ajay Mistry of ICAN and Michaela Gibson of The Insurance Families Networks have commented on what they regard as the most meaningful and significant development in the London Market's DEI

journey and the remaining challenges and future outlook.

Michaela remarked: "For me, the best thing about the last 10 years has been the evolution of DEI from just being about how we can increase gender balance at senior levels in the industry, to a whole programme of work that looks at including and recruiting everyone. I think the industry has taken a good long look at itself, and that is a brave thing to do, and has really been honest with itself and how it needs to improve. I absolutely love the current focus on age inclusion, wellbeing, and neurodiversity and how much the industry can really benefit from embracing diversity of thought and experience in all of its forms. I can't wait for what the next 10 years is going to bring."

Ajay added: "I feel the most significant development in recent years has clearly been an increase in visibility of diversity issues. Social media, faster sources of news and the ability to voice your opinions on such a wide scale now connects everyone, and provides platforms for greater visibility on critical issues like ethnic pay gaps and board representation statistics.

Although this has certainly helped to advance DEI issues, many challenges still remain in the industry – particularly the challenge of attracting the right talent from ethnic backgrounds and making sure they have a clear career path in front of them to progress."

"Looking ahead, the landscape is rapidly evolving with the introduction of AI, increased ESG responsibilities, climate change risks, cyber threats, and ongoing consolidation. However, among all of these changes, the constant need to attract and retain top talent remains, highlighting the necessity for a continued focus on creating inclusive environments that nurture and leverage diverse expertise."

While significant progress has been

made, challenges persist, and the journey towards full inclusion and diversity is ongoing. Gender parity, for instance, remains a work in progress, with efforts focused on breaking down the remaining barriers that hinder women's advancement within the industry.

Moreover, the London insurance market recognises the need for intersectionality – the interconnectedness of various aspects of diversity such as gender, race, and socioeconomic background. Intersectionality ensures that the industry's commitment to diversity encompasses the unique challenges faced by individuals with multiple marginalized identities.

Looking ahead, the future of inclusion and diversity in the London insurance market involves continued commitment and innovation. Companies are increasingly embracing technology to enhance diversity initiatives, utilising data analytics to identify areas for improvement and measure progress accurately.

To conclude, this 10-year review of inclusion and diversity in the London insurance market reveals a commendable commitment to change and progress. The industry has moved beyond symbolic gestures, recognising that a diverse and inclusive workforce is not just a moral imperative, but a strategic advantage.

By embracing diversity and inclusion as fundamental values, the London Insurance Market has not only improved its own internal dynamics, but has also positioned itself for sustained success in an increasingly diverse and global marketplace. ●



MARY BOWIE

Chair,
ILL's Inclusion and Diversity
Committee
Lead Legal Counsel, UK, Wakam

A YEAR OF TRANSITION

Dr Helen Phillips, the CII Group Chair, highlights the progress made in delivering the Strategic Plan

The CII Group Board launched the organisation's current five-year Strategic Plan in April 2023. We are little more than a year into delivering the plan, but I am delighted to report that much progress has been made, and we have optimism for the future.

If you recall, the Plan contains six strategic themes and places a renewed emphasis on professional standards and the value of membership supported by world-class learning and qualifications. We drew heavily from the outputs of our 'Shaping The Future Together' consultation in its creation, a major survey of CII and PFS members conducted in the latter part of 2021.

As a reminder, the Strategic Plan themes are:

- Excellent member experience
- Highest professional standards
- Sector thought leadership
- World-class learning

- Digital first
- Sustainable Institute.

The Plan sets out the actions we are taking against each theme and the high-level outcomes that we are seeking to achieve. There is also a set of performance measures that we will report against each year in our Annual Reports.

PLENTY TO CELEBRATE

The first year of the Plan – 2023 – was

focused on addressing legacy systems issues, returning the CII entity to a surplus financial position, and laying strong foundations for the future. I am delighted to say that all entities in the CII Group returned an operating surplus in 2023, the first time we've been able to report that since the pandemic. This means our Group has delivered a third consecutive year of operating surplus.

The strength of that performance reflects several factors, including the

crystallisation of an expected rebound in assessment entries, given a previous improvement in the volume of study texts purchased. Alongside this growth, we were delighted to welcome 2,000 more professionals from outside the UK during the year. We anticipate further international members as we understand that regulators in the Middle East will mandate a requirement for professionals to hold internationally recognised insurance qualifications in coming months.

One of the most important areas of our focus during the year was to agree new financial arrangements and delivery priorities with the Insurance Institute of London and the other local institutes. I was delighted that we were able to reach an agreement in the autumn, following the culmination of a comprehensive consultation exercise over the summer, to identify how volunteers felt the network could be better supported. Recommendations from this survey were presented and discussed at the Local Institute National Forum meeting in September, which was truly a positive experience and terrific example of us all pulling in the same direction. My colleagues and I on the CII Group Board subsequently confirmed our future priorities, which include a focus on supporting networking events and activities, exam training and revision, CPD and career support, and Chartered engagement.

Face-to-face interaction with members, like at LINF, was something we all missed during the pandemic, and it was wonderful to put on more than a hundred in-person events here in the UK during the year. I am also delighted to report that we supported our local volunteers in delivering more than 2,000 other events in 2023. Renewed prominence was given to our volunteer awards, held in Southampton in June, and due recognition to those who have given

so much back to the CII over a prolonged period, through our President's Awards – congratulations again to IIL's CEO Allison Potts and Melanie Jordan.

I'd also like to note the fantastic work undertaken by our latest cohort of New Generation participants. Our unique scheme continues to go from strength-to-strength, and in 2023 our broking group produced an excellent campaign designed to entice more young people to choose to enter the profession, while our claims group shone a light on the second-hand trauma that can affect those working in the field. These sorts of activities really demonstrate the value that we can bring to the wider sector.

Other notable successes during the year included the rollout of our new Customer Relationship Management system in March, which represented the culmination of three years' work. While I do not profess to understand the detailed wiring that lies under this particular bonnet, the investment is helping us to engage better with our members at an individual level and has also led to a significant reduction in customer calls and an improved customer satisfaction score.

Finally, it has been a source of concern for many of us that neither the CII nor PFS has had the voice or resonance with key stakeholders over recent years that we believe we should. That has, in part, reflected the need to deal with our own internal challenges, a distraction that I am pleased to say is now an increasingly distant memory. The introduction of the new PFS Proficiency+ Consumer Duty diagnostic tool in February this year, alongside a rich range of other resources over the preceding months, demonstrates a focus on serving members. We have also invested considerable effort in rebuilding and extending relationships with regulators here in the UK and internationally over the past year, a good example of which has been the introduction of the PFS' Sustainable Financial Advice Panel, on which we have an FCA representative in an observing capacity. I am convinced such innovations will stand us in greater stead to impart

our influence during what is sure to be an 'interesting' election year.

A BRIGHT FUTURE

While our Strategic Plan was introduced by one Chief Executive – and we are very grateful to have benefitted from the leadership Alan Vallance showed during his tenure with us – in April we welcomed Matthew Hill to our organisation. Matthew brings a vast breadth of experience from a twenty-year career in the civil service and his position as Chief Executive of the Legal Services Board. The CII Group Board is convinced that his leadership, combined with the energy of our members and the commitment, hard work and deep technical and sectoral expertise of our organisation's staff, will enable us to meet the goals set out in the Plan for 2024 and beyond. Matthew will undoubtedly want to bring his thoughts to bear, and the Plan is there to be refined and evolved as circumstances require.

