

Castle Insurance Services set to make more deals



Ida Axling

[@BrokingIda](#)

19 Jun 2020

0 Comments

MD Paul Younger chats about the broker's acquisition strategy and details how the business has been impacted by Covid-19.

Castle Insurance Services managing director Paul Younger has stated that the broker is actively looking to make more acquisitions.

This follows the Durham-based firm's [purchase of another local independent broker, EW Knapton](#), which was announced earlier this month.

Younger told *Insurance Age* that while Castle has made a number of smaller acquisitions over the years, Knaptons was its biggest one so far.

He continued: "We're a really good fit and do the same type of products. They've been going for 57 years nearly.

"It's given our business a 35% boost in terms of GWP and now we're knocking on the door of £7m."

According to the MD, the broker is looking to buy businesses that are operationally similar and within around 50 miles of where Castle is based.

Family-owned

Younger noted that the ideal fit would be a family-owned broker where the seller is “looking for a good home” for the business.

“There’s a real good opportunity for somebody with a good strong tradition of carrying on that family business trait,” he continued.

“There are a lot of buyers out there where they would disappear down a centralised operation, but most of these owners would like to see their businesses well looked after past the sale date.”

According to Younger, the Covid-19 pandemic has also resulted in many smaller brokers looking for an exit.

He noted that this would be an opportunity for Castle going forward, adding: “The technology is expensive and you need a bit of expertise behind it which isn’t always available to small brokers.

“These businesses are run very well but the times have demanded that they have to make a decision. Do they invest to keep going or do they let go?”

Covid-19

Younger further stated that while the pandemic had been a shock at first, Castle had managed to move all staff to homeworking “quickly and easily”.

He explained that the business had seen a downturn in new business as a result of Covid-19, particularly in April and May.

“But renewals were very strong, maybe stronger than ever,” he argued.

“The push was to get things renewed, but that extra new business that we always need just seemed to go down quite significantly.”

However, he added that June had “taken off with a good gallop” with new business picking up as the UK-wide lockdown has started to ease up.

Most of the Castle team is now back in the office as of this week.

Younger highlighted that everyone is more than two metres apart and that all staff has been informed of the rules.

He detailed: “We’re still flexible if need be. We do know that people can work from home and they can continue to do so, but pretty much from

now everybody is back in the office and operating comfortably within the rules.”

Younger founded Castle in July 1990 and the business now has 16 staff. He noted that the coronavirus had also interfered with the broker’s 30-year celebration.

“We’re still going to give some money to charity, but the actual celebration will have to wait a little while,” Younger concluded.

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

Copyright Infopro Digital Limited. All rights reserved.

You may share this content using our article tools. Printing this content is for the sole use of the Authorised User (named subscriber), as outlined in our terms and conditions - <https://www.infopro-insight.com/terms-conditions/insight-subscriptions/>

If you would like to purchase additional rights please email info@insuranceage.co.uk