

TELEGRAPH

Putting safety first

John Potter and Thea McCormack explain why risk management is an everyday activity at Potters Resort

Also in this issue:
Planning for the future
Protect your people
Stay safe online



Independent
Insurance Brokers
& Financial Planners



Alan Boswell
Group Chairman

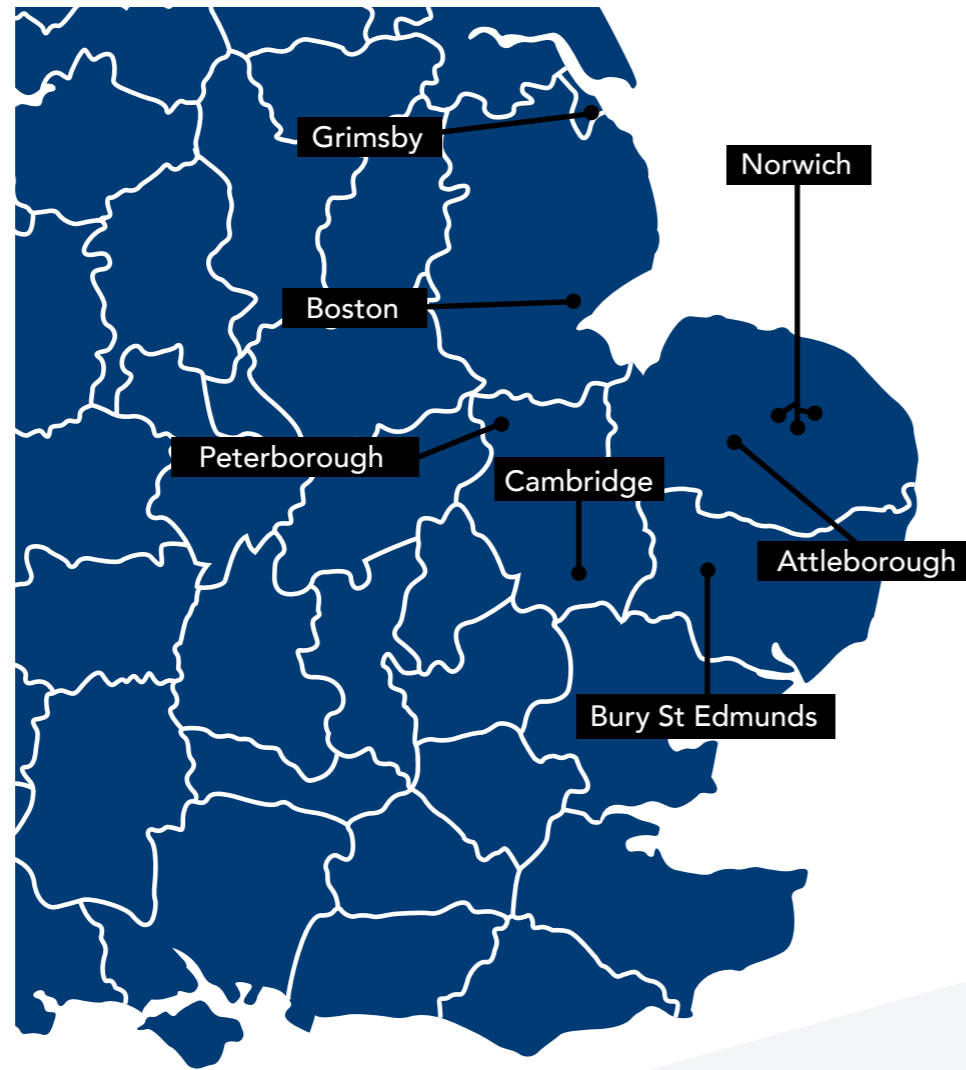
It's a cliché, but a business is nothing without its customers – and we're no exception.

That's why we're delighted to have been shortlisted in the Insurance Times Awards 2017 in both the Broker of the Year and Commercial Lines Broker of the Year categories. It's testament to our team's drive to go above and beyond for our clients each and every time. We have also received the Feefo Gold-Trusted Merchant Award for the second year running, thanks to our consistently high independent customer reviews.

To maintain our standards and make it as easy as possible to give feedback, all our staff have direct-dial phone numbers. We encourage you to give us a call if you have any queries about your insurance, risk management or financial planning.

With that in mind, if you'd like more information about any of the subjects in *Telegraph*, don't hesitate to get in touch.

Alan Boswell, Group Chairman



REGIONAL EXPANSION

In April, Alan Boswell Group announced the acquisition of Sutcliffe Solloway & Company insurance brokers, which has offices in Boston and Grimsby, Lincolnshire, further extending the company's reach across the region.

This news follows the acquisition of S-Tech Insurance Services in Cambridge in late-2016 and brings the group's total number of employees to in excess of 340 people.

S-Tech, which has specialisms that include the science and technology sectors, will retain its name but benefit from the additional services the group has to offer, such as risk management. In return, it provides expertise to Alan Boswell Group clients in areas including credit insurance and professional indemnity insurance.

Sutcliffe Solloway & Company, which is now known as Alan Boswell Insurance Advisers, will also be able to take advantage of additional services and products available from the wider group, strengthening its position in the market.

Says Group Chairman Alan Boswell: "We're pleased to make this announcement. The Group has been growing at a steady rate and Sutcliffe Insurance Brokers is a natural fit for our continuing expansion."

Sutcliffe Insurance Brokers' Managing Director Mike Kirman further comments: "This is a fantastic opportunity for Sutcliffe. Not only does it enhance the services that we offer to existing clients – including risk management – but it also brings the stability and support of a larger group to the business."



Smashing targets

As a business, we're proud to support the communities in which we work. We pride ourselves on raising funds, sponsoring sports teams and volunteering in schools to name just a few initiatives. Very little demonstrates this better than the total sum raised for our charity of the year in 2016.

Over the course of 12 months, the team raised a staggering £33,500 for

local charity Big C – far exceeding our £25,000 target. From marathons and golf days, to skydives, bake sales and sponsored beard shaves (!) every member of staff put their hearts into finding inventive and surprising ways to raise money.

Says Big C Director of Income Generation and Communications, Clive Evans: "We'd like to say a big thank you to Alan Boswell Group staff and their

supporters for raising such an astonishing amount of money. Cancer affects us all in different ways, but thanks to the kindness of local people we are able to make a difference right here in Norfolk and Waveney."

