

ON THE ROAD TO RECOVERY

There's no doubt that things are looking up for the UK economy and that the credit crunch era may be a thing of the past. Britain has now grown for four successive quarters, with GDP rising at its fastest annual rate since 2007.

Such good news must mean that businesses are doing well, which brings with it insurance implications that may well be overlooked.

Expansion could mean acquiring new premises, increasing stock levels, changing vehicles or employing new staff – all of which must be reported to your insurance broker so that your insured values are correct and that you have the right cover in place.

Underinsurance is a major issue for UK businesses. Not only could there be untold hassle and frustration if there's a claim to make but should business interruption cover not be at the right level, or worse still, not included at all, it could spell disaster for your business. The amount of money you would be entitled to may not be enough to return the business to its original position and get you back on your feet.

Informing us of any changes can be made at any time, and not just at renewal. We are more than happy to meet with you mid-way through your policy to ensure that cover is at the right level at all times.



Counting the cost of flood & storm misery

The South West in particular has been badly affected by the recent volume of rainfall with rivers bursting their banks, rising water tables, crushing waves and high winds. Pictures of town centres, homes and farms under water have been making headline news so there is no doubt it's going to be an expensive clear up operation.

Our in-house claims team have been on hand for many of our clients who have been affected to give them the immediate help and advice they need.

According to the latest reports, the Christmas and New Year floods and the 14 February storm have cost UK insurers in excess of £1.5 billion. The Government's Water Bill legislation will mean householders will be guaranteed flood cover with a capped premium and a levy on all policies of £10.50. Commercial properties may not be so lucky.



Flooded: Christchurch in Dorset

Insurers already use sophisticated mapping software, which tells them the areas likely to be affected by flooding and storms (along with a number of other hazards).

The impact for the commercial policy holder will no doubt be higher flood cover premiums, higher excesses and in some cases, possibly the exclusion of flood cover altogether.

As your broker, we are proud to automatically provide risk management information to you via our website free of charge, which helps you manage your flood and storm risk and provides details about repairs after a flood and how to limit disruption to your business.

Presenteeism – friend or foe for employers?

We've all heard the word 'absenteeism' when it comes to managing employees but the new buzz word in HR circles that can have just as much impact on your business is 'presenteeism'. So, what exactly is presenteeism?

In very simple terms, it is employees coming to work when unwell. Employees are paid to work, not to malingering so "so what?"



However, what has become clear is the effect presenteeism has not only on the employee but the employer too.

The Chartered Institute of Personnel & Development's (CIPD) annual survey on Absence Management 2013 shows that since 2010, people coming into work ill has increased from 26% to 34%.

The reasons for this recent phenomenon are varied. The report quotes "minor illnesses" as the most prevalent although stress and musculoskeletal injuries rank very high too. Fear of redundancy is playing a noticeable part at the moment as a reason for attending work when ill.

Employers should not ignore their Duty of Care responsibilities. Presenteeism has a potentially damaging effect on a company's effectiveness and productivity, as well as negative effects for the

employee. Ill employees are not only less productive but may transmit their illness to others, take longer to recover, make costly mistakes and in doing so could potentially damage a company's reputation. Moreover it can affect general staff morale.

However, there are solutions for employers. Private Medical Insurance (PMI) schemes, Health Cash Plans and Employee Assistance Plans can be introduced that can deal with the issue before, during and after any problems that arise from presenteeism; mental or physical. They help fulfil employer's Duty of Care responsibilities and could avoid potential litigation through being accused of not supporting employees.

For an informal discussion on the employee benefits schemes available, please call Daren Cornelius, head of the A&T Private Medical team on 01202 754993.

DON'T GET CAUGHT OUT ON THE ROAD

It's now nearly three years since Continuous Insurance Enforcement (CIE) came into force and we are still discovering that many people have no idea about it. So, what exactly is it and how does it affect you?

In an effort to combat uninsured driving, it is an offence to drive or keep a vehicle without appropriate motor insurance, unless it has a valid Statutory Off Road Notification (SORN).

The DVLA will be able to tell whether a vehicle is insured as the Motor Insurers Database (MID) is a central record of vehicle insurance. If a vehicle appears to have no insurance, the registered keeper will be sent

an Insurance Advisory Letter (IAL) by the Motor Insurers' Bureau (MIB) detailing the consequences, which could be a fixed penalty fine of £100; the vehicle wheel clamped, impounded or destroyed, and even the possibility of a court prosecution with a maximum fine of £1000.

Even if you are not using the vehicle on the road, you will still need to have insurance in place at all times, regardless of where the vehicle is kept, unless you have a valid SORN.

Businesses are advised to ensure all company vehicles on their fleet policy are registered on their insurance policy and to check they appear on the MID.



LIABILITY INSURANCE LIMITS IN THE SPOTLIGHT

A landmark personal injury compensation payout is still making headlines more than a year after it was awarded, which has led us to advise clients on the need to urgently review their liability insurance protection.

In December 2012, seventeen year old student Agnes Collier was awarded a record breaking £23 million personal injury award after she lost the use of her legs and most of the function in her arms as a result of a motor accident in November 2009. A bright young woman with excellent prospects, she now needs 24 hour care. Courts awarded her a lump sum of £7.25 million and £270,000 per year for the rest of her life.



