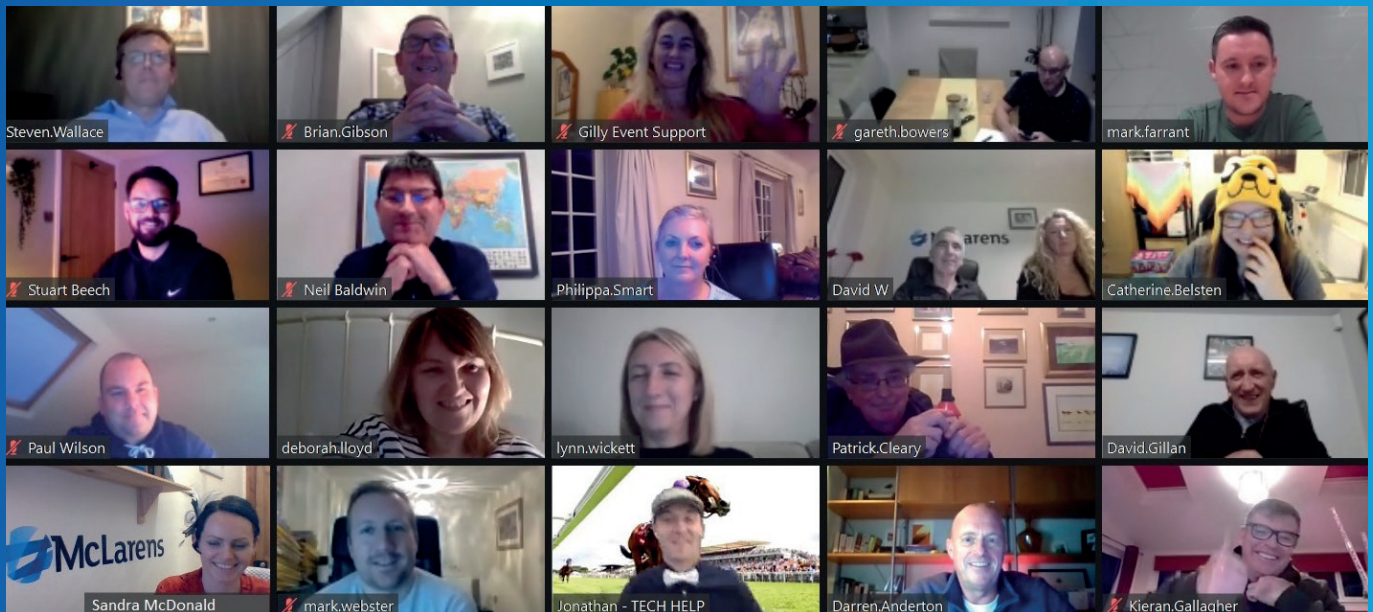


January 2021

McLarens People

Sharing news from McLarens UK & Ireland with colleagues and clients



Welcome

This was probably not the start to 2021 that we were all expecting with the pandemic, not only still gripping strong, but reaching new heights in terms of its propensity to spread, with few now whose friends and family circles remain untouched. For now, we must continue to exercise upmost caution and adherence to the restrictions in place and keep health and safety front and centre of our daily activities but we do look ahead with hope of an improving situation with the administering of the vaccines now gathering pace.

Despite the difficult circumstances, we made excellent progress in 2020, both individually and collectively. We welcomed more new hires, saw more CILA qualification successes, and achieved more awards and accolades than ever before - it is no coincidence that our business has thrived reaching new heights. It is the diligence and dedication of our people which sets us apart and is the bedrock upon which I am certain that we will continue to enjoy onward success.

This year we will see some exciting new developments. We will bring our building and construction consultancy business, Brawdia, to the market, offering a distinct proposition to that of our core loss adjusting business, specialising in insurance-related surveying services. We will also: launch a cyber & technology product; roll out a new approach to public sector claims; our Irish business will see considerable further investment as we move it to the next phase. These new initiatives will move in parallel with the continued development of our existing business lines and further focussed innovation and technology advances.