We have continued to support the charity for a second year. If you would like to contribute to our fundraising efforts in 2017, please visit <http://abg.bz/ABGCotY>

Industry recognition

We're delighted to have been shortlisted for the Insurance Times Awards 2017, in both the Insurance Broker of the Year and Commercial Lines Broker of the Year categories.

These prestigious awards are the leading platform within the insurance broker market and being shortlisted recognises the efforts we have made in developing our service offering.

Our entries focused on how we communicate our values across the group, provide additional

services to our clients, deliver an enhanced online experience and improved client communications.

Says Marketing Manager Lee Boswell: "Being shortlisted for

such important awards is a fantastic recognition of our ethos and the dedication of our staff, who all play a vital role in giving our clients a superior service every time. We wish all the finalists the very best of luck."

Visit our website on 7th December to find out if we bring home the top prize!

FD reports business growth

We're pleased to report that we have seen strong performance across the group, with like-for-like income up six percent for the year ending 31 March 2017.

Total income is up by 14.5%, which reflects the additional income secured by the acquisition of S-Tech and Sutcliffe Insurance Brokers.

Says Finance Director Alastair Drew: "Despite intense competition, we have seen an overall increase in customer numbers, which has helped increase income.

"Organic growth is incredibly difficult to achieve, but our clients have been amazing and are recommending

us to their peers. A good recommendation is priceless, so we're always thrilled when we hear that is how a customer found us."

Group Chairman Alan Boswell adds: "Financial stability is vital to our industry. I am pleased that we remain debt-free and financially secure and look to continue this trend."



Alastair Drew
Finance Director

TRAGEDY HIGHLIGHTS NEED FOR FIRE SAFETY

In light of recent, tragic events at Grenfell Tower, it has never been more important to ensure your business is fully compliant with the latest fire regulations.

“Just because a building meets fire regulations does not mean that all materials are non-combustible,” Alan Boswell Risk Management’s John Neil states. “Items, such as insulation materials, can be flammable or, in some cases,

merely fire resistant. These materials have to be taken into account when conducting a fire risk assessment.

“The Loss Prevention Certification Board (LPCB), which is part of the Building Research Establishment, has been working with industry and

“It’s a stark reminder of the importance of ensuring that you remain completely up-to-date”

government for more than 100 years to set the standards needed to ensure that fire and security products perform effectively. They also offer third-party approval, confirming that products and services have met and will continue to meet these standards.

“If you’re unsure whether a product has this approval, you can search the LPCB Red Book, which is constantly updated; visit www.redbooklive.com if you have concerns.

“What happened in London is nothing short of a tragedy. It’s a stark reminder of the importance of ensuring that you remain completely up-to-date on current legislation and guidance.”

MOTOR PREMIUMS CONTINUE TO RISE

Government tax hikes, European court rulings, claims inflation and changes to the way compensation payments are calculated have all conspired to hit motorists in the pocket when it comes to insurance costs.

“In June the Government added a further two percent on Insurance Premium Tax (IPT), which brings the rate to 12%. This is up from six percent just 18 months ago. This is adding approximately £18 to the average policy,” says Heath Alexander-Bew, Director of Personal Lines.

“We’re also seeing an impact on premiums from claims inflation. This is driven by the frequency and severity of claims, the VNUK case [which is a ruling in the Court of Justice of the European Union that means cars driven solely on private property may need to be insured in future] and the changes to the Discount Rate.”

The Discount Rate, also known as the Ogden Rate, is part of a calculation used to determine the amount of compensation awarded in cases involving serious injury. The old rate reduced the settlement value by 2.5% on the basis that the award could be invested to generate further income.

With the value of investments falling, the Discount Rate has effectively become an inflation rate. The new rate is -0.75%,

which adds monies to the final payment. As a result, settlement figures have risen substantially.

“It all adds up to a very painful time for motorists. It can be difficult to explain these seemingly unconnected issues and the impact they are having on motor insurance premiums. It is an industry-wide issue, but a broker can help you find the right cover.”

Find out more about the Ogden Rate and its effects online: <http://abg.bz/INTelegraph>.

INHERITANCE TAX UPDATE

In April 2017 changes were made to Inheritance Tax and the Nil-Rate band, which means most people can now pass on more of their estate to loved ones.

As you will know, the first £325,000 of an individual’s estate is exempt from Inheritance Tax. This is known as a Nil-Rate Band (NRB).

The Government has now introduced an additional band known as the Residence

37%
Organisations that believe business interruption is the biggest risk they face

Turn to page 10 for more vital statistics

Nil-Rate Band (NRB), which allows the first £100,000 of an individual’s main home to be exempt from Inheritance Tax. This figure will rise incrementally to £175,000 by 2020/21.

NRB can be passed on to your spouse upon your death, while both partners’ relief can be applied when an estate passes to a direct descendent.

Tax treatment will depend on your personal circumstances and the rules may be complex.

To ensure you’re making full use of your Inheritance Tax exemptions, speak to our expert financial planners. Call 01603 967967 to arrange a consultation today.

103
The average expected life expectancy for a child born in 2007

Read more on page 16 to find out how this affects pensions



THE GROWTH OF CYBER-CRIME

Account Executive Ian Sadd takes a look at the growth of cyber-crime and its effect on global business

The *Oxford English Dictionary* defines cyber-crime as: ‘noun: criminal activities carried out by means of computers or the internet.’

At first glance, this appears to be a comprehensive explanation of the term; it broadly describes crime conducted online. It’s only closer investigation that belies the true complexity of this seemingly simple phrase.

In our increasingly connected lives, we’re more and more reliant on the internet for access to a range of services, from checking bank statements to staying in touch with friends and listening to music. We can be sat at a desk with a computer in front of us, or on a beach in Europe using a mobile device, and we rarely give it a second thought.

The convenience the internet provides is, unsurprisingly, popular and looks set to grow. As a result, Gartner Inc. predicts that businesses will need to securely manage more than 7.3 billion devices by 2020 as our homes become connected to the web (*Internet of Things (IoT) Study 2015*). While it sounds like

science fiction, we can already control our heating remotely and our fridges can order more milk when we run low.

But, in granting companies access to our personal details and movements, we’re also placing our trust in those organisations to protect that self-same data, whether it’s stored on their own servers or in the cloud. It should therefore come as no surprise that this information is a target for the unscrupulous among us.