In the first half of 2024, we have already introduced a new events programme for PFS members based on detailed member feedback and launched a new diagnostic-based tool (Proficiency+) to help individuals and firms address gaps in their understanding of the FCA's Consumer Duty regulations. We will also shortly begin work to review our membership propositions to ensure we continue to meet the needs and aspirations of professionals across the insurance, financial planning and mortgage advice sectors.

I'd like to conclude by once again thanking the members of the Insurance Institute of London for all they do to support the work of the CII every day. As we know well from our profession, the future is subject to a great deal of uncertainty, but I am convinced that the CII is now on the right trajectory, one that will allow us to deliver greater member benefits and rebuild the Institute's reserves for the long term. ●



DR HELEN PHILLIPS,
Chair, CII Group

IN THE SPOTLIGHT LORD MARK SEDWILL

IIL President Dominick Hoare talks
to the Deputy Chair of Lloyd's



Mark, you joined Lloyd's as Senior Independent Deputy Chairman in December 2021... what made you take the job?

Coming from Government, I was keen to go somewhere I could make a contribution; not just be a name on a letterhead. Insurance is a core part of a modern economy, and Lloyd's sits right at the heart of that industry – one of the few areas where the UK still has a genuine edge – so I think I saw an opportunity to lend my perspectives on policy, regulation and global risks to help us maintain that global standing.

What has surprised you most about the world of specialty insurance?

Its complexity. I never thought I'd find somewhere with more acronyms than the Ministry of Defence...

Two years on, I'm still coming across unfamiliar concepts and processes, but that sets a challenge for us to tell our story and communicate the complexity in a way that doesn't confuse and exclude prospective talent, investors or collaborators.

So, what is that story...?

Well, at its core, insurance is a simple product. We all have to deal with risk, whether it be our health, our business liabilities, cybercrime, or climate events. The world is risky, and we have to find ways to manage it.

We can manage some risk ourselves – as in the case of cyber, where passwords are often the best defence – but we also need to limit the potential impact. In both cases, insurance is central: we can take the risk off people's balance sheets or bank accounts through direct products, and also help build resilience, for example, mandating cyber defence software or flood monitoring technology at the point of purchase.

Whatever the risk – whoever the player – the answer is, insurance can support.

Let's talk about those risks. 'Turbulent' is a word often used to describe the current state of world affairs... how do you see the state of play, and what can Lloyd's/insurance do to help?

I think it's fair to say the world seems



WE NEED TO KEEP THINKING HOW WE CAN LEAD UNDERINSURED SECTORS INTO COST EFFECTIVE AND RELEVANT INSURANCE



more uncertain and more dangerous today than at any time since the Cold War. And it is a heck of a lot more complex than that era, with globalisation, climate and demographic change, the tech revolution, and geopolitical tensions. We need to think deeply about how these big issues will affect business and investors.

The message should be that Lloyd's does complex risk better than anyone and is here to help.

Your background is in government – and 2024 is the year of global elections. What themes do you think will dominate, and what might the knock-on impacts be for the insurance industry?

I think there are three big things to watch in global geopolitics this year.

The first is half the world going to the polls: an important election in Taiwan, a predictable one in Russia, votes in populous countries like India, Pakistan and Indonesia; and general elections here in the UK and the US. The last is probably the most important with trade protectionism, whether to stay in the Paris climate change agreements, and security guarantees to allies all in play.

Secondly, politics and geopolitics matter: both because of their direct impact, and because it's only if the US, China and others can maintain enough stability in their otherwise competitive relationships that the international community can manage other big questions, like climate, trade and technological change. If not, or if the US retreats into isolationism, those

international systems could unravel with huge economic and political impacts.

Lastly, recent conflicts and instabilities – particularly in Europe and the Middle East – have already proven disruptive to the world economy. Given underlying tensions in several areas around the world, further flashpoints in other regions may strain the most important of bilateral relationships.

Businesses and citizens need insuring against all these risks, and so insurers must be on top of these issues.

What about climate – as chair of the Lloyd's ESG committee, you must have a good overview of the industry's progress in supporting the green transition?

It's a huge shift taking place. All industries must decarbonise, and the impacts will affect all businesses, whether through energy prices, liabilities or investor confidence.

It also links to the previous point: many of the raw materials of transition are being produced in politically sensitive areas, whether cobalt in the Democratic Republic of the Congo, or semiconductors in Taiwan. So those insuring or investing in transition need to think carefully about supply chain continuity and labour standards, to make sure our shift to green solutions is both safe and swift.

The industry is providing solutions for that shift, whether insuring renewable technologies or providing supply chain insurance; so, we need to keep thinking how we can lead underinsured sectors into cost effective and relevant insurance products that allow them to face into this economic transformation with confidence.

Lloyd's has committed to be the insurer of transition, and we'll continue to lead our industry to step into this enabling role.

Good governance is about anticipating the risks coming down the line... how is the Lloyd's Council preparing for emerging technological risks?

It's not just climate we want to lead on; Lloyd's also wants to show leadership on cyber, AI and more. There are real challenges – where do liabilities lie if AI-enabled processes run into problems? – but

also opportunities, and Lloyd's has started to support the market to step into those growth areas.

For example, we're providing more sophisticated products around cyber – protecting both hardware and software – and also deploying AI to make underwriting processes and customer interactions simpler and more efficient.

As you and I know, these issues are discussed regularly at Lloyd's Council. One of the big opportunities is to use our market's unique flat structure – with a high number of firms and relatively 'shallow' hierarchies – to encourage the competition that drives innovation and efficiencies.

That needs careful oversight and robust guidelines to succeed, like maintaining the integrity of the market and ensuring the resilience of the Central Fund; but it's why Lloyd's is a global leader in insurance innovation, and at Council we're keen to support that model so Lloyd's remains the most competitive and dynamic market in the world.

Switching to you for a second: what piece of advice would you give our younger IIL members reading that you wished you had received earlier in your career?

I think my advice is always look to the future. Spot the growth areas, both for your sector and yourselves, and take opportunities when they come your way.

Of course, you need to be present and do the best job you can, where you are, to establish credibility: but a future focus will help you stay employable – and help your firms stay relevant.

So, if you were starting out again, would you choose insurance over the Foreign Office...?

I tend not to have regrets... but I'd definitely consider it. My goal was to get 'dust on my boots' and put myself in dangerous situations and areas – I wasn't interested in sitting in a room negotiating! – though in hindsight, there's a lot of overlap with insurance in understanding the world, facing into risks and making a judgement.

Who knows... maybe I'd have made a decent underwriter...?

EMBEDDED INSURANCE

Encouraging flexibility in a traditional market

Embedded insurance could easily be mistaken as an emerging concept that came about with the technological age. However, it is a concept which has been utilised for approximately a century. It refers to a situation where the sale of insurance products is combined intrinsically with the purchase of non-insurance products, so that it is easier for customers to obtain personalised coverage that they require.

Forms of embedded insurance can be seen as early as 1925. The car manufacturer Chrysler partnered with Palmetto Fire Insurance Company to provide vehicles with a year's worth of fire and theft insurance included at the point of sale.

Since then, this concept has expanded and there are now three different methods of embedding insurance into the customer journey.

The first method is 'intrinsic'. This is where insurance is provided with the purchase of a good or service, without a direct cost allocation. This is commonly known as a manufacturer's product warranty. For example, the assurance with the purchase of a domestic product such as a washing machine that if it breaks down or has a fault within 12 months, the manufacturer will provide a replacement.

Secondly, there is 'bundled' insurance. This is where insurance is packaged into the sale of the product or service upfront. This can either be opt-out or opt-in. In the former, insurance is automatically

included with the sale, although the customer has the option to decide against this if they do not want the coverage. An example of this is accidental damage cover bundled with electronics or large household items. With 'opt-in' insurance, the customer is offered a pre-packaged insurance product at the point of sale but must actively choose to include with the purchase. This is commonly seen as booking protection with flights or experiences.

