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Why Ireland Needs a Specialist Approach to Home Insurance

BY CALEDON MGA

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For most homeowners, insurance is straightforward. But for a significant and growing number of properties across Ireland, the conventional home insurance market does not always provide a straightforward answer.

A property may have poor claims experience or previous subsidence. It may be undergoing renovation, it may have had previous flooding that has had flood protection and resilience measures installed or have an unusual construction, be temporarily unoccupied or simply fall outside the increasingly standardised underwriting criteria of mainstream insurers. None of these circumstances automatically makes a home uninsurable. They do, however, make it a risk that needs to be properly understood.

“That is why we have launched Caledon MGA in Ireland: to bring specialist underwriting expertise, greater flexibility and a more considered approach to non-standard home insurance.”

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A market that needs more underwriting, not less

Ireland faces particular challenges when it comes to property risk.

Homes with previous subsidence, business use, unusual construction, complex occupancy arrangements, renovation works or other non-standard characteristics can also struggle to fit conventional underwriting models. Published Irish home-insurance underwriting guidance illustrates how properties with previous subsidence histories and certain non-standard property types may be declined or referred rather than automatically accepted.

At the same time, rising rebuilding costs have made getting the sum insured right increasingly important. Central Bank analysis has previously highlighted a substantial increase in under-insurance among Irish home claims, demonstrating why specialist property underwriting needs to consider not simply whether a risk can be insured, but whether it is insured appropriately.

Looking at the individual risk

Caledon MGA's model gives us an opportunity to approach these challenges differently. Rather than attempting to make every property fit a standard underwriting box, our role is to understand the individual characteristics

of a risk, work closely with brokers and determine whether there is a sensible basis on which cover can be provided.

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As Tobias Daley, Underwriting Director of Caledon MGA explains:

“Non-standard should not mean uninsurable. Ireland has homeowners with perfectly viable risks who can find themselves outside conventional underwriting criteria simply because their property has a feature or history that requires a closer look. Caledon has been created to provide that closer look — combining specialist underwriting expertise with the ability to make informed decisions on individual risks.”

That human underwriting approach matters. Data and technology can make insurance faster and more efficient, but specialist risks frequently require context. Two properties in the same postcode can present very different exposures. Previous poor claims experience does not necessarily tell you what the risk looks like today, particularly if risk mitigation measures have subsequently been introduced.

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Supporting brokers with another answer

Our ambition is not to compete with the standard home insurance market for straightforward risks. It is to complement it.

Brokers are often the first to encounter customers who have exhausted conventional options. They understand the frustration that arises when a homeowner has a perfectly reasonable explanation for their circumstances but cannot get beyond a standard question set or automated decline.



STEVEN BISHOP, BUSINESS DEVELOPMENT DIRECTOR OF CALEDON MGA SAYS:

“Brokers need somewhere to turn when the standard market says no. Our proposition is built around giving them access to experienced underwriters who are prepared to understand the story behind the risk. We will not be able to insure every property, but our aim is to make decisions based on underwriting judgement rather than simply whether a home fits a standard template.”

Ireland does not need to remove underwriting discipline from home insurance. Quite the opposite. As climate exposures, rebuilding costs and the complexity of the housing stock evolve, the market needs underwriting expertise capable of distinguishing between risks rather than treating everything outside the norm in the same way.

That is the opportunity we see: to bring additional specialist capacity, underwriting judgement and choice to the Irish market — and to help brokers find solutions for homeowners whose properties deserve a closer look.

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