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MARKET MOVEMENT INDEX: ALL CHANGE

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Market Movement Index: All change

Rachel Gordon - 15 Sep 2025 | *Indicative reading time: 9 minutes*

New analysis from Broker Insights reveals a shifting picture as higher premium risks move more, softer rates take hold and brokers shift to use smaller, dynamic providers over traditional markets. Rachel Gordon reports.

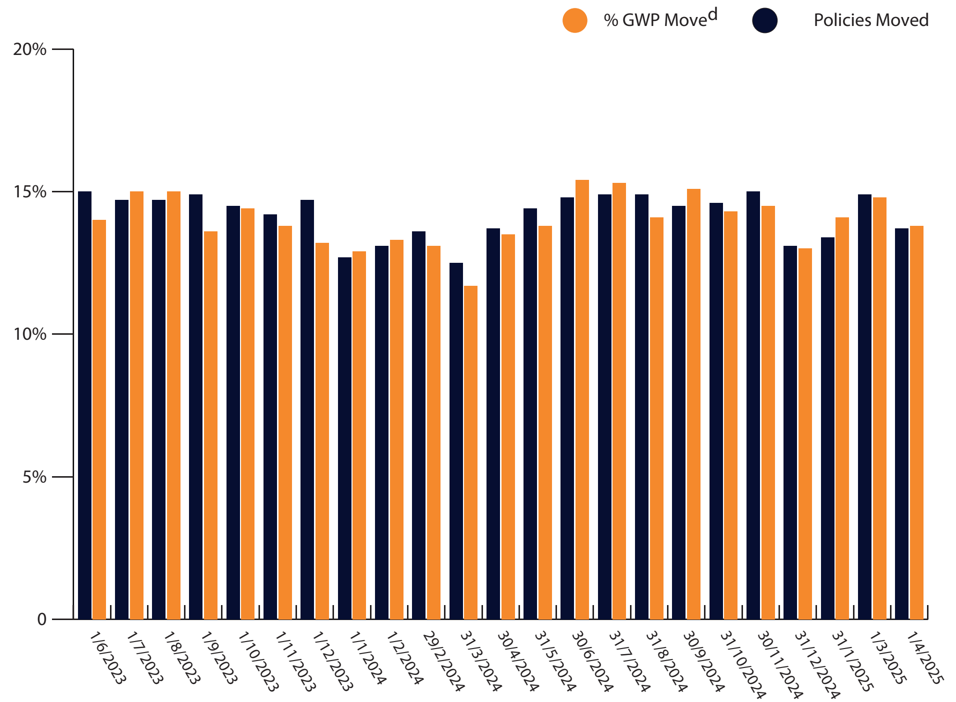
The latest Market Movement Index relating to Q1 2025 reveals a number of key changes reflecting brokers' decisions on where to place business.

Notably, it shows policies are moving more frequently at renewal – and that smaller capacity insurers such as MGAs are winning a bigger share of the market. We are in the early days of a softer market and brokers are taking full advantage of it.

This quarterly analysis from Broker Insights is based on an expanded database of £3.8bn (compared to £2.1bn previously) in renewal commercial insurance premiums for the past year.

