



## APRIL 2023 NEWSLETTER

Things have been very busy for BBi Group heading into quarter 2 of 2023, the time just seems to be flying! We hope you all had a lovely Easter break, and enjoyed a long bank holiday weekend. We do of course have 3 May Bank Holiday's fast approaching, with an extra one thrown in for the King's Coronation. As you'd expect, all UK offices will be closed on the May bank holidays.



## GET TO KNOW THE BBI TEAM - MATT CRACKNELL



Job title - Account Handler

Department - Commercial

Favourite football team - Spurs

Favourite food - Indian Food / Curry

To get in touch with Matt please email

[matt.cracknell@bernsbrett.com](mailto:matt.cracknell@bernsbrett.com).

# AFFORDABLE PROFESSIONAL INSURANCE VALUATIONS

Did you know that more than 9 out of 10 UK buildings are insured for the wrong amount.

- 83% of UK properties are under insured, meaning if a property damage claim was to be made this could severely reduce the amount paid out.
- 13% of UK properties are over insured, meaning you are paying more than you need to for your insurance and in today's cost of living crisis, this is not ideal.



Buildings should always be insured for the amount it would cost to rebuild them. However, as mentioned above, in the UK, quite commonly, this isn't always the case.

We understand that getting someone to visit your property to carry out a professional assessment can be time-consuming and very expensive; nonetheless this is necessary to ensure you are paying what you need to be to cover yourself should you ever need to claim against your insurance.

This is why we have partnered with [RebuildCostASSESSMENT.com](https://RebuildCostASSESSMENT.com), who can offer you a reliable and low-cost service from a 'Regulated by RICS' (Royal Institution of Chartered Surveyors) organisation. You'll receive a comprehensive Rebuild Cost Assessment (RCA) report guiding you on how much you should insure your buildings for. This is a fantastic affordable online service which can protect your organisation from the potentially severe consequences of under insurance. If this is a service that may be of interest to you, please get in touch with [RebuildCostASSESSMENT.com](https://RebuildCostASSESSMENT.com) directly and mention BBI Group as your referral where necessary.

## WHAT'S DRIVING MOTOR CLAIMS INFLATION?

As we are sure you know, the insurance industry is experiencing claims inflation across many lines of business and the motor industry is no exception. Read below some of the key themes and factors influencing motor claims inflation in today's market.

- **Supply Chains:** Global supply chains have been heavily impacted by the Ukraine war, Brexit and residual repercussions from the pandemic.
- **New car registrations:** In 21/22 approx. two million fewer new UK car registrations were recorded and as a result, the value of second-hand vehicles has increased.
- **Advancing Vehicle Technology:** As the technology in vehicles becomes more complex, the cost of repair and replacement similarly increases.
- **Energy Price Pressures:** This is impacting every stage of a vehicle's life and inflationary pressures are being felt across the board.
- **Labour Shortages:** An increased labour shortage for reasons mentioned above is contributing to claims inflation and longer lead times for repair and ultimately claims settlements.



For advice and motor insurance quotations please email [enquiries@bernsbrett.com](mailto:enquiries@bernsbrett.com) to discuss how we can make sure you are protected with the correct insurance. During this time, we're asking customers to notify a loss as soon as possible as this helps to keep claims costs down and manage the claims process more efficiently.

# WHAT IS THE TRUE COST OF CANCER IN THE WORK PLACE?

Discover why it's increasingly important for businesses to offer employee health benefits to their workforces.



- 1 in 2 of us will be diagnosed with cancer in our lifetime.
- Over 3 million people in the UK are living with cancer, increasing to 5 million by 2030
- 36% of those are of working age.
- Due to rapid progress in screening, diagnosis & management, survival rates are rising.
- 50% of people diagnosed with cancer live more than 10 years beyond their diagnosis.

A study run by the independent, educational charity, Demos, suggested that the indirect costs of cancer to the UK economy from lost wages & benefits to be at least £7.6 billion a year.

Returning to work after cancer treatment has historically provided many living with a sense of stability and normality that they crave, as well as much needed financial support.

Through more effective treatment and employee benefits, those affected are able to return to the workforce earlier, benefiting the patient and their families.

Businesses can take a few steps to support employees with cancer and other medical conditions and supporting their return to the workplace.

Companies should have a clear understanding of the treatments and support offered from across their employee benefits programme including private medical, group income protection and employee assistance programmes.

For more details, please contact Clive Lotherington - Employee Benefit Consultant at BBI Financial Planning – 0208 559 2111 or email him on [clive.lotherington@bbifp.com](mailto:clive.lotherington@bbifp.com).

## TERRITORIAL EXCLUSION (PROPERTY) GENERAL EXCLUSION



Due to the ongoing conflict in Europe, all of our policy wordings must now include a new property general exclusion. From 1st May 2023, new business and renewal schedules will contain a new general exclusion that forms part of the policy wording. This will explain that, we will not provide property insurance to individuals, businesses, or entities located in, or properties located within the regions of Belarus (Republic of Belarus), Russia, or Ukraine (including the Crimea and Donetsk and Luhansk). We expect the impact of this change on policy holders to be minimal. Furthermore, we remain committed to not extending coverage to organisations travelling to countries, or to any territories, against the advice of the Foreign and Commonwealth Office. Policy holders will be notified of this change in our renewal documentation. If you have any queries, please speak to your account manager or contact the team via email [enquiries@bernsbrett.com](mailto:enquiries@bernsbrett.com) or phone +44 (0)20 8559 2111 and we will be able to provide you with all the information you need.

# ADVANTAGES OF SURETY BONDS VS BANK GUARANTEES



With the current economic climate, it is essential to demonstrate financial strength and access to working capital when suppliers and/or contractors are looking to enter into a contract. There is typically an obligation for them to provide the employer with a form of security, which is commonly met in the form of an Insurance Backed Guarantee or 'Surety Bond', supplied from either banks or insurance companies.

## Why choose a Surety Bond over a Bank Guarantee?

### 1. To ensure cash stays within your business

Banks typically ask for cash as a security token when issuing guarantees. In the case of a Surety Bond, instead of cash an alternative form of security is taken via a Deed of Counter Indemnity. This allows the company the opportunity to reinject the cash into the business.

### 2. Greater Protection of the Underlying Contract

Bank Guarantees are typically 'On-Demand' obligations which provide little to no protection to the Bonded Principal of the underlying contract. Whereas, an Insurance Backed Surety Bond is primarily issued as a Conditional Bond, providing a lot more protection to the underlying contract conditions.

### 3. Prompt and efficient claims settlements

A Surety Bond includes adjudication and financing style wordings meaning the employer will receive a prompt settlement at the time of a claim. Furthermore, if their original bond call is not sufficient to cover their losses, up to the maximum bond amount, then this wording will also work the other way in favour of the employer.

For advice on Surety Bonds and Bank Guarantees please email [enquiries@bernsbrett.com](mailto:enquiries@bernsbrett.com) and a member of the team will get back to you.

For more information on any of the above topics please contact a member of the team on any of the below details:



[enquiries@bernsbrett.com](mailto:enquiries@bernsbrett.com)



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