Finally, 'billboard' embedding is insurance that is promoted alongside the merchant's other services but is a stand-alone product, rather than an add on.

Embedded insurance is making a significant impact on the lives of young people, providing them with valuable coverage and financial protection. For instance, academic institutions partner with insurance providers to offer embedded insurance plans that often include coverage for health and medical expenses, as well as personal belongings such as laptops and smartphones. In the gig-economy, young people are engaged in freelance work or part-time jobs, and platforms are integrating insurance options to provide coverage that allows young workers to have peace of mind while pursuing flexible employment opportunities.

An example of this is Deliveroo, the take-away food delivery service. They include protection for personal accidents and financial risks for their UK drivers

whilst working for them. This protection is automatically embedded within the driver registration process as intrinsic insurance.

Monzo is a digital bank which is popular amongst younger generations, predominantly because its digital-only delivery provides accessible, self-service banking through a mobile app. Monzo has partnered with insurance providers to offer relevant insurance products to customers within the banking app. This billboard-embedded insurance provides users with easy access and management of their insurance products and banking on the same app as a complete digital journey.

A final example is WeWork, the co-working space provider used frequently by freelancers. Through a partner collaboration, WeWork offers clients flexible insurance coverage for public liability and business contents claims, that may occur within the shared workspace. This opt-in offering helps business clients with risk management and mitigation, whilst also ensuring they meet the requirements of working in the shared space, therefore also benefiting WeWork.

As can be seen with these examples, embedded insurance is an excellent way to distribute customised and targeted insurance products to customers when they need them. It can, therefore, be considered as a good example of fair treatment of customers in practice.

Embedded insurance has been successfully integrated within a range of personal lines products and distribution channels. However, innovation to harness these benefits has been limited within specialty lines. If specialty insurance, and the London Market, are to remain relevant to respond to the needs and challenges of the customer of the future, could the use of embedded insurance become more 'standard'?

As the world moves away from traditional siloed business operations, towards a more integrated ecosystem approach, business leaders will need to do the same within their organisations. Embracing synergised digital solutions could become imperative to remain

competitive and relevant to customers. To remain competitive in a rapidly evolving digital landscape, insurance companies need to reach a wider audience, leverage data, and form innovative partnerships that cater to the changing needs of customers in our increasingly interconnected world.

The London insurance market has long been attractive to worldwide buyers of insurance for the depth of specialist expertise and knowledge it holds. However, in a globalised and digital world, there is increasing competition.

Business decision makers and insurance purchasers are also becoming used to ever more personalised, timely and integrated solutions in their personal lives. Those at the forefront of innovation will begin to expect the same level of service in their corporate lives.

To remain competitive, desirable, and respected, companies in

London will need to innovate, adapt, and collaborate to attract broader clientele, foster international collaborations, and harness technology to stay ahead in both service and price. Being able to 'keep up' has never been more crucial for London insurance to maintain leadership in the global insurance sector, and to meet the changing demands of both clients and market.

Furthermore, embedded insurance facilitates data-driven insights for insurance providers, enabling better risk assessment and management.

To do this, insurance providers will need to understand and seek integration opportunities with the underlying workflows of clients and business partners to create synergies which can

be used as new distribution channels. If used effectively, these channels could deliver the London Market's corporate customers with personalised, timely and comprehensive insurance products, even in more traditional product lines.

Embracing embedded insurance as a method of distribution would, therefore, provide a way to meet evolving customer expectations, demonstrate leadership and keep the London speciality insurance market relevant for the future. ●



Patricia Alcoba Dip CII (Marsh), Annabel Baker ACII (WTW), Kimberley Hallam ACII (QBE) and Anastasia Tzortzi Dip CII (Evolin Broking) on behalf of the IIL Young Members Committee

BUSINESS DECISION MAKERS ARE USED TO PERSONALISED, TIMELY AND INTEGRATED SOLUTIONS IN THEIR PERSONAL LIVES ... AND WILL EXPECT THE SAME LEVEL OF SERVICE IN THEIR CORPORATE LIVES

As a brand-new financial planning business, we've been faced with lots of decisions about the tech we're using to grow Finova Money. Without having lots of cash to spend from day one, we've had to build a streamlined process that enables us to take on new clients whilst keeping expensive overheads to a minimum.

For us, this means utilising artificial intelligence (AI) in our processes, reducing the need to employ lots of staff, and

incurring unnecessary costs. We know that AI offers huge opportunities for growth, efficiency, and client engagement, and we're excited to be building a business for the future that harnesses these opportunities.

In this piece, we'll be outlining how we're using AI to reduce the administrative burden of a highly regulated industry, improve client engagement, and inform our content creation.

PERCEIVED BENEFITS OF AI

In our opinion, there are three clear

benefits to AI which we're already seeing great results from. These are:

- 1. It saves time:** By automating mundane tasks and streamlining workflows, AI liberates valuable time, allowing us to allocate resources more effectively towards client-focused work. Time is a precious resource, so maximising the amount of quality time we get in front of clients is a huge benefit to us.
- 2. It reduces costs:** The efficiency gains from AI translate into tangible cost savings, meaning we're able to keep our overheads to a minimum. By cutting out this layer of expense, we're able to run a lean and efficient business, which, as a fixed-fee planning business, is crucial to our success.
- 3. It improves client engagement:** AI-powered tools enable us to personalise client interactions much more easily, which leads to deeper engagement. If clients are more engaged with their financial planning, they're likely to follow through with advice and, therefore, make better progress towards their goals.

THREATS OF AI

Despite its transformative potential, the adoption of AI in business also poses certain challenges and risks:

- **Data security:** The proliferation of AI introduces new dimensions of data vulnerability, meaning robust cybersecurity measures need to be in place to safeguard sensitive information and mitigate the risk of breaches. This is, without doubt, the biggest risk to a modern business, and arguably one of our biggest expenses!

ENGAGING AI

How using AI can make you more productive



- **More sophisticated fraud:** As AI capabilities evolve, so too do the techniques of malicious actors, heightening the complexity of cybersecurity threats, such as identity theft and fraudulent activities. This can be evidenced in the recent Martin Lewis ‘deep fake’ which saw lots of investors lose money to a fake Tesla investment scheme.
- **Human bias:** The reliance on AI algorithms raises concerns regarding inherent biases encoded within the data and decision-making processes. It is, therefore, important to utilise AI, but not become reliant on it. We believe that AI will complement our business practices, not replace them.

WHY AI IS A GOOD THING FOR FINOVA MONEY

1. It reduces the administrative burden.

In the financial advice world, administrative tasks often consume a significant portion of our time, detracting from valuable client-facing work. Tasks such as fact-finding, preparing letters of authority, and chasing providers for information, all take up huge amounts of time.

Typically, we see large numbers of administrative staff within businesses whose responsibilities revolve primarily around these mundane tasks.

Recognising this challenge, we turned to AI-driven solutions to streamline our administrative workflows. Enter “Saturn.ai”, an AI-powered assistant designed to alleviate the administrative burden in our industry.

This innovative tool records client meetings, generates comprehensive summaries, identifies key priorities, and facilitates seamless follow-up actions, empowering us to focus on delivering amazing client experiences, rather than drowning in paperwork.

As “Saturn.ai” continues to evolve, we envisage it becoming a co-pilot for our business, revolutionising client follow-up processes and optimising tasks such as data gathering from providers.

