

News Release



10 August 2022

Aviva Insurance Ireland: Half Year Financial Results 2022

IFRS operating profit	■ General Insurance Operating Profit €15 million (HY2021: €25 million)
Combined operating ratio	■ Combined Operating Ratio 96% (HY2021: 90%)
Growth	■ GWP (Gross Written Premiums) of €253 million (HY2021: €244 million)

Declan O’Rourke, Aviva Insurance Ireland Chief Executive Officer said:

“Aviva’s general insurance business in Ireland has performed positively in a more challenging market in 2022. Our Combined Operating Ratio for half year, our key measure of profitability in general insurance, moved to 96% (HY2021: 90%) following a return to higher, more normalised, claims frequency after Covid restrictions were lifted. Operating profit reduced to €15m (HY2021: €25m) driven by higher claims and reduced personal lines profit due to delays in the emergence of benefit from personal injury reform. Gross written premiums increased marginally to €253m (HY2021: €244m), due to strong growth in commercial lines business.

We continue to expand both our product and service offerings to large commercial and high net worth customers. We have grown both our construction and financial lines portfolios. We have also deployed significant new capacity in areas where insurance capacity is scarce, for example, the charity, leisure, and community sectors. We are also investing significantly in developing more streamlined online customer journeys for both our personal and commercial customers”.

“We remain fully supportive of the government’s Action Plan for Insurance Reform. We welcome the Personal Injuries Assessment Board’s (PIAB) recent report on the positive impact of the new personal injury guidelines in reducing personal injury award levels for minor injuries. This has contributed to a double digit reduction in motor insurance premiums.

An area of major concern is the rejection rates by claimants in PIAB, now 63%, up from 49% prior to the implementation of the personal injury guidelines. This is leading to more claims going to court, which is the most expensive claims settlement channel due to high legal costs, and will undermine the impact of reforms. We call on government to urgently implement in progress legislation to strengthen the powers of PIAB and to compel early engagement in settling claims and reduce the percentage of claims going to the courts. We believe that for reforms to be successful, the rejection rate needs to reduce to something like 5% from the current 63%”, concluded Declan O’Rourke.

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