**BIBA Conference 2022 Steve White address**

Well - you know what...

I didn’t think I’d ever be stood on this stage voicing a Take That lyric.

But if ever there was a moment to say it,

I think it is now.

Ladies and Gentlemen, we have been through a lot.

We didn’t meet in 2020, we met virtually in 2021, but not in person.

And now, it seems, we and our insurance community really, truly are…

“Back for Good”!

That said, 2022 hasn’t exactly been the calmest year on record so far.

If anyone thought we were in for a quiet one after the troubles of the last two…

well…. 2022 has decided to put us in our place.

We’ve had an ongoing soap opera in Downing Street…

The Prime Minister - who stood on this stage to announce he was standing for the Leadership of the Conservative Party last time we were together - has been close to losing his job when he couldn’t distinguish between a party and a work event.

By the way…. this is a work event for anyone still confused.

If you see Andy Burnham before me, please tell him not to worry, the party will happen later as we all do our bit tonight for his local economy.

Of course, a horrific war broke out in Europe…. with Russia invading Ukraine…. leaving us all feeling impotent and questioning how such a thing could happen in 2022.

And we have still been wrestling with COVID and the ongoing cost it has had to our health and the economy.

And, just when the pandemic was downgraded and became part of everyday life…. another ever present threat hit…

the huge rise in the living costs for the British people.

2022 already has a lot to answer for.

Now, a lot has been written about inflation.

I know it is biting hard on many of us, in our businesses and at home.

Our customers are also feeling the squeeze.

A perfect storm of issues has hit.

Rising prices and economic deceleration is being driven by a troubling gap between supply and demand and an increasingly difficult labour market.

Logistics are a mess...

with sky high transportation costs exacerbated by the war and increased regulations linked to the pandemic,

Brexit and extreme climate change.

The resultant energy and food cost hikes have left many struggling......

This... is... Dangerous..... the engrained economic inequalities are starting to breed widespread resentment in communities out there.

Levelling up has never been more important.

This matters to all of us.

Because that resentment is forming where trust has left the system.

Trust has broken down throughout society in the last decade.

And we are left pushing back against a tsunami of mistrust.

From angry lynch mobs on social media to the partial fracturing of the western world’s political establishment in recent years, this is an accepted fact of life, and it is not merely true of politics.

A dangerous ecosystem has been created in which misinformation, fake news, conspiracy theories and scams run amok across politics, economics and our social affairs.

And that is happening at a time when digital channels are increasingly what we rely on to work, learn or, even, relax.

We all know that digital has exploded in the last decade.

And that the last couple of years has only made that worse.

As the Dutch Educational Innovator Christian Bok decreed, we moved from “2020 to 2030 in one weekend” in March 2020.

The good news is the Western world overcame the barriers it had put up to working and learning virtually and now there’s no going back.

For all that’s been bad, the speed at which organisations moved to build new supply-chains, improve data security, and increase advanced technology during the first year of COVID was extraordinary.

Our benchmarks changed in short shrift.

No one will ever again accept the excuse that ‘things take time’.

Many executives reported that they had moved at least 20 times faster than they thought possible to make sizable changes to their businesses when they had to.

EXPECTATION MANAGEMENT just got difficult for all of us.

But we have also seen the dark side of technology during this period.

People across all demographics, old and young, are spending way more time on phones and in front of screens…

And sometimes at the same time.

And they are, importantly, searching for news and products via their social feeds.

I am sure many of you, like me, are guilty of this practice.

And you may be asking why this is an issue for us?

Well, it is an issue because the new normal of seeking information is one of the reasons why we are seeing such a dramatic increase in online scams.

They are more at home in such an environment.

In fact, it is a vigorous breeding ground for them.

The economist Tim Harford wrote a superb piece on scams saying that “We are willing to help out with reasonable requests, and that step by step we can find ourselves trapped in a web of our own making.”

He added, “each small movement binds us more tightly to the con artist.

We become complicit; breaking free becomes all but impossible.”

More and more people are becoming trapped in a web of their own making.

The danger is that at a time when you hope people would listen to the advice they are getting from the Government, or armslength bodies, people are turning away and seeking their own ‘truth’ because mistrust is so rife.

Just think back over the last 6 years….

has there been a period in modern history where so many people in free societies were so sceptical about what they are being told?

And even if it is not a scam as such, consumer behaviour is being reshaped by the digital forces.

We had the GameStop saga in late 2020 and the growing desire for individual choice that allowed social media investors to push back on the establishment…...

The same is often true for those in the Cryto game.

And while it is likely to be those small investors who lose the most should the bubble burst, the financial services industry... issuing warnings about that...

will not be believed.

Now, at this point I need to be clear;

I am not telling you this to depress you.

Far from it.

But it is relevant.

And… it… is… important.

We are in the business of risk…

and we must understand what is upon us and ahead of us to ensure we can plan properly.

Mistrust in the establishment, including the financial services industry is nothing new.

But that mistrust occurring when living costs are rising…. and resentment simmering…. creates a very difficult operating environment.

