

DECISION NOTICE

To: Flood Re Limited
Of: 75 King William St, London EC4N 7BE

Firm Reference Number: 706046

And –

To: Stuart Logue
Of: [REDACTED]

Date: 27 November 2024

The content of this letter may be confidential. Please ensure you handle this information in accordance with the instructions set out in the Bank of England Information Security Classification Scheme available here: [b-o-e.uk/iscs](https://www.bankofengland.co.uk/b-o-e-uk/iscs) or from the Bank upon request.



ACTION

1. For the reasons set out in Section 1 of this Notice and pursuant to section 61(2B)(b) of the Financial Services and Markets Act 2000 (“the Act”), the Prudential Regulation Authority has decided to approve the application dated 18/06/2024 (“the Application”) for Stuart Logue (“the Candidate”) to perform the Senior Manager Functions SMF1 Chief Executive & SMF23 Chief Underwriting Officer roles at Flood Re Limited (“the Firm”) for a limited period commencing on 27 November 2024 and ending on 1 November 2025.

PROCEDURAL MATTERS

2. The procedural matters set out in Section 2 are important.

RELEVANT STATUTORY AND REGULATORY PROVISIONS

3. The relevant statutory and regulatory provisions are set out in Section 3.

DEFINITIONS

4. The definitions below are used in this Decision Notice.

“the Act” means the Financial Services and Markets Act 2000

“the Application” means the Form A application dated 18/06/2024 submitted by the Firm for the Candidate to perform the SMF1 Chief Executive & SMF23 Chief Underwriting Officer roles at the Firm

“the Candidate” means Stuart Logue

“the Firm” means Flood Re Limited

“the FCA” means the Financial Conduct Authority

“Notice” means this Decision Notice

“the PRA” means the Prudential Regulation Authority

“SMF1” means Senior Manager Function 1 – Chief Executive

“SMF23” means Senior Manager Function 23 – Chief Underwriting Officer

“the Tribunal” means the Upper Tribunal (Tax and Chancery Chamber)

“the Tribunal Procedure Rules” means the Tribunal Procedure (Upper Tribunal) Rules 2008 (SI 2008/2698) (as amended)

“HMP” means Head of Department and Managers panel

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for and on behalf of the PRA

SECTION 1 OF THE DECISION NOTICE ISSUED BY THE PRUDENTIAL REGULATION AUTHORITY TO Flood Re Limited AND Stuart Logue ON 27 NOVEMBER 2024

REASON FOR THE ACTION

1. The reason for the PRA's decision to approve the Firm's Application for the Candidate to perform the SMF1 Chief Executive & SMF23 Chief Underwriting Officer roles at the Firm for a limited period is that it is desirable to do so in order to advance the PRA's general objective of promoting the safety and soundness of PRA-authorized persons (section 2B(2) of the Act) and the PRA's insurance objective of contributing to the securing of an appropriate degree of protection for policyholders (section 2C(2) of the Act).
2. Pursuant to section 2B(3) of the Act, the PRA's general objective is to be advanced primarily by: (a) seeking to ensure that the business of PRA-authorized persons is carried on in a way which avoids any adverse effect on the stability of the UK financial system; and (b) seeking to minimise the adverse effect that the failure of a PRA-authorized person could be expected to have on the stability of the UK financial system. The adverse effects mentioned in section 2B(3) may, in particular, result from the disruption of the continuity of financial services. Acting to promote the safety and soundness of an insurer also has the effect of protecting policyholders (section 2C(2) of the Act), by ensuring that the insurer's liabilities to them can be met both now and in the future.
3. An appropriately staffed firm and an effective Chief Executive & Chief Underwriting Officer function are essential to ensuring a firm is run in a prudent, safe and sound manner. This decision will advance the PRA's objective by (i) ensuring the Firm has an approved SMF1 and SMF23 and, as such, is appropriately staffed which is essential for the firm to operate in a prudent, safe and sound manner; and (ii) allowing the Firm sufficient time to identify and seek approval for a permanent successor for the SMF1 role.