As I write this, the Supreme Court Judgement on the FCA test case has finally been delivered and as our clients consider the ruling in the context of their respective policy wordings, we stand by ready to assist with the expected surge of BI claims. I would like to commend the operational and technical work undertaken by our COVID-19 Complex Technical Team in building out a robust, scalable model and keeping closely connected with our clients and responding to ever changing needs as the process has unfolded.

The 'lockdown' environment that we are presently consigned to will undoubtedly remain in place for some months to come, and I am conscious that it will be placing many under considerable strain as they balance a multitude of pressures. As I expressed in a recent note to the business, the offer of an 'open door' remains for myself and the UK & Ireland Leadership to chat through individual challenges and I promise we will do our utmost to find solutions that will make a difference.

Thank you to all of our staff and to our clients for your support and, as tough as it has been, let's tackle the new year with optimism of better times ahead and, in the meantime, look after one another and keep safe and well. I hope you enjoy this newsletter and as before, please feel free to share.



Steven Wallace ACII FCILA
Managing Director

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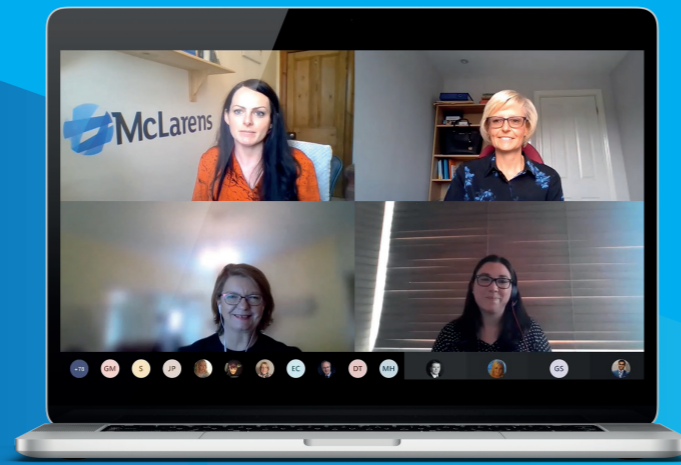
McLarens UK & Ireland Staff Conference 2020

In October 2020 we hosted a week of virtual events to help focus, excite and bring our staff together, with guest speakers from key clients, our Global Management Team and even the BBC!

In addition to the CPD sessions, we hosted sports and social activities with prize-winning competitions, from the Customer Service Awards, to Virtual Horse Racing and a 'Move 5k' to keep us healthy.

With 13 educational sessions spread over five days, it was a busy week but the bonus of being online was that we could easily record all sessions for staff to catch-up or reference back. Topics included internal updates from our specialist practice heads, a global innovation session with Graham Smart, Chief Commercial Officer, plus a session on harnessing the power of LinkedIn with Svy Nekrasas, Vice President of Global Marketing & Communications.

We welcomed a range of guest speakers externally from key clients such as Peter Wilkinson from Aon, who took part in a Q&A on the development of the broker market, and Pauline White from



Zurich, who participated in a panel debate on 'Respect through inclusivity' to highlight how we can each play a part in improving our work environment.

We were also treated to a session on 'Being more influential and getting better results' from the energetic broadcaster David Meade, as well as a session with Malcolm Hyde, Executive Director for the Chartered Institute of Loss Adjusters (CILA), to encourage personal development, on how to work through the various levels of CILA qualifications.

Customer Service Awards 2020 Winners

Congratulations to the winners of the Customer Service Awards announced ahead of the Virtual Horse Racing social event. The winners were recognised by Steven Wallace, Managing Director, for their outstanding customer service over the previous 12 months and received their award and prize by post after the event:



- Customer Service Award 2020: North** - Cheryl McCabe
- Customer Service Award 2020: South** - Graham Staples
- Customer Service Award 2020: Ireland** - Roslyn Johnston
- Customer Service Award 2020: UK and Ireland Winner** - Mark Webster
- Outstanding Contribution:** Sandra McDonald



Stephen Sweeney Wins Cuthbert Buckle Prize

Congratulations to Stephen Sweeney, Executive Manager for Scotland, who won the Cuthbert Buckle Prize from the Chartered Institute of Loss Adjusters (CILA) for the best achiever in the Advanced Diploma qualification in 2020. The award was announced at the virtual CILA conference in October.



