



Department of

**Enterprise, Trade
and Investment**

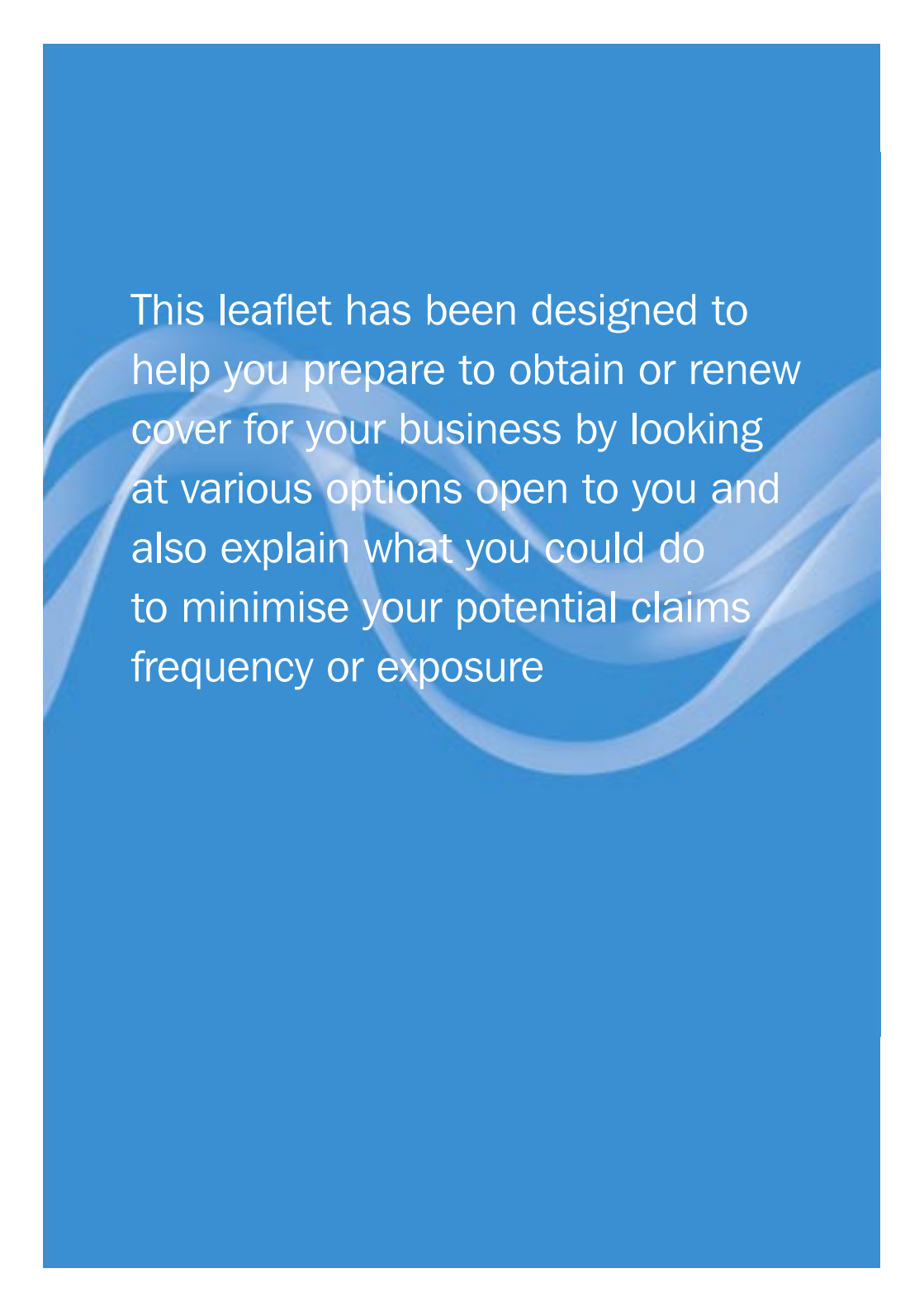
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Business Insurance Needn't Cost an Arm or a Leg

Business Insurance Information
from 20 January 2005

Stimulating
innovation
enterprise and
competitiveness



The background is a solid blue color with several overlapping, wavy white lines that create a sense of movement and depth. The lines are semi-transparent and flow across the page, primarily concentrated in the upper half.

