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P&I 2026 Renewal: Disciplined Pricing, Rising Retentions, and Differentiation by Risk

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As the 20 February 2026–20 February 2027 policy year approaches, early club guidance points to a renewal season characterised by moderate rate firming, continued deductible pressure, and an even sharper focus on member loss records, risk profile and operational discipline. In short: the market is not "hardening across the board"—it's pricing and structuring terms more selectively than ever.

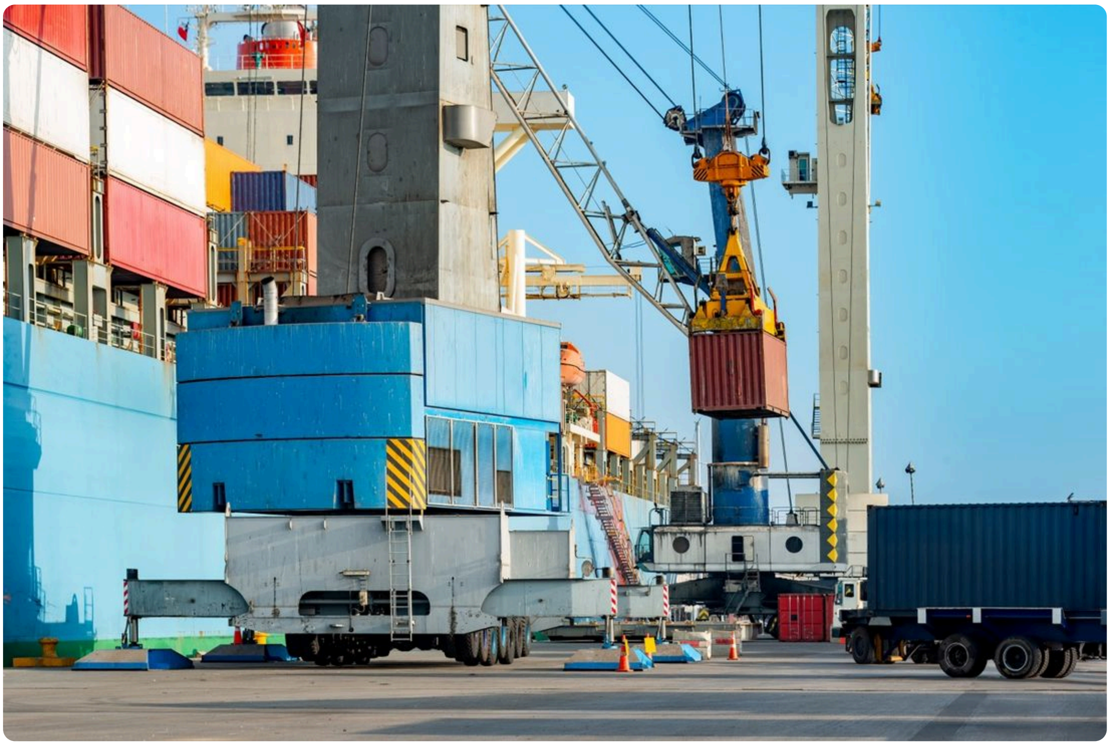
What We're Seeing for 2026/27

Across published communications, the prevailing theme is measured premium increases—often framed as "general increases" (GI) or targeted book-wide uplift objectives—paired with action on deductibles/retentions to manage attritional claims and frictional costs.

- **Moderate premium direction, with individual rating doing the heavy lifting. For example, NorthStandard's Pre-Renewal Report sets out a 5% general increase approach (with member accounts still individually assessed).**
- **Deductibles are a key lever again in 2026. The London Club is targeting an overall 6% increase in average rates and applying a minimum deductible increase of USD**

2,000 for deductibles below USD 20,000. Steamship Mutual has set an 8% general increase and confirmed that deductibles will apply to the underlying claim and associated fees/costs/expenses—a meaningful tightening for claims outcomes and budgeting.

- Market messaging continues to emphasise inflation and volatility. Club commentary reflects ongoing pressure from the cost of claims (including large-loss severity and expense inflation) and the need to preserve long-term underwriting balance.



Key Numbers (Early Market Signals for 2026/27)

Indicative renewal uplift range: ~5% to 8% (before account-specific adjustment)

Examples of published positions:

- NorthStandard: 5% GI
- The Swedish Club: 5% GI
- London P&I Club: 6% target average rate uplift (no single GI)
- Steamship Mutual: 8% GI

Deductible trend: Upward, with minimum uplifts and broader application of deductibles to costs/expenses in some clubs

What It Means for Owners, Operators and Charterers

1) Expect "pricing by profile," not "one-size-fits-all." Operators with strong loss performance, clear safety management and robust documentation are best positioned to contain cost and protect terms.

2) Budget for higher retentions (and more retention leakage). Minimum deductible uplifts and the extension of deductible application to fees/costs can materially change the economics of claims—not just the headline premium.

3) Underwriting submissions matter more than ever. A well-prepared renewal presentation—loss analysis, claims narrative, trading profile, and evidence of risk controls—can be decisive in how individual rating is applied.

Orion View: Our Approach to the 2026 Renewal

We focus on early engagement, a technical submission, and a clear strategy around deductibles, layering and claims governance—so clients secure the most stable and commercially effective outcome possible in a market that is tightening terms selectively rather than uniformly.

Disclaimer: Market commentary is based on publicly available club communications and pre-renewal materials as at November/December 2025 and is subject to change as the 2026/27 renewal season progresses (including final club circulars, reinsurance cost *outcomes and individual member rating). This article is provided for general information only and does not constitute advice.*