As data and the means by which it is protected become more sophisticated, so too do the hackers and the means by which they disrupt and extort businesses. From worms and Trojan horse viruses, to phishing scams and ransomware, barely a day goes by without another headline about cyber-crime. Whether it’s the alleged Russian hacking of the US presidential election, or the WannaCry virus that hit the NHS in May 2017, it’s hard to avoid these major incidents.

According to the World Economic Forum’s *Global Risks Report*, cyber-crime cost the global economy £335 billion in 2016, while Juniper Research data predicts that figure will increase, hitting \$2.1 trillion (£1.55tn) by 2019.

Businesses not only need to be aware of the risks they face, but the steps they can take to counter online crime. As well as installing and updating both firewalls and antivirus software, it’s important all

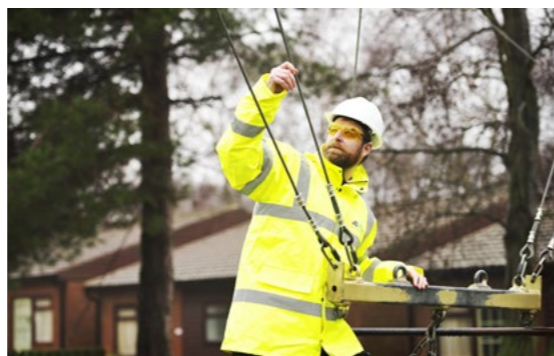
employees are aware of the risks and are educated about trends in cyber-crime.

It would seem that companies around the world are taking notice. The *Allianz Risk Barometer Report 2017* states: “For the fourth year in succession businesses are more concerned about cyber incidents [than in previous years]. The threat now goes far beyond hacking and privacy and data breaches, although new data protection regulations will exacerbate the fall-out from these events for businesses.”

The report further highlights the risks businesses were most wary of, with the top three being business interruption, reputational loss and liability claims after a breach.

In light of this, it’s vital to arrange cyber-risk insurance because of the protection it provides against the ever-evolving array of crimes. If a business suffers a data breach, insurance can cover the costs for the immediate incident response, litigation, the handling of ransom situations and reputation management. It can also cover losses suffered by third parties, such as clients, allowing organisations to compensate those affected by the breach.

We can help you find suitable cover by identifying the risks you face, before searching the market to find the right policy. Call me on 01603 218041 to make sure you’re protected online.



Putting safety first

Reducing and removing risk is a core priority for organisations of all sizes. Lucy Mowatt speaks to *Thea McCormack* about how the services of Alan Boswell Risk Management helps to keep Potters Resort on track

It's mid-July, the sun is shining and Potters Resort is buzzing. The popular Norfolk holiday destination can accommodate more than 800 guests at capacity, while also catering to visitors at its Black Rock Grill restaurant, on-site theatre and conference centre.

And with nearly 600 members of staff on-hand to attend to their every need, each guest is guaranteed the perfect getaway 365 days a year.

Dearsley heading out to Hopton-on-Sea at least once a quarter to provide ongoing support and advice.

"Outsourcing risk management to Alan Boswell Group [ABG] is definitely a weight off my shoulders," Thea explains. "It gives us more confidence and a robust approach to our risk management. Yes, there are things we need to complete day to day, and yes, we try to stay on top of changes in

"People!" she laughs. "We've always got to take the human factor into consideration; you can never quite account for what might happen when that's involved.

"Plus, the risk assessment process for a resort of this size and all of the activities we provide is hard. Ensuring that documentation doesn't go out of date, or that we don't miss anything is a key challenge – it's an ongoing process for a business of this size.

"Thankfully, we get step-by-step guidance from Gavin and John," she continues. "They're very good at putting it into layman's terms, so when anything is technical, they help us find practical solutions. John sends us an action plan that we distribute to our team and make sure that it's actioned. They support us and ensure that our audit trail is complete."

"Outsourcing risk management to Alan Boswell Group is definitely a weight off my shoulders. It gives us more confidence and a robust approach"

Overseeing the smooth running of this well-oiled machine is Managing Director John Potter and Director of Human Resources Thea McCormack. Having worked for the family business for more than 16 years, Thea is responsible for the health and safety of every individual on site.

To manage the scale of the job, Potters Resort has enlisted the services of Alan Boswell Risk Management, with specialist advisers John Neil and Gavin

legislation and updates to best practice, but ABG gives me confidence, because I've got someone at the end of the phone with the expertise I need to ensure everyone at the resort is safe."

Risk factors

With so much to oversee, Thea's biggest challenge could be any one of 100 things, but when asked what it is, she doesn't hesitate to respond.

Whole-business approach

Although Thea is responsible for risk management over all, she explains that the whole resort has a proactive approach to maintaining health and safety standards. Not only does each department manager take an active

role in the health and safety of their teams and areas, but each department also has its own health and safety representative. Plus there is a monthly senior management meeting focused on removing risk.

“We have a structured agenda for each meeting and we’ll cover off mandatory training and updates,” Thea explains. “The managers are very much involved in the risk assessment process, so at least once a year we’ll sit down and go through them in detail. We talk about any processes, procedures and equipment to make sure everything is up to date. And the health and safety rep or manager will be involved with that process, so they can implement training and update the rest of the business.”

“The teams help us to keep risk management alive within the company. We communicate with them at all times; we share information and make sure everyone is notified of any relevant changes to processes.”

When asked about the training requirements of a business of Potters’ size, Thea explains that much is completed in house.

“We do outsource some of it,” she adds. “John and Gavin have given us guidance on the types of training needed and pointed us in the direction of companies and contacts that can provide specialist education.”

No business is standard

Of course there are instances when advice is needed between John and Gavin’s visits. Having expert advice at the end of the phone is essential, because new scenarios play out every day.

“We don’t have to call them often, but advice is available if we need it. For instance, we’ve recently installed a giant swing at the resort,” Thea explains.

“Although we were confident that it met British Standards, we had some queries about the set up and whether there were any other precautions we needed to take. We called John straightaway and asked him to review it. He sent out a member of their engineering inspection team, who assessed it for us and gave us some feedback. We’re now happy that we’re exceeding the regulations.”

Of course Potters Resort is different to other companies, not least because it is open 24/7, all year round. In spite of the demands this places on the business, Thea is confident that guests can arrive on their short breaks and not see anything that would give cause for concern – and if there is, it gets followed up the minute it’s reported.