A narrowing gap

Monthly Movement Rates

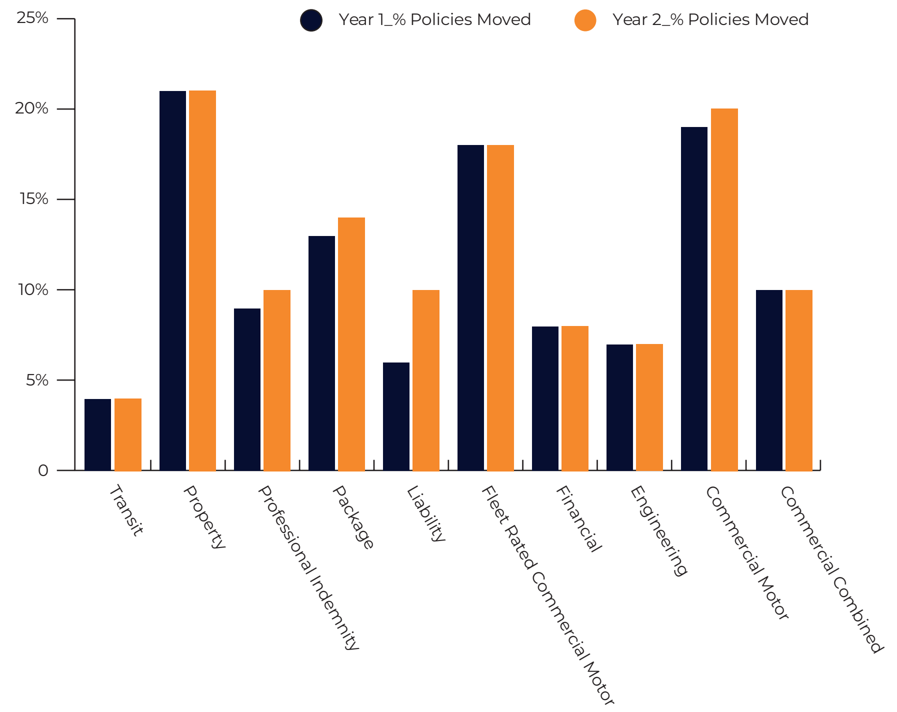


Average policy movement rates by month have gradually increased since January 2024 from 12.7% to 13.7% and according to data manager Eleanor Haig: "There continues to be a rise in policy movement over time, but we can also see the gap between policy movement rate and GWP movement rate is now narrowing, suggesting more higher premium policies are being placed."

In many cases there is a plenty of competition and capacity, allowing brokers to easily rebroke the higher more complex risks.

Trading challenges

Product movement



The survey shows GWP increasing in a number of business lines. For example, the policy movement rate for property has remained level year on year, while the GWP movement rate has increased.

Classes typically viewed as harder to place such as professional indemnity, fleet and commercial motor are among those showing expanded GWP.

Nick Taylor-Ward, client director for broker Konsileo, is seeing the cost of insurance reducing and insurers' appetites widening. But he said there are still plenty of trading challenges.

He believes this is largely due to a shortage of "knowledgeable and experienced underwriters who can grasp and understand the risk".

In particular this can be seen with start-ups, where there can be unknowns and complexities, but the premium could typically be below £10,000. He points out that too often, "insurers want the easy win". A further issue for brokers is that there is a shortage of expert underwriters, with poaching going on by rival firms, which can lead to business disruption.

However, he sees enhanced knowledge in some specialist sectors, such as professional indemnity, engineering and construction – backed up by the survey's findings of higher GWP movement.

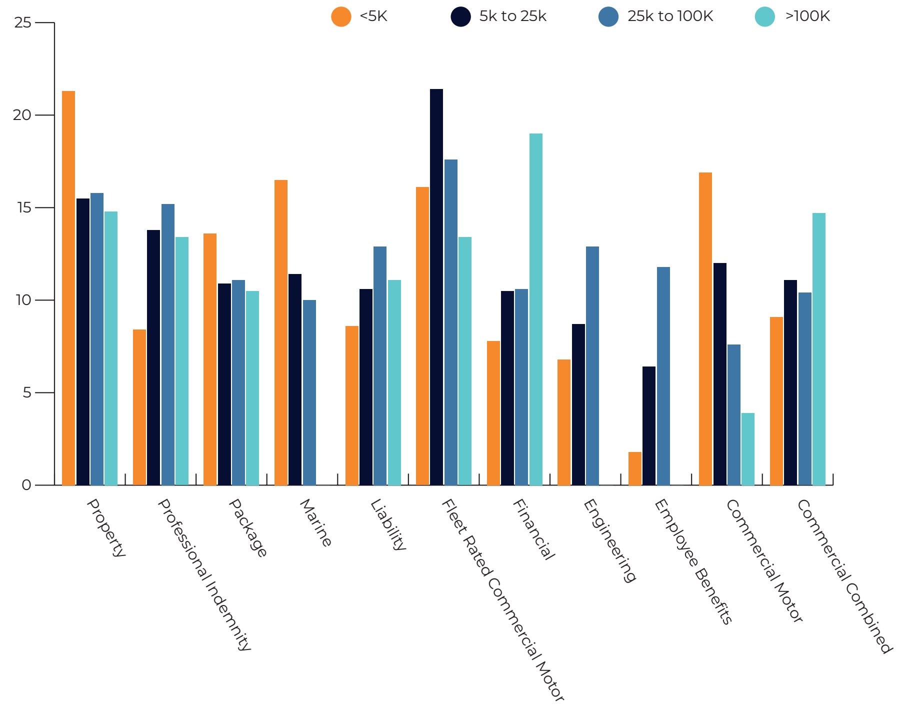
PI softening

Peter Smits, managing director of broker Ashbourne Insurance, said motor fleet and professional indemnity are particularly competitive right now. He says fleet underwriters are "trying to secure market share whereas for PI, the market has definitely softened".

