

## MPR – Q&A with

## The Insurance Times

Neil McCarthy Q&A from the Insurance Times | By **Savan Shah**

### MPR Underwriting Managing Director provides an overview of factors impacting MGAs today

As UK brokers respond to this year's MGA Survey, Insurance Times spoke to the Managing Director of MPR Underwriting, Neil McCarthy, about the challenges MGAs currently face and what considerations they need to keep an eye on moving forward.



#### **What are the major challenges facing the MGA market in the year ahead?**

Given the success of the MGA model, we are likely to see the emergence of more competition, so we have to double down on our commitment to the highest quality service standards and technical output. We are fortunate that Financial Lines do not lend themselves perfectly to e-trade or automation, but we have to continue to try to articulate the advantages of our approach and minimise any trading friction without compromising our proposition.

We see our competition as the company market as much as other MGAs and many of the challenges are the same. Perhaps the biggest issue is the development of new talent. With the advent of e-trade, knowledge transfer diminished in favour of an almost obsessive belief that this was the one size fits all solution and there is a challenge - and opportunity- in recalibrating this. Claims inflation and different kinds of technological advancement may also be areas of concern, but again, these are not uniquely MGA issues.

#### **The 2023 MGA Survey aims to explore brokers perception on service levels. What can you tell us about how service levels have developed over the last year months at MPR Underwriting?**

Having set our standards as high as we have, it will always be a challenge to maintain them. In 2022/23 MPR, continued to deliver against our original brand ambition from 2017. That was to provide accessibility to experienced underwriters, who were able to make quick decisions and provide a reference point or sense check for our brokers. This proved to be as positive a feature in 2022/23 as it has at any time in the last six years. As well as proving constant underwriter accessibility, each risk continues to be underwritten by at least one of our experienced professionals.

This has been hugely beneficial to our brokers in a market of changing underwriters and continued mistrust of on line systems. Poor service is a constant theme in our discussions with brokers and we continue to be focussed not only on the speed of response, but also on the quality. Limited growth in our broker estate supports our commitment to the importance we attach to this core principle. We have continued to produce, what we believe to be, unique content for our lines through our 'Language Matters' series. At the same time, we identified opportunities where we were able to be agile, creative and adjust quickly to meet any emerging product gaps for our brokers, resulting in our eighth management liability product.

**Trading support is another area being investigated in the 2023 MGA Survey, what is your strategy when it comes to providing trading support for brokers?**

Our marketing is almost exclusively driven by our brokers. We are a technical specialist and one of the key ways we can broadcast that is to continue the production line of the highest quality content. We aggregate the conversations with our brokers and this feeds into the creation of content to create a pathway to quick and digestible explanations to frequently, and not so frequently, discussed areas within the financial lines environment.

Beyond this, we are keen to support our brokers on technical training and codify this commitment into underwriting and service agreements, underlining our support in areas where our brokers may need it from us.

**Claims service is another area being investigated, an area of frustration for brokers in all the research we do at Insurance Times. What is your MGAs approach in providing a high-level claims service?**

Realistically, there are a limited number of ways through which an MGA, or insurer, can differentiate. One of these is through the claims proposition. A key consideration when we looked for partners was to make sure that there was a consistency of approach on the the underwriting and claims side of the equation. The MPR brand was created around core beliefs of flexibility and service and having an ability to listen and understand.

Combining strong financial rating with well established and respected claims capabilities was as important as any other aspect of what we do with a claim, often one of the best opportunities to sell the professionalism and quality of MPR. Our collaborative approach and commitment to first class service, however that manifests itself, is key to MPR and runs through all stakeholders, especially our claims team.

**Concern over capacity arrangements are still very apparent in the MGA market. Should brokers have any concerns about the capacity arrangements at your MGA?**

This has always been a feature of the MGA landscape, but MPR view it through a different prism. In the Financial Lines market, the greatest inconsistency and turbulence has been created by the withdrawal and radical strategy changes from the company markets.

A strongly differentiated MGA is arguably better positioned than most companies because they have more options in the event of an unexpected sequence of events, particularly if the MGA has a track record of operational excellence. MGA markets might actually be regarded as a safer solution because of the flexibility inherent in the structure, but also because of the buy in of the staff, who are often coded into the DNA of the business.

Constant recycling of underwriters in company markets creates further instability. In the case of MPR, we have a three year arrangement with our day one partners and every relationship is viewed across a long term horizon. It is never possible to remove these concerns completely, but they are a function of the broader market dynamics, of which MGAs are a component.

---

### **What can brokers expect in the next year from you?**

More of the same. What we do is actually quite straightforward. Doing it well is perhaps less so, but we believe we have established ourselves as a high quality solution for brokers across the spectrum of size and geography. We will embrace new opportunities, but not at the risk of compromising the standards we have set to date. Expansion in risk appetite can be expected, but we will not radically change what we are, what we do and how we do what we do.

### **What insights did you find from the 2022 Insurance Times MGA report/databook that helped drive your MGA forward?**

We think MPR do a good job, but we can never be sure. The survey is an opportunity to gain some perspective on where we may be able to improve. It is not in the nature of a member of the MPR team to ever be complacent or anything other than 100% focused on superior outcomes. The survey provides us with a sense check on progress, but also that chance to incrementally improve as we continue to develop and mature.

This information is descriptive only. The precise cover provided is subject to the terms and conditions of the policy as issued.

MPR Underwriting Limited is a company incorporated in England and Wales and registered under Company Number 10529758 and is authorised and regulated by the Financial Conduct Authority. Insurance is underwritten by MPR Underwriting Limited on behalf of AXIS Specialty London, a UK branch of AXIS Specialty Europe SE, authorised and regulated by the Central Bank of Ireland and regulated by the Prudential Regulation Authority and Financial Conduct Authority in respect of UK business. AXIS Specialty Europe SE Registered Office: Mount Herbert Court, 34 Upper Mount Street, Dublin 2, Ireland: Registration No. 353402SE.

Want to find  
out more?

Call: 0161 241 3550  
Email: [enquiries@mprunderwriting.com](mailto:enquiries@mprunderwriting.com)

Visit our website to find out more about our products and to keep up to date with the latest financial lines insights.  
[www.mprunderwriting.com](http://www.mprunderwriting.com)