“We have a very positive health and safety culture as a business and that’s reflected in the claims we’ve had. We’re very transparent. Health and safety can have an impact not just on an individual, if they were to have a serious accident, but it can also damage our reputation.

“Plus, if you look at it from a cost and asset point of view, if we were to have a major incident it could cause millions of pounds of damage. I sleep much better at night knowing that there are people supporting us and making sure we’re doing what we can to ensure it never happens. And if it does, it’ll get sorted.”

Flagship events

Potters Resort is host to a number of events throughout the year, bringing a range of additional risks with them. The biggest event in the calendar is arguably the annual World Bowls Championships, which takes place every January.

“The bowls attracts an older clientele,” Thea explains. “We do have more trips and falls with that audience profile. Not only that, but we have a higher volume of people in quite a compact area, so that has to be taken into consideration.

“John Neil has reviewed our World Bowls Risk Assessment and we work closely with our third-party suppliers to ensure they’re compliant too. For instance, we have a company that comes in and sets up all of our stadium seating. They have their own risk assessments that we check and sign off.”

All sewn up

The services of Alan Boswell Risk Management sit alongside the commercial insurance provided by the wider group, covering any risks that the business can’t mitigate.

Says John Potter: “Alan Boswell Group has been so supportive both in placing



Terry Hammond

risk and managing it for me. They studiously looked at our overall sums insured and identified some areas of the business that were potentially under-insured.

“In fact, I was unaware of the risks and potential shortfalls I was carrying. They took the time to explain it to me in simple terms and make suggestions to improve that situation so that, in the event of a major disaster, they would have saved my bacon.”

Ultimately, insurance is there as support in the event of an incident, which is when the quality of the cover comes into its own. Often with delegated authority, ABG can usually resolve claims quickly, without reverting to the insurer, streamlining the entire process.

“The other person I speak to is [Claims Consultant] Sharon Theobald,” Thea states. “She is my liaison on any claims that need to be made – not that we have many!



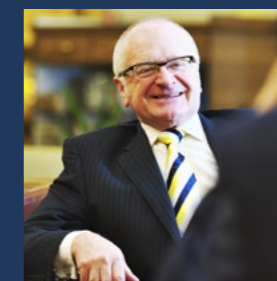
Gary Murphy

“The claims process is really easy. I’ll ping Sharon an email with a brief overview of the incident, along with any relevant paper work. She will work with her colleague Paul to do all of the follow up. They deal with anything from our point of view.

“I’m confident I can get hold of someone if I need to. Sharon has given us permission to give her details to anyone who may make a claim. She’s happy to have conversations with them if needs be. She sits between us as a company and the individual when it comes to injury claims.

“I would absolutely recommend using Alan Boswell Group. They are approachable and a great group of friendly people. As I’ve said before, they put things into terms that you can understand, that are useful for the business, and they offer practical solutions while also ensuring that we’re compliant with legislation. I would recommend them to anybody.”

An exceptional approach to health and safety



John Neil
Risk Management Adviser

With more than 40 years’ experience in the industry, Risk Management Adviser John Neil has seen his fair share of risks and accidents. He gives us more background on working with Potters Resort

Our relationship with Potters Resort began in 2010. I was asked to prepare a report into risk management when we started to handle their insurance.

They weren’t getting that service from their previous insurance broker and there were a few changes to be made at the outset.

Since then, we’ve carried out a quarterly safety review across the site for the whole gamut of risks, including trip hazards, hygiene and machinery.

“They follow our recommendations and over the past seven years the number of incidents has declined”

Our engineering inspectors, Gary and Terry also go out to complete their statutory checks on machinery to keep them compliant with legislation.

In fact, when they had a giant swing installed they asked us to make an additional visit. Although it met with British Safety Standards, Gary spotted that there were further adjustments to be made to make it even safer. Thea and the team didn’t think twice about making the changes.

They’re superb to work with. They follow our recommendations and over the past seven years the number of incidents has declined. Thea and the team understand that not only is individual safety at risk, but also the reputation of the resort.

It’s a cliché, but it’s true: it takes years to build a brand and seconds to destroy it – risk management is an important part of maintaining a positive reputation.

Potters Resort takes an exceptional approach to health and safety. There are always challenges, especially on a site of its size, and there are costs involved, but they’re proactive. They have a scheduled plan and they prioritise effectively, so the biggest risks are handled immediately.

UK HEALTH AND SAFETY IN NUMBERS

Following the publication of the latest HSE figures, *Telegraph* takes a look at the UK's vital statistics, along with the costs to both business and the economy



The UK workforce

— **75.1%** - UK employment rate amongst 16-64 year olds

— **15%** of workers are self-employed

Source: ONS

Health & Safety Executive in numbers



The total number of HSE regulations: **102**

2

The number of new regulations introduced in 2017 at the time of going to press

Injuries in the workplace

72,702

The number of workplace injuries reported under RIDDOR in 2016



£14.1bn

Annual cost of work-related injury and new cases of illness in 2014/15, excluding long latency illness such as cancer

Source: Estimates based on HSE Cost Model

Deaths in the workplace

The number of workers killed at work in 2015/16: **144**

The number of workers killed at work in 2016/17: **137**



Source: RIDDOR



Did you know...

...the average value of a large business interruption property insurance claim is **€2.2m**?

Source: Allianz Risk Barometer

Costs to business and the economy

660

The number of cases prosecuted, or referred to COPFS in Scotland, by HSE that resulted in a conviction in 2015/16



37%

The percentage of organisations that believe business interruption is the biggest risk they face

Source: Allianz Risk Barometer



4.3 days

4.3 days of absence per worker reported in 2016, the lowest recorded rate since the series began in 1993

Source: Estimates based on HSE Cost Model

137m

137 million working days were lost due to sickness or injury in the UK in 2016

Source: ONS

Want to reduce the risks your business faces?

Call our risk management team on **01603 967900**

to find out how we can help today



LOOKING OUT FOR THE PROFESSIONALS: HOW PROFESSIONAL INDEMNITY INSURANCE PROVIDES PEACE OF MIND ACROSS A RANGE OF INDUSTRIES

Whatever your industry – whether you're a solicitor, builder or fitness instructor – if you're providing advice, you're likely to have come across the term 'professional indemnity (PI) insurance'.

"The briefest explanation is that it's protection for all your assets when providing professional advice and services," explains S-Tech Account Executive Martin Taylor.