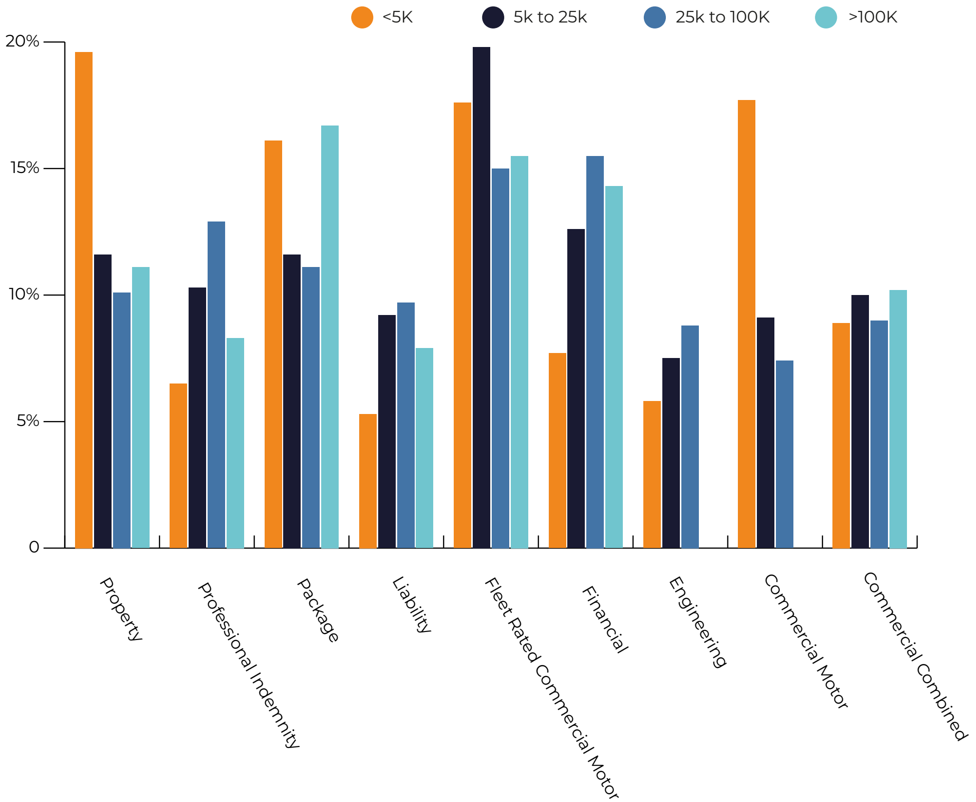
Jamie Coyne, managing director of Fenchurch Insurance, finds the softer market "is especially noticeable in the Design and Construct PI risks we place".

Meanwhile, Simon Mabb, managing director of Romero Insurance Brokers, agreed there are softer rates around, but that "it can still be hard to place more difficult risks".

Product and Premium



Q1 Analysis: Product and Premium

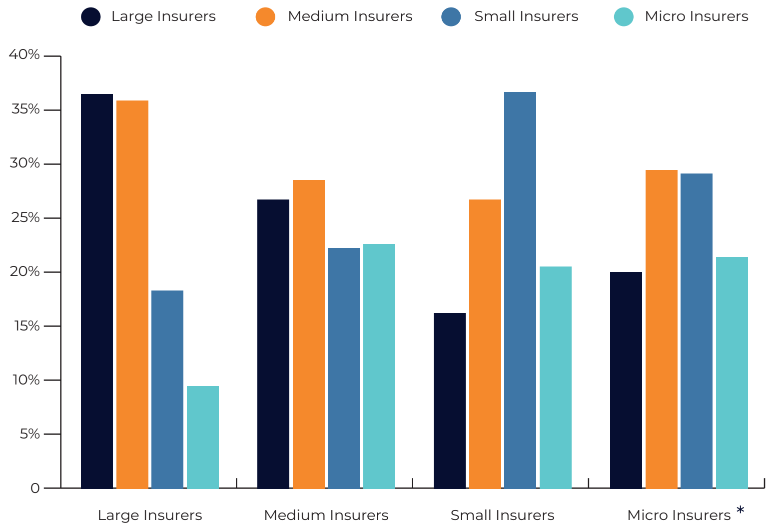


Even so, an easing of market conditions, is prompting more brokers to move higher value business at renewal.