Whilst it’s still early days, we’re hopeful that this tech will allow us to scale our

business without the need to have vast numbers of administrative staff.

2. It improves client engagement

Client engagement is central to everything we do, yet traditional approaches often fall short of capturing and sustaining client engagement beyond the initial interaction. We tended to find that all the impact was lost after a great meeting with a client because the lacklustre follow-up process was tiresome and bland.

Conventional advisory practices rely on documentation, which may fail to resonate with clients, or effectively convey the impact of financial decisions.

Instead, we’ve introduced “VideoAsk”, an interactive online video tool that allows us to personalise asynchronous conversations for clients, to provide engaging, interactive discussions that lead to deeper understanding.

Recognising the efficacy of “VideoAsk” in enhancing client engagement, regulatory bodies such as the Financial Conduct Authority (FCA) and various compliance consultants have said it’s a durable medium which could be used for more engaging suitability reports, confirming its potential to improve industry practices and client experiences.

3. It helps with content creation

As a new business trying to carve a niche in a competitive market, content creation is key for us to drive brand awareness and attract prospective clients. However, with budget constraints and the need for targeted messaging, we turned to AI-powered tools to help inform our content strategy.

We have found “Answer The Public” to be a brilliant tool that has helped inform our marketing strategy. “Answer The Public” is an audience research and search-listening tool that allows us to uncover the questions driving online conversations within our target audience. By leveraging the insights from “Answer The Public”, we’re able to see the problems, challenges, and aspirations of our ideal clients, which informs the development of our content strategy.

Once we have a deeper understanding

of our audience’s needs, we then use other generative AI tools to refine our messaging, suggesting appealing titles, key phrases, and hooks that resonate with our target demographic.

Finally, we use AI content management tools, such as “Simplified”, to organise and automatically schedule posts, carousels, and other information to our various channels. This allows us to pre-populate our marketing content, rather than having to remember to post every day!

Whilst these tools help us, we are also mindful of preserving our brand’s authentic voice and identity, ensuring that AI complements human creativity and intuition.

CONCLUSION

The integration of AI into our day-to-day business operating at Finova Money has already led to greater efficiency, effectiveness, and client-centricity. By utilising AI-powered solutions such as “Saturn.ai”, “VideoAsk”, and “Answer The Public”, we hope to redefine the traditional IFA business model and position ourselves for sustainable growth and relevance in an ever-evolving marketplace.

We picture a future where we have built and scaled a truly tech-enabled business that sets the standards for excellence in the financial advisory industry. We want to challenge the status quo of inefficient processes, mediocre service, and poor client outcomes, and we genuinely feel AI is going to help us achieve that.

For fellow businesses embarking on their AI journey, our advice is simple: just start to use it! We appreciate that it can be overwhelming to begin with, so focus on one or two areas of your business that aren’t as efficient as you’d like them to be and test out a few tools (lots have ‘freemium services’ you can try before you buy). Hopefully, we’ve shown that the gains to productivity, creativity and growth are worth the investment! ●



ROB SCHWARZ,
Founder & Financial Planner,
Finova Money

HOT TOPICS IN INSURANCE AND FINANCIAL PLANNING

Find out which issues are taxing
the best brains in our business

ILLUSTRATIONS: DANIEL GARCIA



CLAIMS

PAUL HANDY, ACII

Chartered Insurance Practitioner

Chair, IIL Claims Committee and Global Head of Cyber Risks, Crawford & Co

It would be remiss of me not to start by referencing some supplemental topics which are reflective of both interest and opportunity this year. The subject of 'Ghost' or unscrupulous Landlords is not just a hot political potato, but can be a significant driver of both delay, and cost, in reaching resolution. We will deliver a practical discussion-based lecture addressing the pitfalls, challenges, and best practice approach to managing these claims. On the theme of education, the continued growth of the Cyber market is predicated the need for a wider base level understanding of these policy forms within the claims community. Our lecture programme recognises this with a talk titled 'Cyber Claims 101', built around a typical case study. An increase in targeted crime and related trends, within the collector's market, will be



hosted by Directors from the Art, Classic Car and Watch Loss Registers – a topic

of general interest, in the high net worth underwriting and claims communities.

The theme of our 2024/25 programme leans towards the evolution of the claims market, reflective of both new and emerging risks, and claims that stem therefrom. We explore the topic of Social Media Liability, along with a wider thought leadership lecture on how evolving claim trends can be used to influence policy forms, coverage and wordings. Building on the theme of electric vehicles, we recognise the growing frequency and severity of lithium battery fires, by reference to coverage consideration and mitigation. A similar debate will be had for RAAC claims, both topical and interesting from a coverage perspective. Our final topic focuses on sustainability, specifically how the claims community are needing to adapt their approach to reinstatement, to 'build back better', to both reflect corporate or social responsibility and to mitigate against future loss or damage.

All in all, we have an exciting year of educational content, and also challenging and forward-thinking topics, to help shape our market. ●



AVIATION AND SPACE

GARETH HOWELL, ACII

Chartered Insurer

Chair, IIL Aviation & Space Committee & Underwriting Director,
Global Aerospace



Business is booming in much of the Aviation sector, with travellers back in the skies in numbers not seen since pre-Covid, and manufacturers optimistic about continued growth. The industry continues to invest in safety, which, more recently, has been reflected in a lower frequency of fatal aircraft accidents.

Aviation is an inherently risky industry, and it is not all smooth flying. Newer generation aircraft are costlier to repair when they are damaged, climate change is likely contributing to an increased frequency of weather-related losses, and social inflation has had a significant effect on some liability settlements. Insurers also remain concerned about the impact of claims relating to the Russia/Ukraine war, with around 400 aircraft that lessors have

been unable to repossess the subject of ongoing claims, against both hull and hull war insurers.

Looking to the future, investment in Advanced Air Mobility is flourishing, with numerous companies developing small passenger-carrying electric vertical take-off and landing (eVTOL) aircraft. Some of these aircraft have logged considerable test flight hours, and the goal now is to work towards entry into service, with some significant regulatory and infrastructure challenges to address. Insurers have a great opportunity to support this emerging sector of the industry.

Space insurers have been witnessing a shift towards the launch of more Low Earth Orbit (LEO) satellites which are

smaller, less costly and, when launched in large constellations, have greater redundancy compared to traditional large geostationary (GEO) satellites. As a result, many operators have not purchased insurance to the same degree as they would have done in the past. However, claims in 2023 were significant, with two major satellite failures and smaller losses totalling around \$1 billion. Insurers in this sector are now seeking to correct a market imbalance between premium and claims.

Our aviation and space CPD programme for 2024/25 will navigate members towards the challenges and opportunities that lie ahead. ●



CYBER AND TECHNOLOGY

ANTHONY CORDONNIER, FCII

Chartered Insurance Broker

On behalf of the IIL Cyber and Technology Committee, Global Co-Head of Cyber, Managing Director. Guv Carpenter

The global cyber insurance market continues to grow and evolve at a rapid pace. Guy Carpenter has pegged 2023 year-end global gross written premium to be \$15.5 billion.

This demonstrates seismic growth in the market, jumping from approximately \$10 billion in 2021, and \$5 billion in only 2019. As economies become more digitised; regulations become more robust; clients become more sophisticated and insurance products continue to develop, the cyber insurance penetration gap will continue to close, and subsequently, cyber market premiums will further grow.

Whilst significant rate increases have aided this growth, the rating environment has now settled, supported by a benign



loss environment over the last couple of years, following a period of increasing claims activity.

At a macro level, privacy trends are being examined closely, with the use of pixel tracking being scrutinised and

several US statutes being relied on for private litigation. We are also seeing an evolution of ransomware trends, with activity picking up in 2023, against a backdrop of stronger risk postures and heightened law enforcement focus.