Agnes Collier (centre) with family and friends

Employers are required by law to have employers' liability cover of no less than £5 million although the vast majority of insurers provide £10 million of cover as standard. We are recommending clients consider increasing this and their public and products liability cover to no less than a total of £20 million.

Although the claim in question was the result of a motor accident, the same award would have applied if the claimant had been injured in an office, a factory or on a farm. The settlement is for injuries and subsequent care and does not relate to the circumstances that led to them.

We are recommending that all business owners reflect on what would happen if their business was faced with a claim that exceeds the amount of cover they currently have? The reality is fairly simple; the business will almost certainly be responsible for the shortfall, which could ultimately mean financial ruin.

Premiums will vary from business to business depending on size, sector and turnover but they may well be less than people would think so we would advise clients to speak to their adviser to obtain a quotation on their behalf. That way, business owners are able to make the most informed decision.



What is...

D&O Liability Insurance?

You will have probably heard of Directors & Officers Liability insurance or, as it's sometimes known, Management Liability Insurance but what exactly does it cover and do you need it?

Running a company is undoubtedly a risky business and with litigation on the increase, directors, officers and senior managers cannot afford to leave themselves vulnerable and unprotected. Actions or decisions you make on the company's behalf can leave you exposed to compensation claims, investigations and prosecutions.

Without any appropriate insurance cover, you would have to finance your defence from your own resources including the settlement of any successful claim, which could put at risk your home and potentially lead to financial ruin.

To give you an idea of when this insurance would be invoked, here are some examples of claims covered by a Directors & Officers Liability Insurance policy*:

- When two bakery employees were killed whilst attempting to repair machinery, the MD and several managers were prosecuted for breach of Health & Safety legislation. Their D&O liability insurance policy covered legal costs of £890,000.
- When a carpet wholesale warehouse burnt down, the Managing Director was required to attend a hearing with the Chief Fire Officer to investigate the source of the fire. The D&O liability insurance policy paid for legal costs of £40,000.
- When an employee was immediately sacked for racially abusing and punching a colleague, they brought an unfair dismissal claim against the employer. The employer's legal costs were covered by a D&O liability insurance policy.

To find out more about adding a D&O liability policy to your insurance programme, please contact your adviser. In many cases, the policy can be added for as little as £250.

*The above claims examples are real claims obtained from AIG / Chartis Insurance via Brokerability Ltd. They are for illustrative purposes only and are not a guarantee of cover, which is always determined on a case-by-case basis in accordance with policy terms and conditions.

A&T PLACE THEIR SUPPORT WITH GULLY

We recently revealed that we have nominated Gully's Place Trust Fund as our official charity for 2014.

Following on from a successful two years supporting and raising more than £9,000 for the Wessex Cancer Trust, it was decided that a new charity should be adopted and following a vote from our 60-strong workforce, Gully's Place was chosen as our new charity.

Gully's Place Trust Fund, registered as a trust fund within Poole Hospital Charity, was set up in 2009 to support the 400 infants, children and young people throughout Dorset who have a life-limiting or life-threatening illness. These children can have a short life expectancy and may not survive to adulthood. They may need palliative care for weeks, months or years before they approach the end of their life.

As well as a physical Gully's Place Suite located on the children's unit at Poole Hospital, the fund comprises of parents' support groups, as well as the provision of education and learning materials for staff and families.

Speaking of the new partnership, A&T Marketing Manager Hayley Baverstock (pictured centre) commented, "We always like to choose a charity where we know we'll be able to make a significant contribution and make a difference. Little is known of Gully's Place at the moment

but through our support we hope to change this and help them raise their profile, whilst at the same time raising funds for such a worthwhile cause".

Senior Sister Helen Parker (pictured right) is pleased to have such an enthusiastic team of fundraisers as A&T on board and remarked how grateful Gully's Place is for our support, "This is the first time a local business has nominated us as their official charity of the year and we are extremely appreciative of their support. Our main aim this year is to support the development of a Gully's Place Suite at Dorset County Hospital in Dorchester like the one at Poole Hospital and with help from local businesses like Alan & Thomas, I'm confident that we'll be able to achieve our ambitions".

We have a charity committee which organises internal fundraising activities such as dress down days, bake sales, sporting challenges and an annual quiz night, which has become a highlight of our fundraising calendar.



MOVERS & SHAKERS...

We have recently welcomed the following new recruits:

Amy Whitaker joins as Head of our Direct Commercial team

Daren Cornelius is our new Head of Private Medical Insurance

Heather McDade has joined our Personal Lines team as an adviser

We've also made the following promotions:

Peter Matcham is now Head of our Aviation team

Matt Gowing moves into a New Business Executive role within our Complex Commercial team.

Welcome and congratulations to all!

Let us treat you to a luxury food & wine hamper!



If you're happy with our service, why not recommend us to your clients, contacts and suppliers? Not only will they benefit from a completely free, no obligation review of their current commercial insurance arrangements but for every one that goes on to place their cover with us*, we'll send you a luxury food and wine hamper from Virginia Hayward Ltd in Shaftesbury as a thank you! Simply pass on our details and ask them to call Mark Hasell in Poole on 01202 754939 or Simon Reeves in Gillingham on 01202 754973 either near the time of their renewal or mid-way through their policy. *Subject to minimum premium of £1000

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