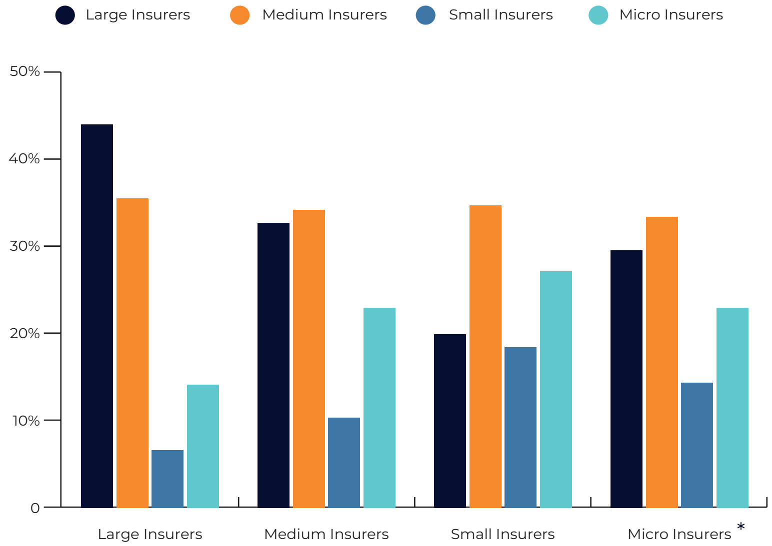
Haig said: “Previous analysis has shown more movement for lower premium risks, typically with premiums below £5,000, facilitated by electronic trading. But the higher rate bands are stepping up now – in Q1, these were averaging about 11%, which is now up to 15% and so it’s a significant move.”

A rising role for MGAs

Insurer Segments



Q1 analysis: Insurer Segments



*Of the total GWP in our dataset, Micro insurers have <0.05% share of wallet.

"We're seeing increased demand and a lot more dialogue with businesses year on year for cyber insurance in the UK, including SMEs."

A further major trend is that brokers are now favouring smaller capacity insurers, many of which will be MGAs.

Haig added: "Patterns of movement are similar to those in the Q3 [2024] analysis, but since Q1 2025 we've seen an increase in the proportion of policies moving to smaller capacity insurers. From large insurers, 27.76% of policies moved to small at renewal, compared to 20.7% in our Q1 analysis." So, what are the reasons behind this?

MGAs have sought to build relationships with brokers and in 2024, the two trade bodies – British Insurance Brokers' Association and the Managing General Agents Association – announced they would work more closely together.

The aim is to boost collaboration, solve market challenges and as a result, the MGAA became the first insurance association to become a Biba affiliate.

MGAA CEO Michael Keating, said the initiative is "proving extremely effective in continuing to raise the importance of the relationship between MGAs and brokers. Brokers now have MGAs as part of their placing strategies and recognise, even more than before, their underwriting expertise, consistent access to decision makers, underpinned by unrivalled service."

He added many new MGAs are created from sector identification. "MGAs constantly evaluate market product opportunities and with regular broker dialogue can introduce new or shape existing products to meet needs of certain challenging sectors.

"Our members underwrite in excess of £18bn GWP across over 300 hundred product lines and this has increased consistently over the past five years." Brokers are also switching to MGAs as there are more to choose from – the MGAA has some 233 members, an increase of 58.5% since 2019.

Keating added brokers also cite improved service as a reason for using MGAs, "access to immediate decision makers proves to be a competitive advantage over traditional carriers."

Tricky risks

Mabb said he is seeing more MGAs expanding with improved capacity and appetite, but this is less the case on the composite side. He would also like to see more market entrants, in particular in "more tricky to place sectors such as "there are some tricky to place risks such as waste, some leisure and higher risk property."

He continued that while broadly, an active market can push up service levels, relationships between brokers and underwriters remain key. A good MGA, he says, will satisfy "due to the speed to market and service they offer, which is good as it will pull others up to compete in the longer term. MGAs like C-Quence are leading the way with the use of technology to deliver the service we all want."

Paul Upton who runs consultant Brookhurst Advisory has a background in MGAs, and was group CEO of Evolution Underwriting, which was one of the UK's forerunners and purchased by Gallagher in 2015. He also has experience of broking gained from a family firm.

He commented: "The MGA sector continues to thrive and because some focus on more specialist niches, they allow brokers to handle more non-standard business.