Brawdia

New Business Launch

We are pleased to announce the launch of Brawdia, an independent building and construction consultancy, offering insurance-related surveying services across the UK & Ireland.

Brawdia will provide a strategic adjacency to our core business, operating as a standalone, but wholly owned entity within the McLarens Group, and supporting insurers, brokers and their commercial/high net worth customers. Philip Barmby has joined as Managing Director of the newly launched business, to spearhead and further build a nationwide team of chartered surveyors with in-depth insurance market expertise.

Lynn Wickett Wins Unsung Hero of the Year Award



Congratulations to Lynn Wickett, UK & Ireland Compliance Manager, for winning the Unsung Hero of the Year Award at the Women in Insurance Awards 2020 in November.

Lynn learnt she had won during the virtual awards ceremony. The judges commented Lynn had supported and mentored colleagues through work and personal crises, the glowing testimonials showed how valued her support has been. In her acceptance speech Lynn thanked her McLarens family.

Victoria Jewell Wins Women to Watch EMEA Award



Each year, the Business Insurance Women to Watch Awards showcase an outstanding group of female executives in the insurance and risk management sector around the globe. In

November, Victoria Jewell, Head of Real Estate, was announced as a winner at a virtual awards ceremony for the exceptional levels of success she has achieved and work in programs that promote diversity in the insurance business. Victoria's advice to others building their careers in insurance was to "be fearless. Don't be disheartened if you don't get the role first time, if it's something you really want it will happen, but you have to work hard."

Peter Scott Retires



In November, Peter Scott retired after an illustrious career as a construction adjuster. Peter joined McLarens in 2014 to help build out and

lead our now well-established Construction & Engineering Practice in the UK & Ireland. Peter handed over the leadership role to Mark Simmons in 2020 but remained in place to support Mark through the transition. We wish Peter a long, happy and healthy retirement and the best wishes for the 'gap year' he is finally planning.

The Future of Agriculture

Developments in agriculture continue to push on; this has been changing the traditional risk profile of farms. The changes may well also have knock-on effects in other sectors, particularly transport, logistics, machinery production and technology. Here are the top issues to keep an eye on:

1. The Agricultural Act

As the UK has left the EU, the Agricultural Act has been introduced to replace the EU Common Agricultural Policy. The new Act has been brought in to cover agricultural payment schemes and land management for England, with the overall aim of providing sustainable food security and improving the environment. We could well see further diversification of our farming land due to new scheme incentives, to focus on non-food production such as tourism, renewable energy production and planting trees for carbon capture.

2. Climate Change and Technology

The changing temperatures and weather conditions, caused by the ongoing burning of fossil fuels, may mean that farmers have to adjust and develop their practices to continue being profitable and in-demand.

As mentioned with the Agricultural Act, the UK government is encouraging more sustainable practices, including less reliance on fossil fuels. Precision agriculture is rapidly growing with technology and analysis to produce the best results in the most efficient manner, importantly with lower overall carbon emissions. Robotics, sensors and satellite imagery/monitoring, all involve costly equipment and reliance upon different production and supply chains.

3. Insurance Requirements

Political and environmental seismic changes fuel the evolution of insurance requirements and the products required. As there is currently little in the way of crop insurance in the UK (other than traditional hail and accidental fire cover), the expected increase in severe weather patterns could well lead to an increase in demand for this type of cover.

As agriculture becomes more sophisticated, producers may also demand insurance that covers a greater number of agricultural risks from natural hazards, from pests and diseases to price fluctuations. Parametric insurance works by guaranteeing a pre-specified payment if a trigger event occurs. As the market evolves, this is one area we may see develop for agriculture, particularly in respect of the price of yield losses.

"This heralds a most serious change in agriculture and will see a change in dynamics whereby the well organised and well advised farms will continue to thrive and prosper and those that disregard the changes and the need for records, paperwork and applications will increasingly struggle. All of these changes could have an impact on capital and rental values but equally, it is likely that because there could be large numbers of farmers accepting the challenge of a new regime, that the demand continues to outstrip the supply. There has not for many years been a time when good sound professional advice will be vital to the prospering of the farming community."

