



Why are some prices higher than last year?

As you'll be aware, prices are going up everywhere at the moment and unfortunately, insurance is no different.

UK insurers are seeing a lot more claims due to an increase in the frequency and severity of weather events. On top of this, because of inflation, the claims are now costing more.

The premiums of the many have always paid for the claims of the few so this impacts everyone, even if your client hasn't claimed. Our average prices have risen so we can continue to give your clients the best possible service when they need us most.



What are the reasons for the increase?

The big freeze – frozen pipes and burst water tanks meant lots of our customers had to claim, with claims ranging between £3.5k and £622k.

Exceptionally dry summer – hottest and driest summer since 1976 saw our subsidence cases rise by 205% in June and July 2022.

Storms – insurers paid out £473 million to support their customers following 170,000 claims for property damage caused by storms Dudley, Eunice, and Franklin.

Cost of materials – inflation, high demand, and global supply chain issues have seen the cost of materials increase by over 10%

Sources: Storms [ABI](#) | Big freeze **LV= data** | Materials [GOV.UK](#)



What are we doing about it?

We know how hard it is right now for you and your clients, so we're doing everything we can to manage these trends, whilst continuing to put our customers at the heart of everything we do.

We're working with our suppliers to look for new sources of key materials and tackle shortages - for example, by getting sustainable timber closer to home, we're reducing transport costs.

We're introducing contractors who work only on LV= claims, to improve efficiency and for a better customer experience.

We're also bringing in specialist resource, like subsidence experts, to resolve claims quicker and control costs.

Policy renewals

We're taking steps to make sure renewal prices are always the same or cheaper than your clients would get as a new customer with us, on a like-for-like policy, on the same day, in the same sales channel (i.e. via an intermediary, through an aggregator or direct to LV=).

Our pricing experts have done this by updating our pricing process, so your clients can be confident that their renewal quote has already been checked to ensure it's the best we can offer.

There are many factors that can affect your client's premiums, from the type of building and where they live to the number of claims made and the costs of labour and repairs.