"But, you will always see some exits if they do not serve their capital and they must prove they are in it for the long haul. It's encouraging to see capital continue to flow in from a mix of sources, and a broad range of investors including newer names like Bridgehaven."

He points out more providers is not the only reason for a softer market, since "an MGA will often have lower operating costs and so be more efficient, which will reflect in its premiums."

A further reason for their success, he said, is "the ongoing war on talent when it comes to underwriters. An MGA can be a more exciting place to work and will be nimble, offer good products and IT - and just do things differently. This is why some underwriters are taking up well paid positions at MGAs and leaving traditional insurers. They may want more scope, flexibility and better opportunities."

In January, two senior underwriters left RSA to join the MGA, Commercial Express, while in 2024, the insurer also lost its chief underwriting officer, Mandy Hunt, to the Clear Group to head its MGA operation.

Not a total panacea

But, it will remain horses for courses and Covéa Insurance, for example, moved away from MGAs because of lack of control from an underwriting perspective.

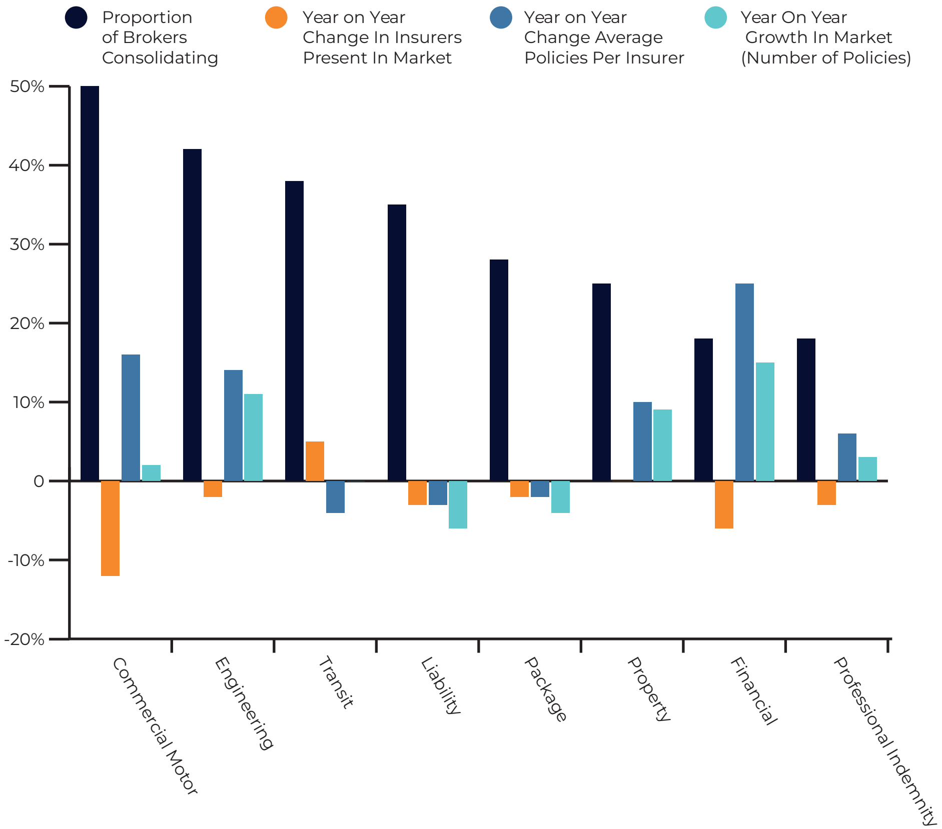
As Coyne said: "We do use MGAs but are selective. Some of them have excellent, very experienced and respected underwriters whilst others are more of a churn operation, with 'underwriters' being more data inputters.

"We also regularly check their wordings as we have found some huge wordings issues in some and, alarmingly, been advised we were the only broker to have raised them. We have also heard of issues with some MGAs when it comes to claims payments where there has been sharp practice by their appointed adjusters. Not all MGAs are equal."