As the cyber (re)insurance market continues to grow, it is vital that we can attract fresh capital to the space to support this continued expansion. While traditional reinsurers have proven to be a reliable source of capital to support the growth of the cyber market, we see the potential for third party capital to play a role.

We are seeing more demand for occurrence- and index-based covers, all of which can provide volatility and capital relief protection. From a third-party capital provider standpoint, such structures can also prove attractive, with the right structures helping them overcome challenges such as the trapping of collateral. Accordingly, it is vital to engage with these parties to induce more confidence in cyber risk, which will, in turn, support the growth of the cyber insurance market. ●



CASUALTY

NEVILLE WHITE

Chair, IIL Casualty Committee and Senior Vice President, Casualty, Marsh

One can't help but be impressed with the recent profits announced by insurers – from UK composites through to specialist syndicates in Lloyd's. We may now be at a tipping point, when on the strength of such good results, the market starts a slow descent into a softening market. Insurers who lock-in deals with their customers may, therefore, place themselves at an advantage, securing relatively good rates.

The risk is otherwise losing business in the face of competition, and the significant work that is required to replace long-standing accounts.

Against this backdrop, casualty insurers still have underwriting challenges to assess. First and foremost is the ongoing problem with auto settlements in the States, which affect excess layers written in London. Back in the UK, conventional claims inflation remains a concern, and the new edition of the Judicial College's Guidelines for General Damages for Personal Injury cases, which was released in March, increased General Damages for almost all personal injury by 22%, reflecting the recent inflation-hit years. That said, UK insurers have been helped by the extension of the Fixed Recoverable Costs regime, to include all civil personal

injury claims up to a value of £100,000. This will constrain the amount that plaintiff solicitors can claim for their costs.

Finally, the Terrorism (Protection of Premises) Bill, referred to as Protect Duty, continues to work its way through Parliament. This is Martyn's Law, the proposed legislation that followed from the Manchester Arena bomb attack in 2017. The latest version of the Bill has been simplified so that publicly-attended venues with less than 100 people are no longer included, followed by two tiers after that – greater than 100, and greater than 800 people in attendance, with commensurate risk management requirements. The Government issued a public consultation on the revised version of the Bill in the Spring, and it is likely that the Bill will be enacted by early 2025. ●



INCLUSION AND DIVERSITY

MARY BOWIE

Chair, IIL Inclusion and Diversity Committee and Lead Legal Counsel UK, Wakam

Whilst brokers and insurers focus on operational and strategic initiatives for the use of AI in underwriting data, policy and claims administration, this article examines how AI can contribute to achieving DEI goals, by addressing biases and fostering a more inclusive culture. The ABI's Responsible Use Guide for AI promotes governance and oversight, to ensure that individuals' rights and privacy are protected and prioritised.

One key aspect of AI's impact is its potential to mitigate biases. Traditional systems often inherit and perpetuate biases present in the data they are trained on. AI can be programmed to recognize and rectify biases, promoting fair and equal representation. Prioritising inclusivity in the training data and algorithms can help create applications that are sensitive to diverse perspectives, promoting greater engagement through

personal identification.

Natural Language Processing (NLP) models, a subset of generative AI, can assist in developing more inclusive language and communication patterns. These models can be trained to suggest more inclusive language and promote respectful and inclusive verbal interaction.

AI can create personalized wellness tools catering to the diverse needs of individuals within an organisation. From mental health applications offering culturally sensitive resources, to well-being platforms considering various health and dietary preferences, AI can tailor wellness solutions to the unique requirements of each employee. This personalisation contributes both to physical wellbeing, and also a sense of



belonging and inclusion, recognising and respecting individual differences.

AI can create diverse and inclusive content, and visual models can generate images that represent a broad spectrum, on both a visual and auditory basis, ensuring that everyone feels seen and valued, enhancing accessibility and representation in technology.

As organisations continue to prioritise DEI, and develop their programs and initiatives, leveraging the power of AI can be a significant step towards creating more inclusive and equitable spaces. ●

MARINE AND ENERGY

**SOPHIE HUTCHISON, ACII****Chartered Insurer**

Chair, IIL Marine & Energy Committee, and Marine Liability Underwriter, Ascot Group

As the world changes at an unprecedented pace, so too do the risks seen within the insurance industry. The Marine and Energy committee has looked at the specific current issues in Marine Liability, Marine Hull, Offshore Energy, Renewable Energy, Cargo and Specie.

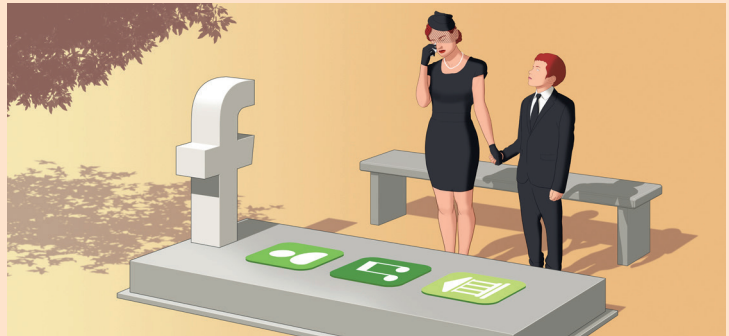
With the rapid increase in the Renewables sector comes the complexity of law and jurisdiction, which is considered from a European perspective, with a focus on Germany, in the Offshore Wind Turbines presentation. An upcoming presentation will focus on US court judgements on defect coverages and manufacturing issues.

Our recent Marine Liability presentation discussed the Spanish Supreme Court ruling on the Prestige, which raised the issue of interpretation and application by courts of a shipowner's right to limit liability under the 1992 Civil Liability Convention. This led to a Unified Interpretation agreed upon by members of the IMO, offering a much firmer foundation to both shipowners and insurers.

With a resurgence in piracy, an upcoming presentation will focus on the history and the current landscape, identifying key maritime risks, recent incidents, and risk mitigation, specifically with H&M, War and K&R in mind. The War in the Middle East will be considered from a cargo perspective, including oil in transit issues.

Upcoming Marine presentations include considering whether Lloyd's Open Form is fit for purpose and why there is a lack of take up, how technology has progressed for autonomous ships and terminals, and a forensic adjuster's view on cargo valuation.

Topics within the 2024-2025 programme include the growth of carbon capture, utilisation and storage, and the importance of interconnectors in renewable energy, with their role in the energy transition. Also included are issues and liabilities surrounding abandoned and orphaned wells in the US, a legal look at energy coverage questions, and the geopolitical risk for international marine and energy security. ●



FINANCIAL PLANNING

EDWARD GRANT, FPFS**Chartered Financial Planner**

Chair, IIL Financial Planning Committee and Director, Technical Connection, St James's Place

In a pivotal year anticipated for the UK election, the financial planning community faces the dual challenges of adapting to significant fiscal shifts aimed at mitigating increased taxation and living costs for clients, while also grappling with escalating operational costs. This period is marked by the implementation of the Consumer Duty, heralding the most substantial regulatory evolution since the Retail Distribution Review, emphasizing value for money and regular reviews of products and services for clients.