And he should know.

Having worked in insurance since 1974, with 22 years spent specialising in PI, there are few scenarios he hasn't seen.

"Most sectors need PI, which is also known as 'errors and omissions', but there are several main areas that should consider it," he elaborates. "For some professions it's compulsory. For instance, all solicitors, chartered surveyors and

insurance brokers have to have PI, as do accountants regulated by the Institute of Chartered Accountants in England and Wales. Then you've got design and construction businesses, where they're doing both designing and building, as well as the IT industry. Alongside these, you have what we would term miscellaneous professions, which are everything from agricultural consultants to zoologists."

Personal asset protection

"The core benefit of PI is personal asset cover," Martin explains. "Without it, you could be bankrupted by the cost of legal fees and damages."

"The majority of insurer pay-outs are for legal and defence costs, rather than damages," he continues "Regardless of how spurious the claims are, you're still going to have to defend yourself."

Finding your level

There are no hard-and-fast rules about how much PI cover a business should have. While some industries and contracts insist on having a particular amount of cover, it may be more suitable to exceed that figure.

"How much cover should people take? That's the ultimate question with PI, because nothing is standard," Martin says. "Core professions are given specific limits by regulatory bodies. Solicitors will be told to take £2-3 million dependent on their business structure; chartered surveyors have limits based on the size of their turnover; accountants have a multiple of their turnover – but that might not be sufficient."

"For example, two accountants might turn over half-a-million pounds, but Company A only has one client, so they potentially have a much larger risk of a big claim than Company B, which has 500 clients worth £1,000 in billings each. Company B might get more frequent claims, but they're not going to have the exposure to such large claims as Company A. Their levels of cover should be adjusted to reflect that."

"Underinsurance can mean you're not covered for the full value of a claim. If you buy £1m-worth of cover and end up with a £2m-claim, you'll have to pay the additional million that's not covered, plus your proportion of the legal costs," Martin continues. "It's vital to speak to an experienced broker to make sure you have a sensible level of cover based on your particular risks."

Online economies

"A lot of people arrange PI online these days," Martin states. "As with all types of insurance, it tends to be cheaper via the web because there are no advisers on hand to help with the process. Some businesses think they will never have a claim, so they get cheap cover. They view it as a formality."

"A broker can advise on whether you need it and the level of cover you should have. Online, however, the software isn't that clever; a website won't point out that you don't have enough PI insurance, or even that your business may not need it."

"A good example of where buying PI online falls down is environmental consultants. They frequently provide advice on pollution and contamination, but most online PI policies totally exclude these. The insurance industry tends to exclude contamination, pollution and asbestos because they're considered a big risk and it may be difficult to quantify. If you buy your cover online, you might not realise that and find yourself lacking vital cover. It might be as cheap as chips, but it's not worth the paper it's written on if you have a pollution-related claim."

Run-off cover

It's worth being aware that an online quote-and-buy process might not highlight the need for run-off cover either, which is required to operate in a number of sectors, protecting you against future legal action.

"If I retire today, I'll cancel my car insurance and my employers' liability insurance, for example. I won't need them because I don't have any employees and won't be driving on company business. However, with PI, I've still got exposure for the work I did in the past. Run-off insurance covers me for these historical activities at a reducing cost."

In the loop

PI isn't like other insurance policies when it comes to making claims. Most claims will be processed by the insurer in place at the time an event occurred. For instance, an asbestos-related claim would be covered by the employers' liability policy in place when the employee was exposed to asbestos. Conversely, claims made under PI are handled by your current insurer.

"Most PI policies will request that you notify the insurer in the event of a claim, but you should also inform your broker," Martin explains. "With a dedicated claims team, we often spot there are issues with the claim. We can address these problems and advise what to do next."

"The biggest problem we see is that clients often don't tell us about potential claims until things really go wrong. With PI, it's important to tell your broker as soon as a circumstance arises. Say someone refuses to pay your fee because they aren't happy with your work – your business may try to resolve it. However, if the situation escalates, your client may want to take you to court. When you come to make a claim for defence costs, your insurer may not pay out because you've prejudiced the situation by trying to fix it. They may also say that it was an existing issue that wasn't disclosed when the insurance was arranged and refuse to pay."

Case study:

Agricultural consultants

Agricultural consultants have two main areas where they need protection. The first is when they're assisting farmers applying for government subsidies. At present, many farmers receive subsidies from the EU and they have forms to complete with specific deadlines in order to access those funds. Agricultural consultants advise on applying for such subsidies, so there's a potential area for providing misleading advice.

"They often advise on the application of agro-chemicals too," Martin says. "They may give the wrong product or the wrong dilution rates, or recommend it at the wrong time of year."

"To give you an example, imagine if you had advised the application of an agro-chemical, but specified the wrong nozzle. The manufacturer's recommendation was that it should be distributed in large droplets, which would be localised on the crop. Unfortunately, you advised that it should be applied with a fine spray. Because the droplets were so light they carried on the wind and dispersed in a neighbouring field."

"The case could be very complex, because it affects another farmer. They would claim on their insurance, who would then pursue you for providing incorrect advice. Without PI, you would have to manage the cost of the proceedings and any damages yourself."

To talk to Martin about PI and how it can protect your business, give him a call on 01223 445408.

Protect your people

Following the launch of our new management liability scheme, S-Tech's *Kate Rhodes* explains what it is, the cover it provides and the benefits to your employees

Imagine you're the director of a company. It could be any type of company: a start-up, a non-profit or even a FTSE-100-listed organisation.

Whichever you choose for the sake of this example, you will face a range of pressures from various different sources such as stakeholders, employees, regulatory bodies, competitors and customers.

And although you might not realise it, the day-to-day decisions you make may leave you vulnerable to legal action.

What that means, in layman's terms, is that legal action can be taken against you; a director's personal liability is unlimited, so your own assets are at risk if you have to foot the bill for costs and damages.

And that's without considering the effect such actions can have on your reputation and that of your business.

In fact, this is the case for your employees too, even if they're not at director level. They can all be at risk of personal liability and face the possibility of personal legal action.

While that sounds like a horror story, a management liability policy (MLP) can provide peace of mind.

What is management liability insurance?

Essentially it's a comprehensive policy with three core sections that cover various aspects of your business. They can be tailored to match the challenges you, your employees and your business are likely to face.

