

## Busy time for pensions

Currently there are eight different sets of tax regime that apply to pension schemes. On April 6th all of these regimes were replaced with one single set which includes:

- Tax allowance to replace maximum funding limits
- Retirement Benefits no longer restricted
- Change to tax-free cash at retirement
- Transitional Protection in respect of existing schemes

Our investment advisers at Howell Shone are asking our clients to ask three important questions:

- Is my money currently in the right place?
- Can I take advantage of current limits?
- Will I be able to register for transitional protection?

As you might expect our advisers are currently extremely busy individually working through these questions for each of our clients with the priority needed to make sure we help them make the most of the benefits to which they are entitled before the 6th April.

We recommend that any businesses who are currently not receiving advice from their adviser should ensure they do so immediately so that they may take the appropriate action to protect the benefits they have built up.



## working with Lloyd's

Some things can't be done over the phone. Our routine visits to London give us the opportunity to maintain helpful relationships with the most important insurance market in the world. On our last visit we were talking to underwriters with first hand experience in Katrina and Bunsfield-we also met lead underwriters from new Lloyds Syndicates like Illium who are offering innovative covers to the construction industry.

We don't always get the answers we want when we present client risks for quotation in the London Market. We do however get what we believe is the most favourable response possible from underwriters who want to help us-a result that is well worth the effort of travelling that extra mile.

## Rudely Interrupted???

Imagine you're running a business in the Buncefield area of Hemel Hempstead last December. You're looking forward to a serene run in to Christmas, everything nicely under control, everything anticipated – when suddenly the world around you explodes. And your business is threatened with its own catastrophe. Like the fashion retailer who lost £5.5 million of stock at the most critical time of the year.

In terms of business interruption, the Buncefield oil depot incident wasn't vastly different from the situation in the King's Heath district of Birmingham earlier in the year, when – in a matter of minutes, without any warning – it was a tornado that put at risk the continuation of dozens of businesses.

No-one these days can assume that their business is always likely to be free from

unexpected interruption. It might be something as transitory as a temporary power failure or something as drastic as a terror attack. It might be something rather different, like the closure or re-location of a major customer. It seems that many organisations haven't developed even the most basic plan. New research shows that small firms in particular are failing to ensure that vital systems like phone and data networks are protected against threats such as power cuts and extreme weather, let alone going further.

It's not just a case of legislating for property or stock damage and repairs - what about denial of access for customers, disruption to transport facilities - and worse still, customers going somewhere else, temporarily or for good? Business continuity isn't just about

protecting your own internal business processes against interruption – it also extends to maintaining service to your customers and ensuring that your supply chain is protected. And how long will it actually take to recover? – most likely, longer than you'd like to think!

Continuity Planning is a key area of Howell Shone services-please ask Tim Green for information.



# Shout about Noise Reduction

New Control of Noise at Work regulations came into force in April. The tighter Noise at Work regulations will provide improved protection for workers from one of Britain's most serious occupational diseases. Prolonged exposure to loud noise can cause permanent hearing loss and employers have a legal duty to cut down noise and protect their employees from the harmful effects of noise at work.

The EU "Noise at Work" legislation will reduce levels by 5dB(A), representing a cut of around 70% and obliges employers to provide training and assess the risk to workers exposed to a noise level of 80dB(A). Workers exposed to 85dB(A) and over must have hearing protection available and employers will also have to change working practices, implement a risk assessment and put an action plan in place.

According to Howell Shone, as far as hearing impairment is concerned, courts tend to take the view that employers should not only supply personal protective equipment (PPE), they should ensure that their employees are fully aware of any occupational risks to their health, and know how to use and maintain PPE effectively.

Careful record keeping could provide valuable evidence that could help employers defend themselves against any Employers Liability claims at a later date.

Detailed noise level identification and risk assessment reports can help to reduce the risk of hearing damage for employees, reduce the likelihood of compensation claims and even reduce insurance premiums.

In workplaces such as factories, call centres, construction sites and offices, or in industries such as engineering and manufacturing, noise exposure for individuals can be varied or complicated by work actions, such as moving from one area to another.

In the eyes of the insurers, it is no longer good enough to write a brief Policy Document and stick up a few

posters. It must be shown that there is concern for staff welfare by actively demonstrating a cultural approach to Health & Safety as part of the company ethos and the new noise legislation makes this even more necessary.

A key challenge is to improve the link between health and safety practices and employers liability premiums. Therefore, in the future it is expected that insurance companies will reward those with good safety practices and records - e.g. increased premium differential.

At Howell Shone, we work with Health & Safety companies to provide solutions to clients. We also have a noise meter in the office and are able to give clients a good indication as to whether they have an issue."

## Crime affects more companies



The average cost to business victims of crime now stands at £5,000 a year, according to a recent survey. A quarter of UK executives reported their business had suffered a crime within the last twelve months. The NOP poll of 500 members of the Institute of Directors also revealed that only one third of businesses have fully comprehensive Insurance to cover these crimes.

Most victims had been forced to increase security, repair damage, pay higher insurance premiums and cope with disruption to trading, the survey found.

By far the biggest single crime against businesses is theft by non-employees which makes up two-thirds of all offences. The survey also reveals high levels of fraud and Internet crime, with 30 per cent

and 27 per cent respectively, of those reporting crime, having fallen victim.

The IoD also called on its members to check their insurance policies are sufficient to their requirements, after the survey revealed a third of business crime victims are not covered by their existing policies. In fact only a third of businesses appear to have fully comprehensive insurance coverage.

Howell Shone is a member of the Midland Broker Alliance. The MBA is a group of independent brokers from across the Midlands who combine the value of local experience and understanding with a collective bargaining power that helps to secure very favourable terms of business from insurers and other providers. It thus enables its members to offer high value services and products which clients would normally only expect from the international broking firms.

## OK to say sorry?

It's a myth that you shouldn't say 'sorry' after a motor accident, says the Norwich Union. The company says that nearly 40% of motorists think that apologising would adversely affect their own insurance claim, or prevent them successfully claiming from the other party. But it claims that not saying sorry in fact encourages people to exaggerate injuries and damage, and has an 'escalatory effect' on the cost of says to the tune of at least £28 million a year!

A Norwich Union study of over 1000 motorists revealed that 31% would be likely to exaggerate injuries or vehicle damage in the other party involved in an accident was angry or accusatory. At the same time, 40% would be less likely to do this if the other driver was friendly and showed sympathy.

The insurer is launching a campaign to reassure motorists that simply saying sorry was only "an expression of regret, not an admission of guilt."



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