This leaflet has been designed to help you prepare to obtain or renew cover for your business by looking at various options open to you and also explain what you could do to minimise your potential claims frequency or exposure

The British Insurance Brokers' Association provides names of brokers who may be able to advise on obtaining specialist insurance or providing access to wide markets.
www.biba.org.uk

WHAT DO YOU NEED?

By law you only require Employers' Liability and Motor insurance.

However, the majority of insurance policies cover Employers' Liability, Public Liability and Product Liability.

Employers' Liability

This is required by law under the Employers' Liability (Defective Equipment and Compulsory Insurance) (NI) Order 1972. The legislation requires the employer to arrange protection for their employees during the course of their employment. The limit set under the Act is £5,000,000, although many insurance companies give a minimum of £10,000,000 with the provision to buy more cover. In addition the 1998 regulations, which increased minimum limit from £2,000,000, also requires the

Employer to retain their Employers' Liability certificate for a minimum of 40 years.

Public Liability

This covers liability to third parties but not employees. For example, if a guest visited your premises and was injured by tripping over your worn carpet, or you were on site and caused damage to a third party's property. The client is able to choose the limit of indemnity required.

Products Liability

This is injury or property damage resulting from the product supplied. Again the client will choose the limit of indemnity required.

For comprehensive information on choosing the type of insurance needed for your business visit the business link website. www.businesslink.gov.uk

If you are asking more than one broker to quote for a policy ensure you provide the same information to all. This will ensure clarity so you can make a decision based on the best quote, and not necessarily on the lowest price.

GETTING STARTED

It is essential that the process of obtaining liability insurance is focussed on what you need. Listed below are a few simple points:

- If you are renewing a policy, it is best to start talking to your Broker or Liability Provider at least 3 months before the renewal date.
- Make sure you have your wage roll available split between manual and clerical staff.
- Find out what your turnover is and split this between sales to UK/ Europe/USA/Rest of World.
- Make sure that all aspects of your trade/profession are explained. This way you should be able to get insurance, even if you are away from your operating business premises (such as a plumber, etc.).
- Prepare a risk assessment and management register for your business. By putting the assessments into practice you demonstrate to the insurer that your business is one they will want to insure.
- The insurance industry has agreed that all commercial clients should receive at least 21 days notice of the renewal of their Employers' Liability policy. If this cannot be arranged, an extension of the expiring policy should be granted to provide the 21 day window.

THE LAW REQUIRES A SAFE WORKING ENVIRONMENT

The best way to keep insurance costs down is to manage the risks in your business and avoid accidents.

By law, the employer should provide the employee with a safe working environment.

If you have made a claim, the preparation of a risk profile identifying how the incident occurred and what procedures have been put in place for the future must be produced to educate fellow workers about the incident.

With legislation continuing to evolve, many businesses have taken a proactive approach to Health and Safety both for their business and their workforce.

The Health & Safety Handbook is not just a book on the shelf of the boss's office. It is a book that evolves, adds ideas for managing risks and identifies trends. These trends could indicate a cause of injury to the business or workforce.

It must be remembered that if an employee is injured, not only does he lose his income, but the business also loses the time involved for investigations to be carried out. This could result in orders being delayed and lost, which could affect the solvency of the business.

Many firms prefer to use the services of registered safety practitioners in connection with their individual business. If you would like more information then contact IOSH at www.iosh.co.uk/index.cfm?go=consultancy.

HSENI

HSENI is the regional health and safety authority responsible for the promotion and enforcement of health and safety at work standards in Northern Ireland.

In addition to undertaking workplace inspections and investigations of work related illnesses, injuries and complaints, HSENI is committed to providing appropriate, timely and practical information on all matters relating to health and safety in the workplace.