The core covers are directors' and officers' liability, corporate legal liability (entity), and employment practices liability. There are also optional extras that can be added on to ensure your policy meets your needs.

Can start-ups get this cover?

If you're a start-up and are struggling to arrange insurance, we can help. Although most policies tend to be based on the previous year's turnover, which may not be possible for a new business, we can arrange a policy that takes a range of other factors into consideration.

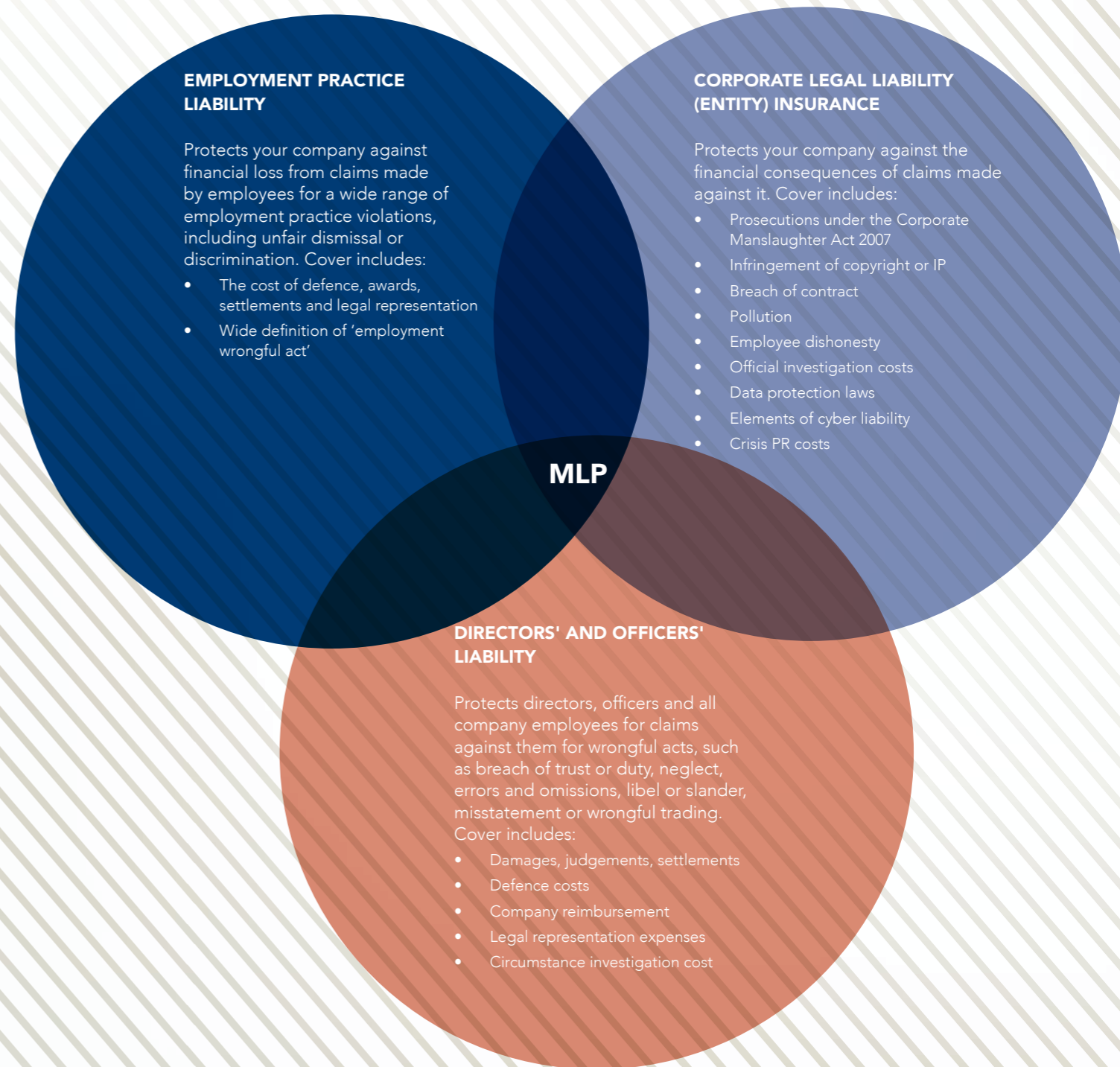
For example, we would explore funding, shareholder status and business plans to find the right level of cover for you.

We will also factor in when you're likely to see outside investment so we can make sure you're covered for any potential shareholder claims down the line. And, unlike lots of other policies, our cover doesn't have major shareholder or insolvency exclusions, which means you're covered if you hold a large proportion of company shares.



Kate Rhodes
Account Executive

The make-up of a management liability policy:



Case study

A director from Company A went to work for Company B. Company A alleged trade secret theft against Company B and the director.

Emails and access to secret information were cited as evidence that the director had given Company B the secrets of Company A to help it develop its own competitive product.

Four years after the charges were brought, the case was dismissed. Defence costs for both parties were significant and could have been covered by management liability insurance.

Source: Aviva

Planning for the future

With the recent Government announcement that retirement age will rise faster than anticipated in coming decades, *Telegraph* speaks to Senior Financial Planner *Sally Key* about the challenges she expects to see in coming years

Starting her professional life in the mid-90s, Sally Key has seen a lot of change. Alongside the ups and downs that you'd expect working in the financial services industry, she's witnessed changes to legislation, the effects of the internet and, of course, financial crisis. In that time, pensions in particular have seen plenty of transformation, not least with the curtailment of a number of final salary schemes.

"Pensions is where my career began," Sally says by way of introduction. "I started off at Norwich Union, where I was trained to do financial planning, with a focus on retirement and pensions.

"In 2005, I moved into the corporate world at Sedgwick, where I was employed to look after the installation work for stakeholder pensions at a time when businesses were shutting down their final salary schemes. From there, I took a role at Gerrard Investment Management [now part of Barclays Wealth], where I looked after high-net-worth individuals.

"Although retirement planning has been my focus, I have been involved with all aspects of financial planning, including investments and tax planning. One thing has an impact on another. You can't just do one bit of it."

Financial education

One of the biggest changes in recent years has been the introduction of what are known as pension freedoms in 2015, which means you have greater flexibility when it comes to taking your pension benefits.

"Pension freedoms mean that more clients are coming to us for information

about how this affects them," Sally explains. "That involves advising what they should do with their pension pots and the associated pros and cons of those options.