Our curated CPD series seeks to deepen the understanding and skills in financial planning, covering diverse topics, from enhancing client financial wellbeing, to integrating protection plans into inheritance strategies. As part of this series, Lisa Laybourn discussed how advisers can support the financial wellbeing of their clients, Tony Wickenden considered the advice alpha opportunities offered, post the Autumn Statement, Richard Higgs discussed how his advisory firm put vulnerability at the heart of what they do, whilst Adrian Bates focused on how protection plans can be utilised as part

of an inheritance plan. With a client and technology emphasis, Chad Rogerson and Paul Davies challenged us when designing for vulnerability in a digital world, and I championed the use of robust digital legacy plans to reduce the burden on loved ones. Jacqueline Berry highlighted the importance of unregulated care support, and Rhiannon Gogh spoke passionately about the importance of advising clients with disabled children. Finally, in his presentation, Martin Brown overviewed how to successfully prepare, and sell, your business.

The constant through the programme has been the indispensable role of financial planners in guiding clients through the maze of regulatory, political, and fiscal changes, underlining the importance of client-centric advice. The series, led by our expert speakers, underscores the profession's adaptability and commitment to evolving, in response to enhanced Consumer Duty regulations and the ongoing impact of the cost-of-living crisis, reaffirming the value of both financial and non-financial advice in helping clients navigate their aspirations and challenges. ●



PROPERTY

IAN FRANCE, ACII**Chartered Insurer**

Chair, IIL Property Committee, and Head of Property for European Operations, QBE

Munich Re have calculated that global insured losses from natural disasters reached \$95 billion in 2023. While this aligns with the five-year average, the absence of a major event like Hurricane Ian in 2022 is a cause for concern.

Instead, we observed a rise in the frequency and severity of natural peril events. These included record losses from severe convective storms in the USA, surpassing \$50 billion for the first time, as well as major hailstorms in Europe

and devastating wildfires in Hawaii. This trend has continued in 2024 with winter storms and flooding in Northern Europe, along with another destructive wildfire in Chile.

We have historically termed these events “secondary perils” as they are harder to monitor with less predictive modelling, compared to hurricane and earthquake. Furthermore, our historical data is unlikely to be a good indicator of the future, given these events are influenced by current and future climate change, leaving a potentially dangerous risk gap for insurers.

Increasingly, this trend is perceived as the new normal. As a result, underwriters are shifting away from the term “secondary perils” and adopting a portfolio management approach that considers both peak and non-peak

exposure by peril and region.

Insurers are seeking to balance support for their clients with ensuring they are not overexposed to any one peril region. Industry efforts include expanding knowledge and modelling capabilities for these perils, but the value of traditional risk management is also important, including clearing vegetation near properties to reduce wildfire risk. Similarly, for flood we often provide assistance and advice regarding flood defence strategies and water damage resilience. This includes actions like elevating electrical outlets, and relocating inventory, to prevent ground-level damage.

This is sure to remain a hot topic well into the future and we expect the London market to play a leading role in supporting policyholders to better assess, and reduce, risk through both risk transfer capacity and risk mitigation services. ●



REAL ESTATE

MICHAEL BRETT, ACII**Chartered Insurance Broker**

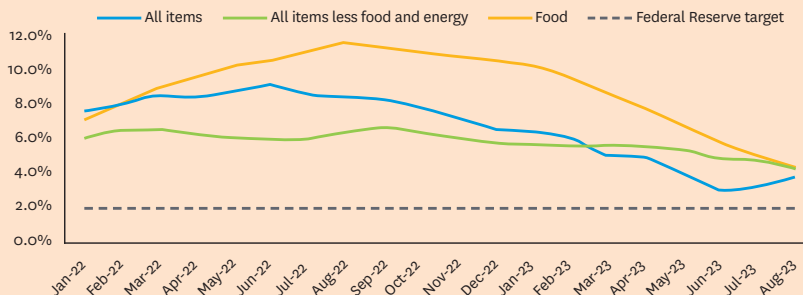
Chair, IIL Real Estate Committee and Assistant Vice President, Lockton

The real estate insurance industry is still facing the headwinds from economic inflation globally, which is providing a challenge to underwriters, brokers, claims professionals and risk management professionals.

Headline economic inflation is beginning to wane since the high point in mid-2022, as evidenced in the graph above, prepared by the US Bureau of Labor Statistics. Core inflation, excluding goods and energy, still remains high, adding pressure to a marketplace that is already facing capacity restraints wrought by macro-economic conditions and sustained global CAT losses, feeding into the reinsurance markets.

In addition to core inflation, clients are looking to retro fit their real estate assets to meet occupier demands, regulatory environment through decarbonising, and investor demands with enhancements in environmental disclosures. This creates a

HEADLINE ECONOMIC INFLATION IS BEGINNING TO WANE SINCE THE HIGH POINT IN MID-2022



Source: U.S. Bureau of Labor Statistics

perfect storm of rising costs, on top of the complexities of retro fitting real estate assets, to meet both the transition risk and adaptation to physical climate risk.

It is imperative to remind customers the importance of ensuring frequent reviews of reinstatement values are undertaken. The property insurance market is still in a febrile state, with swings depending on region, and accurate reinstatement valuations will assist in ensuring that a complete risk transfer/alternative risk transfer occurs.

In the UK alone, albeit difficulties in both estimating and determining the levels of potential underinsurance

persist, it has been estimated at the end of 2021, prior to the inflationary peaks experienced, that circa 80% of the of UK SMEs were underinsured (Sedgwick). This figure, which will have taken into account business interruption values at risk, is stark, and can only be tackled by a concerted effort to both educate and inform clients.

Thankfully, insurers, brokers and/or risk management professionals are attuned to this and have refined propositions to assist clients in obtaining accurate reinstatement valuations in accordance with industry norms, for wherever their asset is domiciled. ●



Chair, IIL London Market Committee, and NED,
Bridgehaven Insurance

In the London Market CPD series, we aim to critically examine some of the global themes, and those specific to our market:

- reflection on the volatility and challenges that geopolitical conflicts and civil unrests introduced and offered strategies on writing war risks in these testing times.

- We will continue to critically examine London's role in addressing tough global problems during the next lecture season. Please join us. ●



Chartered Insurance Practitioner
Chair, IIL Reinsurance Committee
and Co-Founder and President,
Supercede

Calmer conditions were underpinned by a retro market whose enthusiasm more than rebounded with higher rates. Absent the uncertainty of retro backing, reinsurers could lean in with preferred cedents, meeting demand growth spurred on by inflation, climate change and geopolitical uncertainty.

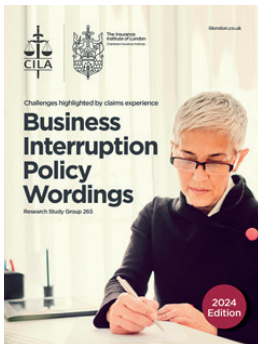
Particularly in highly protected markets, where rate rises are challenging to execute, insurers are thus struggling to manage their exposures to secondary perils like wildfire, flood and severe convective storm. During 2023, these events contributed a more than meaningful share to yet another \$100bn year of insurance losses. While for many, they have been a drag on earnings, they may prove existential.

The bad news is that hurricanes are far from buyers' only concern – reinsurance does little to still the wounds of a thousand paper cuts accelerating with climate change. One fears unheard calls for a class of 2023/24 are for (re)insurance, a knell: investors would happier dwell in interest rate heaven, than join secondary peril hell. ●

INSURANCE INSTITUTE OF LONDON SPRING BOOK PROMOTION

The IIL specialises in publishing books on topics of specific interest to the London Market, where little printed material is available. Please look at our Publications page at iilondon.co.uk to check that you haven't missed any of our latest books and take advantage of our sale of historical works.

All prices include a paper copy of the book plus access to a downloadable version for ease of use.