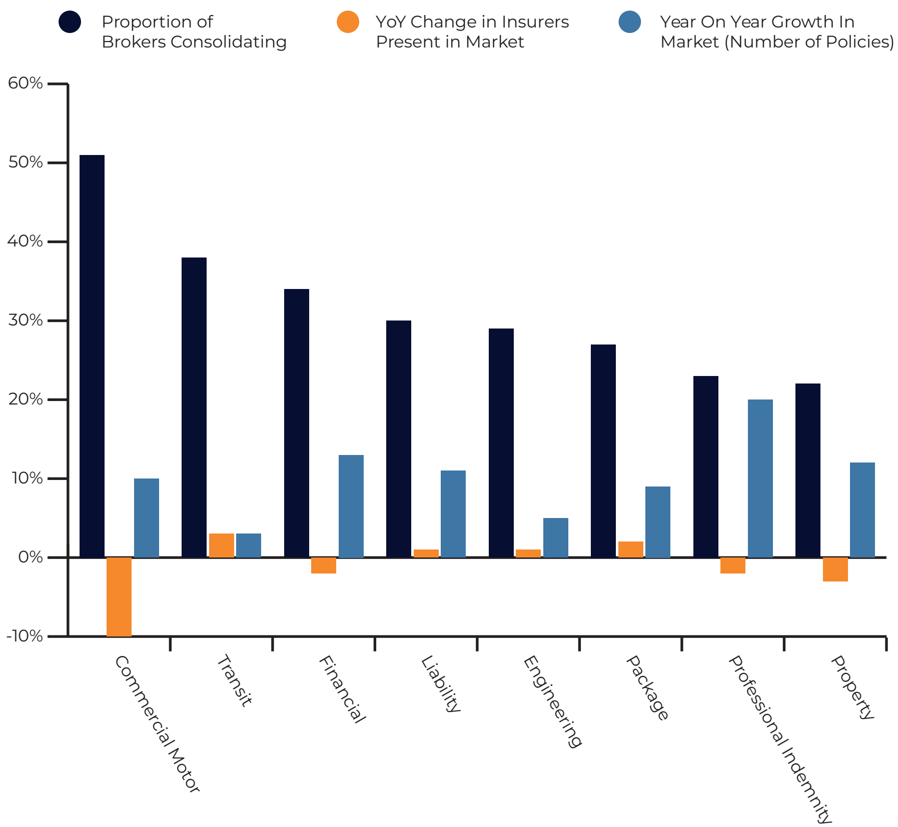
Coyne added service across the board remains an issue. "Some insurers have always been consistently excellent such as the likes of liability specialist IVE Syndicate 2525, but others still have the same issues they have always had around policy issue, claims service and the like. I haven't seen it return to pre-Covid levels - maybe due to people still working from home? Let's be honest, it was far from perfect even pre-Covid."

Consolidation continues

Broker consolidation by product



Q1 analysis: Broker consolidation by product



Like the insurer sector, the broking sector also has a changed landscape and is now dominated by larger firms which have grown by acquisition.

These powerful entities have sought to drive efficiencies by reducing the number of insurers they have agencies with – although as this research shows, it appears there is certainly room for smaller capacity insurers to win broker business.

This trend has been steadily tracked by Broker Insights and Haig explained that commercial motor continues to show the highest rate of consolidation. With a number of providers pulling out of this sector, it could be that brokers are choosing to work with a few markets they perceive to be stable. The survey tracks where brokers have decreased the number of insurers they hold business with by more than 5%.

It was also noted that financial lines products – which includes products such as cyber and D&O – is showing reduced levels of consolidation, down from just over 30% to 18%.

According to Haig: “The growth of new policies was highest in this product group, as was the increase in average policies held by insurers.”

Even so, there remains scope for smaller independents to retain a wide band of agencies. And Smits pointed out consolidation is not always an option where insurers are being ‘modular’ – something he sees as an increasing issue.

This is where underwriters seek to cherry pick the parts of a particular risk. This approach requires brokers to put together bespoke packages for a client – it may be a positive, even if it means work, and as Smits says, it can lead to savings and better cover for the client.

These are indeed changing times and hard facts and figures can do much to show the market is evolving. Brokers are moving policies and are showing they will use smaller markets if these come up with the goods. In turn, this should only seek to raise competition and shows there is much to play for.

Methodology

The Broker Insights’ Market Movement Index is based upon analysis of commercial insurance policy data covering renewals in the past three years: 2022, 2023 and 2024. The analysis includes all policy data within a typical broker’s book of commercial business, comprising a 2024 dataset of £4.6bn. The analysis details the retention or movement of policies year-on-year between markets,along with analysis of movement rate. Movement of policies between markets has been analysed by market segment, premium and product.

The movement of policies between markets has been measured by comparing the data at 2024 renewal against the same customer’s policy in 2023, and by comparing 2023 against 2022. Policies moving due to acquisition of one market by another have been excluded.

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