"Much of my role is focused on putting clients in the position where they have the information they need to make a decision," she continues. "I can put forward a recommendation that I feel is in their best interests, providing them with all the associated facts so they can decide whether or not they want to pursue it."

One of the main reasons for people to consider options other than annuities include succession planning and the ability to pass money on to the next generation.

"If you buy a conventional annuity, it will provide a fixed income throughout your retirement, but that will cease when you pass away," Sally explains. "If you're planning to pass funds on to loved ones, you may want to consider a drawdown pension instead. However, the suitability of this option depends on your attitude to risk. In this case, the money is invested and the pension comes in the form of a regular income. If there's any of the original investment left when you pass away, that can be gifted to your children, and it isn't subject to Inheritance Tax."

While that sounds like a logical thing to do, it should be pointed out that this is a simplification of a drawdown pension.

"It's worth bearing in mind that once a conventional annuity is placed, it's done,"

Sally explains. "There are no ongoing investment decisions. With a drawdown, however, you need to make ongoing investment decisions, so you'll need professional advice all the way through.

"That is really important to note, especially with an ageing population. My clients make sure that they've got power of attorney in place, so that I've got permission to make investment decisions if they are unable to in future. It's likely the need for this service will grow, so it's vital to work with a financial adviser you trust."

Living to 100

With mention of an ageing population, it's the perfect opportunity to explore the current news agenda.

In early 2017, headlines were dominated by the announcement that the retirement age for women is set to rise from 60 to 65 by 2018. It will then increase to 66 for both men and women by 2020, and then to 67 by 2028, with ongoing reviews of the retirement age taking place every five years.

Shadow Work and Pensions Secretary Debbie Abrahams estimated that these changes will affect 34 million people in the UK. The people that will be most affected are those without final salary pension schemes and insufficient savings in other types of pension.

The reasons for these changes must be viewed against the backdrop of an ageing population and falling birth rates. According to the World Economic

"My clients make sure that they've got power of attorney in place"

Forum's *We Will Live to 100* study, the life expectancy of a child born in 2007 is 103. But there are fewer people being born and entering the workforce to support those people in old age.

It is estimated that by 2050 there will be four working people supporting one retiree; in 2017 it's eight to one. What that means, in simple terms, is that there will be fewer people paying into the State Pension to support the growing number of pensioners.

Managing expectations

Says Sally: "Private pensions and cash-flow modelling are important for our clients. Unless their retirement fund has been very cleverly invested, we need to estimate when it's going to run out. There is a risk of that happening and it's one of the biggest issues with final salary transfers. If you have a final salary pension, you're guaranteed a set income for the rest of your life, which is index-linked with inflation. If you transfer it out, yes, there are great options for succession planning but how long are you going to live? Are you going to run out of money if the investment doesn't work out?"

"To get started, I sit down with my clients and say: 'Imagine your debts are all paid off. How much money do you need to live on today?' Then I factor in an agreed assumption for future inflation rates to get a figure. I then ask when they want to retire and I work back from there: How much capital would they need to achieve that income? How much should they be paying into a pension every month to achieve that?"

"It's about having realistic expectations. Lots of people say their pensions are rubbish, but that's because they haven't paid enough in. Had they taken an active involvement in that process and worked out what a certain type of retirement lifestyle would cost, they could work towards it by reviewing their plan on a regular basis. If they save half the amount they need, they have to expect their plans to be affected. In our job, we do have to have quite a lot of difficult conversations, because we need clients to have a realistic understanding of their plans, so we can manage expectations. That's why cash-flow modelling is so important – because it allows me to work out how long their funds are going to last and provide realistic expectations."



The life expectancy of a child born in 2007 is 103



Five things to look for in a financial adviser

Sally shares her top five points to consider when searching for a financial planner

■ Independence

Ideally, you should look for someone independent. Being independent, we're not restricted and have a huge amount of choice, because we have access to the whole of the market.

■ Fees

It's very important to establish costs. We usually work on a time-cost or fixed-fee basis rather than a percentage, so you know what you're paying up-front. We will notify you and reassess the cost if the work becomes more – or less – involved.

■ Qualifications

Look for qualifications. To give advice about final salary pensions, an adviser will need G60 or AF3. You can ask to see accreditations as proof if you want to be sure that an adviser has the ability to transact in that space.

■ Size

Consider the size of the organisation. If it's a one-man operation, it's important to find out what will happen to your finances if they are unable to continue working with you. You've got to have the reassurance that someone can step into their shoes.

■ Rapport

You must pick an adviser that you feel you can work with. Have an initial meeting with them and make sure you can have difficult conversations with them. If we're taking on a new client, the first hour of our time is free of charge. That's because it's really important for clients to establish if they are comfortable working with us. It's personal; we learn so much about our clients that they need to be able to trust us.

If you're considering your pension and retirement options and would like expert financial advice, give Sally a call on 01603 218075 or visit alanboswell.com.

financial planning

noun

1. the devising of a program for the allocation and management of finances and capital through budgeting, investment, etc.
2. the business of devising such programs.



Your money matters

No matter what your age, it's never too early to start thinking about the significant events in your life.

Whether it's a house, wedding, lifetime adventure or retirement, it's important to plan ahead to ensure you can achieve your goals and aspirations.

With a wealth of financial planning experience, we're ideally placed to help you reach your goals.

- ✓ Investments
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- ✓ Tax planning
- ✓ Protection



Taylor-made service

Landlord Brandon Taylor tells
Telegraph about customer service,
business growth and the importance of
having the right insurance cover

"My biggest challenge is keeping my tenants happy," Brandon Taylor states.

Considering Brandon has been the Company Chairman of Taylor Properties for several decades, that's quite a declaration. Having run the Lowestoft-based business for over 33 years, building a portfolio of more than 500 residential and commercial units along the way, he has seen tenants come and go, regulations change and the property market boom.

"Our aim is to always give good service," he adds. "When someone moves into one of our properties, we go the extra mile. We make sure they're registered with utility companies and the local council, for example. A lot of landlords will give their tenants the keys and a tenancy agreement and think that's it. In theory it is, but we like to go further. If you keep your tenants happy, they tend to pay their rent on time and look after the property."

The family-owned business, which goes back three generations, now has four members of staff and an address book filled with local contractors, which helps keep things moving from a maintenance perspective.