NEW EDITION - BUSINESS INTERRUPTION POLICY WORDINGS – CHALLENGES HIGHLIGHTED BY CLAIMS EXPERIENCE (RS265)

**Published February 2024,
£30 CII members and non-
members, pages 130**

First published in 2012 and updated in 2019, just before the COVID crisis hit, this 2024 update covers the FCA test case and the new

Consumer Duty. It identifies challenges and suggests various solutions to help 'good outcomes' be more easily achieved.



DELAY IN START-UP INSURANCE (RS254B)

**Published December 2022,
£60 CII members/£75 non-
members, pages 322**

The need for an in-depth understanding of DSU shows itself during the underwriting process and, even more significantly, after an incident that gives, or might give, rise to a claim. This publication

provides its readers with material, explanations and guidance designed to overcome such shortcomings in understanding DSU in practice. By its structure, it is aimed at all market practitioners and their clients, regardless of their present level of experience.

CONSTRUCTION INSURANCE (RS208B)

**Published December 1999, £45 CII members/
£55 non-members, pages 420**

Despite approaching its 25th anniversary, this book retains

its 'best seller' status. Purchased along with its Supplement (RS208B/s), this work is essential for those handling the insurance requirements of construction projects, a specialist area needing knowledge and skills.

A team of specialists from all sides of the construction insurance process, including underwriters and brokers, loss adjusters and engineers, lawyers and risk consultants, came together to produce the definitive guide to the subject. The report considers risks in every type of project, together with their allocation between the parties under the primary contract forms, and the underwriting process. The intricacies of contract work insurance are explained, as are construction-related public liability issues and the complexity of arranging cover and handling losses, regarding delay in project completion.

This comprehensive work is invaluable for those new to the subject seeking guidance on key issues, and as a work of reference for the experienced practitioner.

SUPPLEMENT TO CONSTRUCTION INSURANCE (RS208B/S)

**Published February 2013, £10 CII members/
£15 non-members, pages 88**

While Construction Insurance (RS208B) remains valid today, some changes were made to update it appropriately. For example, there were several changes in the perception of certain risks, and the insurance response to these risks has also changed. There have also been developments in the legal perspective. In this Supplement, readers will find topics that include sustainable energy, risk from water damage to timber-framed buildings during construction, tunnels and earth moving, terrorism, some new policy clauses which have evolved over recent years, papers on offshore pipelines and risk engineering, as well as legal cases or changed perspectives on existing cases.

INSURING INDUSTRIAL AND PROCESS MACHINERY (RS237)

**Published May 2000, £35 CII members/£45 non-members,
pages 229**

This report focuses on machinery and equipment used in an industrial or manufacturing environment. Its main subjects are the physical exposures, the treatment of risk, and their potential impact on the industries that rely on the machinery

used. The report explains how risks are identified, correctly evaluated and protected through insurance. It highlights the key issues affecting machinery’s safe and reliable operation, with loss prevention being a strong theme throughout.

The report is aimed at both the buyers and providers of insurance. It will also benefit property and engineering brokers and underwriters. While the material is necessarily technically complex in parts, each topic is explained simply and clearly with the general reader in mind.



CYBER INSURANCE (RS266)

Published June 2022, £60 CII members/£75 non-members, pages 382

This book examines cyber risk from four different aspects. It starts by giving an overview of the cyber threats before detailing how organisations can insure against them. It then looks at the insurance coverage available to insure (and reinsure) against

these threats. It provides an overview of the latest thinking and mathematical modelling approaches on how insurers and reinsurers quantify and price cyber risk, before giving an overview of cyber risk and loss management. Written by practitioners, this comprehensive publication is helpful for anyone wanting to gain insight into cyber risk and how it is approached in the insurance and reinsurance market.



INSURTECH – DIGITAL DISRUPTION AND INNOVATION (RS267)

Published July 2023, £50 CII members/£65 non-members, pages 217

This book is aimed at those developing digital strategies who may not have prior experience in this area; this reference-style book supports on-the-job learning and professional

development by providing quick access to critical information about the most essential InsurTech topics. This book builds on existing publications that explore general and life InsurTech by focusing on the London Market. The topics encompass all aspects of the London Market, including broking, underwriting, claims, and reinsurance.

The book is split into four parts to ensure ease of reference. The first part provides a general background to InsurTech, including key terminology. The second part introduces the core technologies by chapter and provides an overview and examples. Part three covers critical regulatory and legal

concepts to help with compliance queries. The final part considers how InsurTech might evolve to equip readers for discussion and debate.

DIRECTORS' AND OFFICERS' LIABILITY INSURANCE (RS234A)

Published April 2010, £10 CII members/£10 non-members, pages 400

This book is aimed primarily at those in the insurance market who underwrite or broker directors’ liability insurance. It will additionally provide an equally helpful guide to directors and officers themselves, and those who advise or represent them, by:

- Providing an updated summary of the essential law as it affects directors and officers, principally in the UK and other major jurisdictions.
- Looking afresh at the insurance products currently offered as providing indemnity to directors and officers.
- Considering whether the present market adequately addresses those directors’ and officers’ liabilities that can and should be insured.

PROFESSIONAL INDEMNITY INSURANCE – CASE LAW, REGULATION AND PRACTICE (RS228A)

Published September 2010, £10 CII members/£10 non-members, pages 648

This book will appeal to anyone interested in professional indemnity insurance, whether needing, arranging, claiming or managing claims, or reinsuring insurers in the UK.

The chapters for the professions provide a background to the profession, the legal liabilities, underwriting considerations and future developments.

WAR RISKS AND TERRORISM (RS258)

Published October 2007, £10 CII members/£10 non-members, pages 172

This Study examines terrorism insurance and associated perils in the post-9/11 world, where further major attacks, unfortunately, have confirmed that the terrorism threat is serious, sustained and global. Although the Study’s emphasis is primarily on the United Kingdom and non-marine cover, there is a specific chapter on marine insurance, and some products in the United States and Europe are included.

To order, go to iilondon.co.uk and click on Publications.

POSTAGE & PACKING FEE - INCREMENTAL CHARGES APPLY

	1 to 5 reports	6 to 10 reports	11 to 15 reports
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LONDON – THE MARKET TO LEAD CHANGE

We face a spectacularly complex set of challenges this year.

In the (re)insurance industry, it is critical we recognise the magnitude of our obligation – to provide our clients with strength, certainty, and meaningful advice and outcomes during such a volatile and uncertain period.

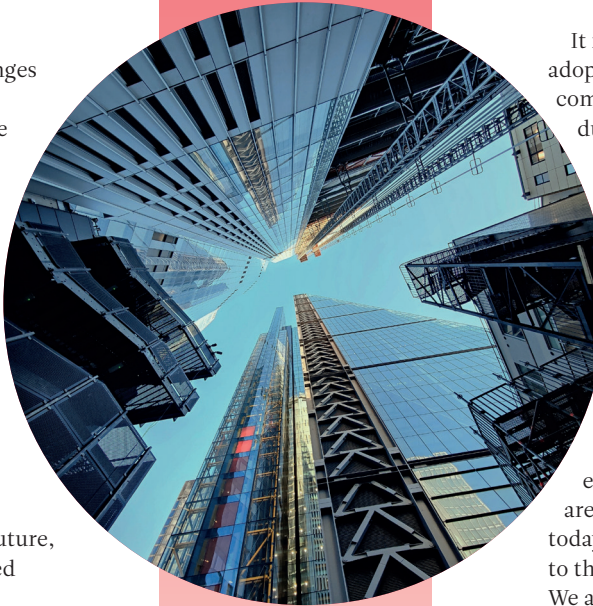
We are living in one of the most rapid periods of change and progress in human history, one that will dwarf even the most epoch-defining events we have experienced so far in our existence.

And although this is an exciting future, promising a wealth of unprecedented advancements, it also comes with extremely daunting challenges, both new and familiar.