FACTS AND MATTERS RELIED UPON

Background

4. The Firm is authorised by the PRA and regulated by the PRA and Financial Conduct Authority.
5. The Firm's Application for the Candidate to perform the SMF1 Chief Executive & SMF23 Chief Underwriting Officer roles at the Firm was received by the PRA on 18 June 2024. The Candidate has previously been the Chief Financial Officer (CFO) and approved SMF2 at Flood Re since February 2022 and has been identified by the Firm's succession planning to provide cover for the Chief Executive Officer (CEO) role.
6. Having assessed the Firm's Application, the PRA is satisfied as to the Candidate's fitness and propriety to perform the SMF1 Chief Executive & SMF23 Chief Underwriting Officer roles at the Firm on a time-limited basis as required pursuant to section 61(1)(b) of the Act.
7. Pursuant to section 61(2B)(b) of the Act, the PRA may grant a senior manager application that is made under section 60 of the Act so as to give approval only for a limited period if it appears to the PRA that it is desirable to do so in order to advance any of its objectives (section 61(2C)(b) of the Act).
8. This decision will advance the PRA's objectives by (i) ensuring the firm has an approved SMF1 and SMF23 and, as such, is appropriately staffed which is essential for the firm to operate in a prudent, safe and sound manner; and (ii) allowing the firm sufficient time to identify and seek approval for a permanent successor for the SMF1 role.
9. The PRA considers that it is appropriate in these circumstances to decide to approve the Firm's Application for the Candidate to perform the SMF1 Chief Executive & SMF23 Chief Underwriting Officer roles at the Firm for a limited period commencing on 27 November 2024 and ending on 1 November 2025.
10. The Firm and the Candidate have consented to the PRA's decision to approve the Firm's Application for the Candidate to perform the SMF1 Chief Executive & SMF23 Chief Underwriting Officer roles at the Firm for a limited period commencing on 27 November 2024 and ending on 1 November 2025.

ACTION

11. For the reasons given in this Notice, and pursuant to section 61(2B)(b) of the Act, the PRA has decided to approve the Application for a limited period commencing on 27 November 2024 and ending on 1 November 2025.

SECTION 2 OF THE DECISION NOTICE ISSUED BY THE PRUDENTIAL REGULATION AUTHORITY TO Flood Re Limited AND Stuart Logue ON 27 NOVEMBER 2024

PROCEDURAL MATTERS

Decision-Maker

1. The decision which gave rise to the obligation to give this Notice was made by the HMP Panel.
2. This Notice is given to the Firm and the Candidate pursuant to section 62(3) of the Act. The following statutory provisions are important.

The Tribunal

3. The Firm and Candidate have the right to refer the matter to which this Notice relates to the Tribunal. The Tax and Chancery Chamber is the part of the Tribunal which, among other things, hears references arising from decisions of the PRA.
4. Reference to the Tribunal is made by way of a reference notice (Form FTC3) signed by the person making the reference (or on their behalf) and filed with a copy of this Notice. The Tribunal's correspondence address is: Fifth Floor, Rolls Building, Rolls Building, Fetter Lane, London, EC4A 1NL. In accordance with paragraph 2(2) of Schedule 3 of the Tribunal Procedure Rules, the reference must be received by the Tribunal no later than 28 days after this Notice is given and/or in a case where section 2C of the Act applies, prejudicial to securing the appropriate degree of protection for policyholders.
5. Further details are available from the Tribunal website: <https://www.gov.uk/courts-tribunals/upper-tribunal-tax-and-chancery-chamber>.

6. A copy of Form FTC3 must also be sent to PRA HMP Panel Secretariat PRA Secretariat - HoDs and Managers Panel [REDACTED] at the PRA, 20 Moorgate, London EC2R 6DA at the same time as filing a reference with the Tribunal.

