

Meet the MGA: Kova Professions



By Jonathan Swift

[X](#) @InsuranceSwiftly

24 Jun 2024

Indicative reading time: **7 minutes**

Having worked in both the insurer and MGA sectors, as well as the FCA, Kate Albert has a well-rounded view of the market. The Kova Professions CEO and founder explains to Jonathan Swift why service has become a point of difference in setting apart her start-up from more established rivals.

What was the thinking behind the formation of Kova Professions – and how much of it was driven by broker feedback?

I've been in the sector around 20 years, and over that time I have seen plenty of the pain points brokers experience.

Recently, especially post-Covid, we have seen response times go down and reports, like [Gracechurch](#), drilling down and concluding that

standards are failing, with brokers waiting a long time to hear from underwriters because of a lack of availability.

Before I **launched Kova**, I was head of underwriting at another MGA [Landmark Underwriting]. One of the things I really made the team aware of there is that we need to have a focus on response times. We have a lot of competitors, and it could be a point of difference in making brokers' lives easier; even if that response is a decline, at least they don't have to spend any time chasing.

Service is something I rank very highly and is a differentiator. And it is a sad time that that is the case, but if we can bring a breath of fresh air then so be it.

Was there a 'Eureka' moment when you thought: I want to set up my own business?

I had worked with a team that had launched their own MGA five years ago. Having joined as head of professional indemnity after six months, I was promoted, so I became quite involved on the management side.

Previously I took three years out and worked for the Financial Conduct Authority, and while I was there I got a Masters in Regulation and Compliance. That helped broaden my outlook and made me understand some of the issues from the other side of the fence, including talking to consumers.

So I thought there was a space here for an agile MGA that could benefit from these experiences. One of the product lines we offer is PI for IFAs, and that has been a huge pain point for the insurance industry because there is so little competition.

But I have a background in that area, having worked at Chubb and Liberty underwriting [advisers] and then at the FCA supervising them, so that is something else that sets us apart.

What is the genesis of the name 'Kova'?

I did have some reasoning about what I wanted the name to stand for as well as being very conscious that the business is female-led and so it has that element of femininity.

So [our brand partner] came up with a list of names and there was some gentle stroking of my ego in that my name is Kate Albert and Kova starts with a K and ends with an A.

They had some reasoning behind it and when I googled it to make sure it did not mean anything bad in other languages it came back that in Finnish it meant strong and resilient, and that really resonated with me.

How important has the support of Mission Underwriters been in bringing Kova to market?

They have been incredibly supportive with the networks they have in bringing capacity, among other things. The fact that I am so proud of how our brand looks was down to their marketing team, and it has been getting some great feedback [from the market].

Key facts

Office locations: Ability to use Mission Underwriters office in London

Staff numbers: Three – increasing to four next month

Products: Professional indemnity for

- Accountants
- Design & Construction
- Insurance Brokers
- Financial Advisers
- Surveyors
- Miscellaneous professions encompassing over 500 different occupation types, including IT and technology firms, advertising agencies, management consultancies, and many more.

Capacity provider: Accelerant

That has been refreshing, as I deliberately wanted to move away from traditional insurance 'blues' which was my no-go, so the green gives us a freshness. That is down to the Mission marketing team in supporting and then pushing us on social media [platforms] like LinkedIn.

We are a team of three with another joining us next month, but we are not sitting alone; we have that huge eco-system above us with people to help with back office and compliance support, assisting with regulation, processing our premiums and producing our docs for us.

This means we are able to do the day job of underwriting without much red tape; and being able to do that has helped drive our service levels as our time is not taken up with admin.

If you had to single a few things out, what are the USPs of Kova Professions?

It is very much about service and the availability. We are here and you have access to decision makers. We have flexibility and presence as we are often in the City, so you can meet us face-to-face.

I have also purposely hired a team of experts with experience, so every member of the team is an industry veteran, having been in the market 20-plus years.

What are your core markets, and can you give an overview of your product suite?

We are focusing very much on the traditional professional indemnity markets. We are seeing a lot in the design and construction space, because there is a lot of movement there with rate reductions coming through. Again because of our ability to underwrite financial advisers and insurance brokers, that is an active space for us too.