All employers, employees and the general public can access this information and advice through a variety of channels:

- HSENI's Information and Advice Centre located at HSENI Headquarters contains a wide range of reference materials in electronic and traditional formats as well as Internet access for research purposes. Centre staff are on hand to help with enquires and a duty inspector can also be consulted.
- HSENI's free telephone helpline service (Tel: 0800 0320 121) provides an advisory service to callers, again contact can be made directly with an inspector.
- HSENI's website www.hseni.gov.uk

The HSENI Small Business Advisory Service has been set up specifically to cater for the health and safety need of small businesses. The service will be manned by trained health and safety advisors who are not inspectors and as such will have no enforcement role. They will provide a comprehensive FREE and CONFIDENTIAL health and safety service providing practical information and advice to small businesses and start-ups on all aspects of health and safety.

INVEST NORTHERN IRELAND

Although specific to the manufacturing and tradable service sector, Invest NI is able to provide businesses with support in mentoring schemes, benchmarking clubs, advise on risk management and also provide financial help for non-statutory training for health & safety related issues.

DISTRICT COUNCILS

Local advice on health and safety issues in non industrial and service sector workplaces is available from District Council Environmental Health Departments. Some Councils also provide specific confidential advice and mentoring services for small businesses.

TRADE ASSOCIATIONS

Each specific trade or profession has its own Trade Association, from the National Federation of Roofing Contractors to the Associations of Residential Managing Agents. Many of these trade associations will have mentoring schemes appropriate to their business sector. The pooling of information will allow groups of businesses to share best practice procedures and risk management information.

Many Trade Associations will have arranged for their members to have access to an ABI accredited health and safety system which could secure them additional markets that would be willing to write their business.

FEDERATION OF SMALL BUSINESSES

The Federation of Small Businesses is a business organisation campaigning for a reduction in the cost of insurance premiums in Northern Ireland.

If any small business owner wishes to provide the Federation with information on insurance difficulties then they should contact the FSB office in Belfast.

BRITISH INSURANCE BROKERS' ASSOCIATION

BIBA is a Trade Association for registered insurance brokers, all of whom are regulated by the Financial Services Authority from January 2005. Members are situated across Northern Ireland and are able to provide insurance quotations for all sectors of business, both retail and trade. The British Insurance Brokers' Association provides names of brokers who may be able to advise on placing specialist insurance or providing access to wide markets.

DETI gratefully acknowledges the assistance and advice provided by the British Insurance Brokers Association, and the Association of British Insurers and the Federation of Small Businesses.

USEFUL ADDRESSES

Health & Safety Executive (NI)

83 Ladas Drive,
Belfast, BT6 9FR
Tel: 028 9024 3249
Fax: 028 9023 5383
www.hseni.gov.uk

Association of British Insurers

52 Gresham Street
London, EC2V 7HQ
Tel: 020 7600 3333
Fax: 020 7696 8996
www.abi.org.uk

HSENI Small Business Advisory Service

Health & Safety Works NI
Avenue House
42/44 Rosemary Street
Belfast, BT1 1QE
Tel: 028 9040 8007

British Insurance Brokers Association

BIBA House
14 Bevis Marks, EC3A 7NT
Tel: 087 0950 1790
Fax: 020 7626 9676
London www.biba.org.uk

Federation of Small Businesses

20 Adelaide Street
Belfast, BT2 8GB
Tel: 028 9051 7024
Fax: 028 9051 7120
www.fsb.org.uk

Belfast First Stop Business Shop Safety & Environmental Advice Service

14 Wellington Place
Belfast, BT1 6GE
Tel: 02890 27 83 99
Fax: 02890 27 83 98
Email: sue@firststopshop.co.uk
www.firststopshop.co.uk

Invest Northern Ireland

44-58 May Street
Belfast, BT2 4NN
Tel: 02890 23 90 90
Fax: 02890 49 04 90
www.investni.com



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Your views on this
document are welcome.

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