"We have lots of subcontractors and usually have two or three plumbers, electricians or carpenters working for us on a daily basis. When a maintenance issue arises, we can make a call and normally have a contractor out within an hour or so. If something's straightforward and we can get it done on the same day, we will. It makes sense."

Local focus

It's hardly surprising that the company has so many connections and relationships, having established itself in the community several years ago and keeping its focus firmly on Lowestoft.

"Taylor Properties was started by my late-father in the late-1970s – although its origins go back to my grandfather – and now it's run by my brother Jason and I," Brandon explains. "My mother is still a director, but isn't actively involved anymore."

"I came into the business full-time as general manager in 1984 and my father was then the Company Chairman. When I was 18 he said: 'I'm away a lot of the time, so you can run it'. Three years later, my brother joined me, and we've continued acquiring properties and letting them out."



Brandon Taylor

"We've grown to quite a substantial size and we have around 100 buildings, the majority of which are divided into flats. Everything's in Lowestoft. We also have several commercial units, ranging from small shops to restaurants and public houses. We've kept everything in a nice radius so we can keep an eye on things."

Because of Taylor Properties' longevity and its reputation for providing the best possible service, Brandon explains that he sees generations of tenants renting from the business.

"We've had people come through the door and ask if we remember them," Brandon laughs. "It turns out they were tenants 20 years ago and rented their first place from us. They liked it so much that they brought their children and grandchildren to rent their first place from us too!"

He also credits the company's high-street presence with maintaining its reputation. Having initially set up a small office in the 1990s, Taylor Properties moved into its current home at the heart of the Suffolk town in 1997.

"We opened it up as a bit of an experiment," he explains. "I wanted to see what would happen if we had somewhere we could put adverts in the window and employ someone who could man the office on a part-time basis. We



Jason Taylor

haven't looked back. In fact, I've never had to advertise since."

Prepared for every eventuality

Of course, it's not all plain sailing. Inevitably things go wrong and tenants are not always satisfied. In fact, one of the properties on the verge of being rented is a flat that suffered a fire in 2016.

"It's nearly complete and we're sorting out the finishing touches. It hasn't caused too much of an issue but, as a result of that, the insurers had to do a full survey of the property and made a few recommendations. I've forwarded these on to Steve Cox, our contact at Alan Boswell Group, to make sure he's happy."

The company has had insurance with Alan Boswell Group since the early-90s, when Brandon was introduced to the company by the Eastern Landlord Association.

Says Brandon: "They put together a portfolio [landlord] insurance package for us. They pointed out things we'd overlooked and recommended additional policies to make sure we were fully covered. It's important to have really good insurance. That's why we use an independent broker."

"I know you can do a lot online these days, but are you comfortable with the level of cover you're getting? Whether

"It's important to have really good insurance. That's why we use an independent broker"

you're dealing with one property or 100, there are so many things that can leave you out of pocket. With a broker we're getting tailor-made insurance that covers our risks."

Alongside the fire, Brandon states the company has been subject to a number of personal injury claims in recent years, in line with the rise of no-win-no-fee injury lawyers.

"Fortunately, with the [landlord] insurance policy we have, we were okay," Brandon says of a most recent claim. "I spoke to Steve when I got the letter from the solicitor. He told us to not reply and they would handle it. I didn't have to worry."

"Every year we have a review of the policy," he continues. "Steve comes here and we sit and talk things through."

"A couple of years ago he asked if we had directors' and officers' insurance. He explained that, as directors, we could be sued personally. Our property is protected by our existing insurance but we, and our staff, could be subject to legal action. We decided to take it out just in case. I know the likelihood of these things happening is small, but you don't want to be hauled over the coals and left out of pocket if you can avoid it."

"One of the things I like about Steve is that he always makes sure we're covered."

60-SECOND INTERVIEW

Claims Handler *Ashleigh Bedford* answers our questions about life both in and out of the office



What does a typical day look like for you?

There's no such thing as a typical day! I have no idea what I'm going to come in to in the morning.

My focus is on car accidents. You can't predict when someone's going to have a crash or how severe it's going to be. If a call comes in about a big crash, that will be my day. I'll assist with everything from recovering the vehicle, overseeing uninsured losses, injury claims, contacting third parties, speaking to insurers and even arranging hire cars.

It sounds very full on.

It is, because it's often an emergency, especially if our client is at the side of the road and the vehicle isn't driveable. The vehicle's got to be taken to a garage, while the driver and their passengers need to be recovered and taken home. If they've got injuries, these need to be documented too.

I make sure they're speaking to the right people and that they're going to a garage that they're comfortable with. If it's not their fault, I will also work with them to ensure they get an admission of liability from a third party.

What's the best piece of advice you've been given?

It's important to speak clearly; make everything as simple and easy as possible. I won't use insurance jargon or things like that. Making a claim can seem daunting, especially if you've never had one before. I'm the client's best source of information and I want to reassure them that I'm going to sort everything out.

Have you always worked in claims?

Almost! It's just been my two-year anniversary as a claims handler. Before I became a permanent member of the team I was an apprentice. As part of my apprenticeship, I spent the two years working in various departments, gaining knowledge of the business. Because of that, I always know who I need to refer to.

Are there any misconceptions about claims?

Yes. A lot of people come to claims and are unsure of the process they need to follow.

As a broker, we're here to get the best out of a bad situation. We work with both the client and the insurance company to get a fair and satisfactory settlement for both sides. We have good relationships with the insurers, so I will challenge decisions on behalf of my clients if I need to, in order to get the best outcome.

What about outside of work?

I'm very active online. I'm on Twitter and Instagram and follow quite a lot of social media influencers; YouTubers, vloggers, that kind of thing. Actually, my Instagram's full of nerdy things, and pictures of my pets. I've got an indoor rabbit called Jam and a hamster called Toast.

I'm a bit of a gamer too. My favourite game is a classic series called Harvest Moon. It's a Nintendo game and it's all about farming. You sit back and you have a little farm and rear animals. It's really chilled and laid back.

3 steps to making a claim



Keep calm and notify your broker

Write down all the facts, including date, time and the details of any other parties involved.



Have your paperwork handy

This includes policy documents, receipts or photographs of items in their original condition, if available.



Get snappy

Take photos or a video of the insured items from different angles if possible. This may help the insurer.

Landlord insurance you can trust from an award-winning broker



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- Malicious damage by tenant
- £5m property owners' liability
- Accidental damage cover included as standard



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