Those who will succeed are those with purpose who are consistent through their actions.

These things breed trust even when the environment is seeking to destroy it.

And the good news is, you, for many years, have sought to do the right thing to breed such trust in our insurance community.

Thankfully, we have acted differently to many in our sector.

We focused in on what is in the interest of our customers.

We all know we don’t have a business unless we do that.

Our unique role, both as the agent of the insurer, but more often, as the agent of the customer, gives us a clear viewpoint and expertise that can identify a solution that others cannot.

We know that the insurance broking sector is the place to go for choice, expert advice and assistance in arranging suitable and valuable insurance protection.

We know that we can only succeed if we are trusted, and we have taken steps to ensure that is at the forefront of our approach.

On the big issues where people feel disenfranchised, you are stepping in and providing solutions to customers and, through your expert thinking, the government.

On cladded buildings....

On COVID.....

On flood risk.....

On terrorism.....

And on cyber insurance.....

Every one of those issues sit towards the top of both the government and business risk registers.

And on every one of them you have stepped in to fill gaps for those who need it most.

Navigating the politics as well as the hard market and insurance issues is where you are at your best.

Just take cybercrime.

An area that has grown exponentially in recent years and one that will only become more of an issue in the next decade.

As the New York Times’ Nicole Perlroth observed in her seminal book on the topic: “There wasn't a single area of our lives that wasn't touched by the web…..

We could now control our entire lives, economy, and grid via a remote web control……

And we had never paused to think that, along the way, we were creating the world's largest attack surface.”

The work you are all doing to provide standalone cyber cover for businesses in your communities is hugely important.

We are and can continue to play a positive role in helping others to sensibly manage their cyber risks.

Now, here’s the thing…

I don’t think anyone in this hall sees their evolution into these areas of national importance as purely a business decision.

You do it because you want to help those who are being trapped or left behind.

You do it because fairness is a core value for you and your business.

That is why it is unsettling when you are told to, in effect, pay for other’s failures elsewhere in the wider industry.

Now, it is important that I am clear - I know you do not have a problem with the concept of financial compensation.

Given the context of resentment and mistrust I set out earlier, you get that schemes such as the FSCS are vital in protecting both customers and our entire financial system.

Yet, at the same time….

it does not feel fair that in 2021, for every pound you paid in FSCS levies, 84p was in respect of failures elsewhere in the sector…. and some feel the regulator could and should be doing more to prevent failures happening in the first place.

While I am sure you don’t mind chipping in to help the system, it is starting to feel that we are bailing out others who do not have the same standards as we do...

rather than just chipping in.

This is important.

I set out earlier the increase in scams.

The levy for the FSCS has risen based on claims that….

in reality….

are resulting from problems from a few years ago.

That means...

the levy is only heading in one direction as the impact of pension freedoms and a dramatic increase in scams and poor practice starts to hit home over the next few years.

Globally, compensation schemes involving insurance brokers and intermediaries are quite rare.

We never mind being leaders, but we must not be left paying over the odds for the failures of others.

When the FCA produces its consultation paper on possible new approaches to funding compensation, I encourage you all to make your voices heard and respond.

We will commit time and resources to make a strong submission on your behalf.

You are driven by a sense of what is right and wrong and the need for fairness.

It is only right that we must push back when we feel those values are not being applied to us as an industry.

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We must never be shy to have our voice heard.

We must continue to speak up for the good of the industry and our customers.

Our track record for doing the right thing allows us to credibly make the case for the innovation of regulation to ensure it evolves with the challenges of today…

and tomorrow.

We are doing that on motor insurance including e-scooters, and have done that with post Brexit changes to the Road Traffic Act to reverse the effects of the European Vnuk ruling.”

We are doing that on Lender Interest Agreements, calling for support in creating new guidelines.

We are doing that on the new Protect Duty to help in the fight against terrorism, pushing for a phased approach and a higher employee capacity threshold.

And we are doing that on business interruption insurance, calling for more collaboration to modernise the cover and for 24-month indemnity periods to become the norm.

I am incredibly proud of all we do.

As your representative body, we have a clear, credible and respected voice on all the big issues.

For many years we have be courting Government to make our case.

But as Graeme recently pointed out to me, these days they proactively come to us.

People in power respect insurance brokers for what you achieve.

Your collective efforts to change our game for the better and to constantly strive to do more for customers is recognised by those at the top.

They may change on a regular basis, but our values DO NOT.

Those values were here in 2004 when I first joined BIBA.

Anyone remember 2004?

Well, Europe was expanding without a worry on the horizon, with ten new countries joining the European Union, including Poland, Hungary and Estonia.

The likes of Maroon Five, Outkast and Green Day were riding high in the charts.

Steve Jobs was Time’s Man of the Year with the IPod dominating sales.

And, you could still smoke in public areas, though I of course don’t recommend that to any of you.

And there was me, probably aged 18 or so…. stylishly, like a rebel…

wandering into BIBA for the first time, slightly nervous about the future.