But we are across the spectrum of PI, so we are active in all classes, with the one exception being the fact we're not presently looking at doing solicitors. However, we are working on an opportunity to start

underwriting excess layer solicitors, but that is in the 'to be announced' basket and so not happening at the moment.

Regarding your core markets, how would you describe the rating environment at present – and how do you see that changing in the short-to-mid-term?

There is a lot of appetite out there and people are hungry for new business.

In the design and construction, architect and engineer space, there has been **a lot of issues post-Grenfell** when people weren't giving any cover due to fire safety and cladding issues.

But following the governmental reviews, the availability is coming back through a little bit more.

As a new entrant with no back book, that enables us – because we don't have to retain rate – to compete. Although we are by no means the cheapest market in town, because that is not the way to run a successful business and give stability to clients.

So there is a rate correction going on, rather than a rate reduction.

What are the biggest challenges the PI market currently faces, in your view?

There are a few things going on at the moment, including the potential change in government, which could have a knock-on impact socio-economically on some of the sectors we write in. And that extends to the other political changes going on around the world.

The cost of claims is potentially increasing because of the availability of products and resources coming from overseas.

Then you have the big issue impacting everyone, and that is the levels of use of artificial intelligence. Not least if people are using AI to review documents – what risks that does that introduce to insurers?

In terms of product diversity, are there any complementary areas that Kova Professions might seek to add to the portfolio?

This goes back to having the umbrella of Mission above us, because we have our sister MGAs, including [Kayzen Specialty](#), and there is a little overlap there, so we have been working together to look at cross-selling opportunities where we could support each other.

It is very early stages, but there could be an opportunity to add some bolt-ons because we are supported by the same family as such [in Mission].

Claims is the moment of truth in insurance; how do you handle them?

We outsource our claims to a company called Caytons, a PI claims specialist that has been very supportive of Kova in helping create our wordings and making sure they are as up-to-date as possible.

They are also there to support our clients by offering risk management support, contract reviews and discounted advice to policyholders.

Do you have any present plans for acquisitions/territorial diversification?

There are. I am looking to move into other regions, which is an aspiration a lot of UK MGAs might have, especially in territories with which we share a common language such as Australia and Canada where their legal systems are reflective of ours.

That is not potentially until the end of next year, but it is on the agenda.

I have experience writing in those territories as does my new hire, which is one of the reasons we recruited here.

How would you describe someone who might be a good fit

to be a Kova Professions employee?

Being a motivated self-starter is important because we have begun from scratch.

It is also key to have strong broker relationships as well as expertise and longevity in your chosen area.

A lot of the underwriters I have spoken to in the hiring process have spoken about the frustrations they have internally because of red tape and being unable to do things, which is the antithesis of Kova.

With the recruitment of Celeste Newson as head of PI and Keeley Patten as senior underwriter, the business is an all-female MGA; is that accident or design?

It is by accident, it is all down to their experience and knowledge. It is one of those questions, you see, which would not be asked to an all-male MGA setting up.

It is funny how the market has reacted to us being an all women MGA, but it is down to wanting people who are strong, grounded and get on with doing thing, so I don't have to hold anyone's hand – which is needed when you are spending the majority of the week working apart [remotely].

How many brokers do you deal with and what would your message be to brokers who have not reached out to you yet?

We had a soft launch, which was when I was on my own, and because I only have so much bandwidth Kova set out to work with a group of 10–15 brokers.

As of next month, we will be a team of four. We will be very much open to new opportunities. And that is not just in the London market – we have strong broker relationships all over the country.

We don't want to spread ourselves too thinly though, as we also operate on a first come, first served system, and there is a worry if we saturated the market we would end up seeing the same risk from too many brokers and not doing anything different.

In another five years' time, what will success look like for Kova Professions?

We have some strong growth targets, including a book that is probably around £25m–£30m writing in territories that are not just the UK with a team that will be six or seven strong.

There is also talk of whether we look to do something in the cyber space, which is being asked of us all the time because it can sit within a PI portfolio.

And that raises the question about whether we look to raise additional capacity outside Accelerant, whose paper we use presently.

We are not completely tied to them and we can look to build other relationships, especially when it comes to writing lines that Accelerant does not want to.

For all the latest industry news direct to your inbox, [sign up for our daily newsletter](#).