Some of these challenges are recent manifestations of age-old geopolitical concerns – the continuing war in Ukraine and aggression of Russia against its neighbours, the violent eruption of war in the Middle East, and increasingly ominous positioning from China. This geopolitical tinderbox will be extremely vulnerable to the outcomes of the many leadership elections around the world over the next year.

Some of the challenges are ‘new’, but also existential – the potentially catastrophic impact of the rise in ‘disinformation’, the alarming growth of cyber threats, and the inevitable decline in our climate if change is not implemented.

We work at the centre of the global insurance industry, in one of the most vibrant markets in the world, but if we want to maintain our position as the leading marketplace, we need to move quickly to help our clients address these issues.



We do not need to ‘prepare’ for change – it is here.

We have three critical needs today: the absolute imperative to modernise this market using all tools available; a requirement to adequately address both traditional and emerging/systemic risks facing our clients; and the need to have an energised and sophisticated workforce, one that is perpetually learning, to meet these challenges.

The world will be changed forever as the use of Artificial Intelligence gathers pace. It is exciting to anticipate how it will change our clients’ experience in terms of speed and quality of service, but it also demands that we are thoughtful and responsible in the continued implementation of this technology.

The work at Lloyd’s in improving data capture through the Core Data Record and the implementation of a purely digital experience through Lloyd’s Blueprint, are both examples of significant progress towards the digitalisation of our market.

It remains critical that our market adopts the use of structured data and common definitions to eliminate duplication of effort, human error and time-wasting activity and ensure our clients finally have the same contemporary experience managing their risks, as they do in the rest of their corporate life.

Significantly, without these basic foundations, we will lose the full impact of valuable AI tools.

In terms of how our clients transfer their risks – we must ensure our traditional products are fit for purpose for clients’ needs today, as well as adequately responding to their emerging and systemic risks. We all recognise these are complex problems; they will require thoughtful solutions, nuanced policy language, and a collective determination to move quickly. Our ability to execute this successfully will determine our future.

Finally, we need a workforce that is prepared for these changes.

At the Insurance Institute of London, our singular purpose is to cultivate knowledge in this market.

There has never been a more relevant time for the IIL. We can play a crucial role in the education and ongoing learning of our professionals as together we prepare for the biggest transformation in the history of this market.

This will be a defining moment for this market. I know we will rise to the challenge. ●



LUCY CLARKE
Deputy President,
Insurance Institute of London

MIND IN THE CITY

Mind in the City, Hackney and Waltham Forest, was founded in 1981, so we've had over 40 years' experience of providing support to people in the City and East London.

We won't give up until everyone experiencing a mental health problem gets support and respect. We want to see parity of care for people with mental and physical illness and to see mental health issues de-stigmatised, so people are not discriminated against.

Our mission is to intervene early, to improve wellbeing, and provide advice and support to empower anyone experiencing a mental health problem.

As a multi-disciplinary provider of services, promoting recovery from mental ill health, and early interventions for those at risk of developing mental health conditions, we support over 5000 people

a year. Services include psychological and social supports, suicide prevention and bereavement services, peer support services and initiatives to improve peoples' economic and workplace wellbeing.

We work in partnership with the people who use our services from the start, right through to when they leave



us - stronger, more independent, and with hope for a successful future. We are a values-based organisation and consult with our service users about their own journeys, but they also help to inform the direction and new developments of the services they are part of.

We're a local Mind association - responsible for raising the funds to run our services and that means, importantly, that the £18,000 raised at the YMC Winter Ball will go a long way towards supporting local people in their recovery and nurturing their mental health and wellbeing. We'll be using the funds to support our Employment Service, helping local people attain and retain work.

We cannot thank you enough, Insurance Institute of London, for joining our fight for mental health!

To get involved, please visit
www.mindchwf.org.uk/get-involved/



ANNE THOMAS
Director of Business
Development,
Employability and Training

THE INSURANCE CHARITIES — PROVIDING A LIFELINE IN TROUBLED WATERS

We have all been affected by the rise in the cost of living. The Insurance Charities is here to offer practical and financial support to those who are struggling due to misfortune. Whether you've been affected by redundancy, sickness, relationship breakdown or domestic abuse we are here to help for as long as it's needed.

Established over 120 years ago we support those in the insurance industry working in the UK, Ireland, or Channel Islands, whatever their role. If you're a current or former insurance employee, retired or in the early stages of your career we could support you and any dependants you have.

We can provide one-off payments (including charitable loans) to help fund essential items such as property adaptations, mobility aids, funeral expenses, furniture and electrical appliances. We also provide on-going financial support where income is restricted or insufficient to meet day-to-day essential costs. You can view our eligibility criteria and make an application here. All applications will be dealt with in confidence by one of our friendly welfare team.

We can also support those in insurance with housing issues via our partnership

with Shelter UK. If you have any housing concerns, whether you rent or own your property, you can make an online enquiry.

We'd like to thank everyone who champions our work; particularly those who support our Awareness Week, which this year will happen between 24-28 June. We hope you and your employer can get involved to ensure your colleagues don't miss out on the support available.

For further information or details of how you can raise awareness email info@theinsurancecharities.org.uk call 020 7606 3763 or visit www.theinsurancecharities.org.uk

MEMBER ADVANTAGE

CONTINUING PROFESSIONAL DEVELOPMENT

We can help you achieve your development goals. As a member of the Insurance Institute of London, if you subscribe to our mailings, you'll be able to choose from a wide variety of continuing professional development activities annually, including in-person lectures and live webinars, as well as free access to a vast catalogue of on-demand webinars from industry leaders.

CPD VISITS

Hone your knowledge by going 'behind the scenes' at real-life risks through our educational CPD visits programme.

QUALIFYING

Are you working on your CII qualifications? Then why not join our free Qualification Mentoring Scheme and get guidance from members who have recently been through the process themselves?

SOCIAL, NETWORKING AND WELLBEING SUPPORT

Do you need some support? IIL offers a wide range of social, networking, and wellbeing activities. We also work closely with Insurance Charities.

RESEARCH

In addition to this *London Journal*, members get discounts on the IIL's research publications on topical London Market subjects.

GIVING BACK, PAYING IT FORWARD

Perhaps you have reached a stage in your career when you would like to give back to your community. Help us promote careers in insurance and financial planning in schools and universities. Become a mentor. Help us raise money for charity. Join one of our committees.

There are all kinds of volunteering opportunities with the IIL.

KEEP IN TOUCH AND HAVE YOUR SAY

Join us on social media. We are on:

 IIL LinkedIn - www.linkedin.com/company/insuranceinstituteoflondon

 YMC LinkedIn - www.linkedin.com/showcase/92696920

 www.twitter.com/IIL_London

 [IIL_London](https://www.instagram.com/IIL_London)

All CII members have access to other member benefits including:

FUTURE ME

FutureMe is a career development tool that enables you to assess your skills, identify gaps and explore content to meet your learning needs. Dive in and start exploring the 800+ videos, courses and more...

CONNECT E-MENTORING

Connect is a digital mentoring platform which enables you to sign up and become a mentor or mentee to other members, physically or virtually, from anywhere in the world. Find out how mentoring works and how mentoring can benefit you here.

ELIBRARY

E-Library is an online search platform. It provides a Google-like search that allows you to search and access eBooks, electronic articles, reports, and other online resources. Explore the eLibrary here.

ENJOY PERKS!

Perks is an affinity benefits scheme for all members, offering a range of money-saving deals and discounts focused on saving you time and money. Explore Perks here.

FREE LEGAL HELPLINE

Get help with employment, personal accident and inheritance law planning.