I needn’t have been.

To have worked for so long with such brilliant colleagues and you all in the industry has been a privilege….

A privilege that I know keeps me and our team focused every day and full of energy to deliver for you.

Good industries never tire of evolving their approach to ensure they are constantly leading the way.

As John Maxwell, the author of many books on leadership said,

"The pessimist complains about the wind. The optimist expects it to change.

The leader adjusts the sails.”

That… is what we have…

and will continue to do as an industry.

That delivers respect and ensures we are at the forefront of what makes a good and futureproofed business environment for you to operate.

It is why we are also pushing ahead with doing the right thing for our industry… as well as society.

We have set out our support for the United Nation’s Principles for Sustainable Insurance… and I'm delighted to announce that.... despite having a lot more on their plate at present.... the United Nations has confirmed our status as a PSI supporting institution.

We have also committed to making information available to assist you in your ESG planning.

We have committed to work with organisations such as the Group for Autism, Insurance and Neurodiversity to help better inform, educate and create community and jobs in this sector.

It is why we are restating our support for the CII’s hugely valuable Aspire apprenticeship programme.

And it is why we continue to work with Mental Health in Business to provide important assistance for members and highlight the work of Ripple, the suicide-prevention charity.

I’m delighted that both are exhibiting here this week.

We talked earlier about how tough the last few years have been for many.

Very few have not been hit by low moments.

Afterall, our industry is not immune.

My message for anyone out there who has been struggling is clear - you are not alone; you are not being judged, and we are here for you.

If at any point any of you are struggling doing what you do, please do not hesitate to reach out to myself, Graeme or any of our team.

We are all one family in this community and together we make each other more resilient.

Now, sticking with helping…

I stood on this stage several years ago and asked you to consider what we call ‘total signposting’.

If you cannot help a customer when they get in touch to enquire about buying insurance, signpost them to someone who can help.

We already have a signposting solution in place for elderly motorists and holidaymakers that is Government endorsed and has just had its tenth birthday.

As you know, there are agreements in place for signposting for travel insurance for customers with medical conditions…

those with residential properties exposed to flooding…

and with other issues.

Yet again, that is helping those who need us most.

With these people in mind, we have some asks we will not shy away from making.

It is important to highlight the problems at the Financial Ombudsman Service and the backlog of cases and call for more to be done to address the mess as quickly as possible.

We also look to help those in social housing access contents insurance impeded by regulation.

And, given you all make a financial contribution towards the Money And Pensions Service, MAPS….

it is essential that it makes greater efforts to promote insurance and the benefits to consumers of seeking advice from regulated insurance broking firms.

Finally, it would be remiss of me not to highlight the issues we have with the Insurance Premium Tax.

Despite the pandemic and economic shocks, Insurance Premium Tax generated £6.3 billion in the last 12 months.

We believe there is a strong case to be made to reduce the headline rate of 12% to 10%.

We also believe there should be targeted relief from IPT in respect of cladded buildings to help relieve some of the burden on leaseholders.

Such an approach is equally appropriate for vehicles fitted with telematic devices where a clear cost-benefit case can be made.

And I mentioned the importance of cyber cover earlier.

Our economy needs businesses to be properly covered for this growing threat.

Why would we want to have additional costs slapped on something we should be encouraging?

It seems to me to be a clear case of false economics.

Finally, we call for the rate of IPT on travel insurance, which for historical but now outdated reasons has been aligned with VAT, to be reduced to the headline rate.

Given...

what that sector has been through in recent years...

it would be a fillip to help it bounce back.

Now…

I started this speech by talking about the dangers to our communities of mistrust in politics and our financial system, sitting alongside the rising costs of living.

It would be easy for us to blame such things for any problems that we faced.

But we have never done that.

As I hope I have set out today, we do the right thing by our communities, by our customers and by our industry.

We are not here to follow trends or make excuses. We know that we can make a difference if we trust and action our values in all that we do.

These are more than just words.

You have helped to change people’s lives for the better when they didn’t know where to turn in incredibly difficult times.

You’ve helped people get unoccupied buildings insurance when they, or their family, have had to go into care...

as a result of complications from COVID.

You’ve helped people excluded from travel insurance due to age and medical conditions to have the holiday of their dreams once COVID was over, when they’d originally thought it would be impossible for them to ever do so again.

And you helped a severely sight impaired man find specialised motorcycle insurance to allow him to continue motorcycling as a pillion when he had all but given up hope of it happening.

2022 may be a difficult year for many. But… as you go about your business at this conference, please remember that impact you and our insurance community are having.

The American baseball coach Dave Martinez said that “often bumpy roads lead to beautiful places”. I truly… believe that.

It may not be an easy year given the environment you are operating in…

but I have no doubt your fundamentals will allow you to become even stronger….

and ensure our customers continue to get the support they, at times, desperately need.

You manage risk, but you do it in a way that seeks solutions not barriers.

That is a very good thing.

Please…. never change.

Thank you.