John Amos FRICS FAAV, Land Agent



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Head of Agriculture

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Cyber Security

Cyber security risks are now an everyday occurrence for all of us and can impact many facets of our lives, sometimes with catastrophic results.

McLarens is investing in technologies to protect our systems and data, training and awareness programs to help deal with these everyday issues and implementing new policies/process to ensure we follow good governance. As individuals, there will be attempts to take advantage of our weaknesses and accidents that are compounded by our busy lives.

There are some simple principles that can help protect us at work and at home:

- **Be aware of phishing attempts** by: email; text; phone calls; WhatsApp messaging and other social media.
- **Keep your passwords complex:** use multi-factor authentication; don't reuse passwords; check your usernames for password breaches at <https://haveibeenpwned.com/>
- **Secure your devices:** Use Mobile Device Management to secure data; update antivirus and malware protection.
- **If in doubt, call out:** If you receive a request which you aren't sure about, stop and confirm it via a different contact method; any incidents should be reported to compliance@mcclarens.com

Whilst you are not always under attack, you need to be aware and constantly question what you are being asked to do and why. Never share information unless you are 100% sure: keep company data, your personal identifiable information and passwords private unless you can be sure the source and the service are legitimate.



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Director of Information Security -
Technology Services

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London Market Review

Many may have expected a subdued claim frequency in 2020, due to the pause in economic activity, however, multiple CAT events throughout 2020, exacerbated by a significant intake of COVID-19 related Business Interruption claims, meant that London Market claims teams had a busy year.

The new start-ups, mergers, acquisitions and closures dominating the media all represent new opportunities and threats as we see underwriting teams moving on, claims teams dispersed and books going in to run-off. The continued growth and diversification of the London Market is evident through multiple newly formed company market insurers, Lloyd's syndicates and brokers.

Carriers are increasingly operating in both Lloyd's and the company market, approximately 70% of carriers now have dual platforms. Growth in the core London Market has been largely driven by property, casualty and financial lines rather than by specialty lines (marine, aviation, energy) or by reinsurance.

Most notably, the Market has seen considerable growth in casualty lines. Something which has not been overlooked by McLarens, with the addition of Kim Alcock as Head of UK Casualty & TPA Operations. Michelle Anderson also joined us as International Casualty Leader, with her experience including five years heading up claims for cyber, environmental, US casualty, product recall and US healthcare.

Financial Lines has seen the single highest growth rate in terms of premium income flows into London. Kasun Jayasinghe joined us as Head of Financial Lines, with six years' experience handling a variety of financial institutions' claims in the UK and around the world.

McLarens acquisition of Lloyd Warwick International (LWI) last year saw our natural resource team moving to LWI and, reversely, Tim Cramer-Todd, moved to operate under McLarens. Whilst Tim has significant property expertise, he specialises in a variety of casualty and financial lines including legal liability, professional liability as well as product liability and product recall.



Gavin Jackson
London Liaison

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Did you miss...

(Click on the titles to view online, if available)

Blog: A tech-led future beckons for loss adjusting
Darren Anderton 6th October for Iprosurv

CILA Loss Women Panel Debate
Kim Alcock and Sandra McDonald 9th October

CPD Webinar: Subsidence – What's the crack?
Victoria Jewell, Richard Gough and Karl Evans 29th October

CPD Webinar: Fire Claims – Different challenges in different sectors Neil Baldwin, Darren Anderton, Gareth Bowers and William Wilson 18th November

Insurance Institute of Manchester: Coping with change Sandra McDonald 1st December

Technical Bulletin: Will COVID-19 lead to a rise in product liability and recall claims? Kim Alcock 16th December

Insurance Post: Fully Comp episode 10: The future of insurance networking in 2021

Sandra McDonald 16th December

Insurance Post: Review of the Year 2020 - Claims
Steven Wallace 29th December

Insurance Post: What will 2021 bring?
Steven Wallace 1st January

Insurance Times: Changing agricultural trends set to influence farmers' insurance needs
Stephen Smout 5th January

Don't miss...

CPD Roundtable: How COVID-19 is Changing Behaviours in Claimants Tim Richardson, Kim Alcock and David Fillingham
11th February 13:00

Click here to register for the session