Access to evidence

7. Section 394 of the Act does not apply to this Notice.

Confidentiality and publicity

8. Sections 391(1A), 391(4), 391(6A) and 391(7) of the Act apply to the publication of information about the matter to which this Notice relates.
9. Pursuant to section 391(1A) of the Act, a person to whom this Notice is given or copied may not publish the Notice or any details concerning it unless the PRA has published the Notice or those details.
10. Pursuant to section 391(4) of the Act, the PRA must publish such information about the matter to which a Decision Notice or Final Notice relates as it considers appropriate. Any Final Notice issued by the PRA in due course may therefore contain reference to any of the content of this Notice.

PRA contacts

11. For more information concerning this matter generally, the Firm and/or Candidate should contact PRA HMP Panel Secretariat (PRA Secretariat - HoDs and Managers Panel [REDACTED]) at the PRA.

SECTION 3 OF THE DECISION NOTICE ISSUED BY THE PRUDENTIAL REGULATION AUTHORITY TO Flood Re Limited AND Stuart Logue ON 27 NOVEMBER 2024

RELEVANT STATUTORY AND REGULATORY PROVISIONS

1. Under section 2B(1) of the Act, in discharging its general functions, the PRA is required, so far as is reasonably possible, to act in a way which advances its general objective.
2. Under section 2B(2) of the Act, the PRA's general objective is: promoting the safety and soundness of PRA-authorized persons.
3. Under section 2B(3) of the Act, the PRA's general objective is to be advanced primarily by seeking to ensure that the business of PRA-authorized persons is carried on in a way which avoids any adverse effect on the stability of the UK financial system and seeking to minimise the adverse effect that the failure of a PRA-authorized person could be expected to have on the stability of the UK financial system.
4. Under section 2B(4) of the Act, the adverse effects mentioned in section 2B(3) of the Act may, in particular, result from the disruption of the continuity of financial services.
5. Under section 2C(1) of the Act, in discharging its general functions in relation to the activity of effecting or carrying out contracts of insurance or PRA-authorized persons carrying on that activity, the PRA is required, so far as is reasonably possible, to act in a way which is compatible with advancing its insurance objective, as well as its general objective.
6. Under section 2C(2) of the Act, the PRA's insurance objective is: contributing to securing an appropriate degree of protection for policyholders.
7. Under section 59 of the Act, an authorised person ("A") must take reasonable care to ensure that no person performs a controlled function under an arrangement entered into by A in relation to the carrying on by A of a regulated activity, unless that person is acting in accordance with an approval given by the appropriate regulator under this section.

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8. Under section 60 of the Act, an application for the PRA's approval under section 59 of the Act may be made by the authorised person concerned.
 9. Under section 61(2B)(b) of the Act, the PRA may grant a senior manager application made under section 60 of the Act so as to give approval only for a limited period.
 10. Under section 61(2C)(b) of the Act, the PRA may exercise its power under section 61(2B)(b) of the Act only if it appears to the PRA that it is desirable to do so in order to advance any of the PRA's objectives.
 11. Under section 61(3) of the Act, the PRA must before the end of the period for consideration of an application received under section 60 of the Act determine whether to: (a) grant the application; or (b) give a warning notice under section 62(2) of the Act.
 12. Under section 62(2) of the Act, if the PRA proposes to refuse the application or to grant the application subject to conditions or for a limited period (or both), it must give a warning notice to the Firm and the Candidate.
 13. Pursuant to section 62(3) of the Act, if the PRA decides to refuse the application or to grant the application subject to conditions or for a limited period (or both) it must give a decision notice to the Firm and the Candidate.
 14. Pursuant to section 62(4) of the Act, if the PRA decides to refuse the application or to grant the application subject to conditions or for a limited period (or both) the Firm and/or Candidate may refer the matter to the Tribunal.
 15. Pursuant to section 390(1) of the Act, if the PRA has given a Decision Notice and the matter was not referred to the Tribunal in the time specified by the Tribunal Procedure Rules, then the PRA must issue a Final Notice.