



INSIDE VIEW

Summer 2019

TOP TIPS FOR NEW DRIVERS

The summertime sees lots of young drivers taking to the roads for the first time. If your son or daughter has recently passed their test, pass on these tips from Measured Miles to help them to stay safe.

Young drivers are more than twice as likely to claim on insurance compared to older drivers, while the average claim is a whopping three times higher. So how can you reduce the chances of an accident – along with your insurance costs? Here's some advice for new drivers from the Association of British Insurers.

WHAT ABOUT THE MORNING AFTER?

It can be good to travel with your mates, but they can also be a distraction. Amazingly, you're 39% more likely to be involved in a fatal car crash when you carry just one passenger. Three or more passengers increases the odds to a massive 182%. So what can you do?

- Avoid offering lifts in the first few months after getting your licence
- Don't allow drunken passengers in your car, they'll only distract you

- Make sure everyone is wearing a seatbelt
- Never let anyone pressure you into driving irresponsibly. It's worth losing face to save your life.

- Always keep a good distance from the car in front
- Be careful going around corners, especially in the wet
- Slow down if there's low visibility

BE CAUTIOUS

A third of all accidents involving young drivers happen because they overestimate their ability, or that of their car, especially when:

- Taking bends
- Driving at high speeds
- Driving on motorways or other roads with the National Speed Limit
- Driving on wet roads
- Travelling on narrow country roads

In any of these situations, slow down, turn down the music and keep a close eye out for hazards. You might have to react fast and, if you crash into the back of another vehicle because you couldn't stop in time, it'll increase your insurance premium, so always keep your distance.

Speak to D2 Corporate Solutions to find out more about how Measured Miles can help with your young driver car insurance needs, with a telematics smart box policy that works for the whole family.

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PROTECT YOUR FAMILY OFFICE AGAINST CYBER ATTACKS

AZUR UNDERWRITING SHARE THEIR TIPS ON PROTECTING AGAINST CYBER CRIMINALS

One thing is certain: this is a threat which is only going to increase. With the exponential growth of the internet of things and smart home technology, criminals have an ever-expanding number of devices to target in order to extract sensitive information. They use a variety of methods including SmiShing, Vishing, phishing, social engineering and ransomware, which is far and away the most common form of cyber attack. Deliberate attacks may be carried out by blackmailers, disgruntled family members, (ex) employees and business or political rivals.

Sensitive information which falls into the wrong hands can be used to damage reputation and/or privacy in many ways including identity theft, extortion, blackmail, cyber stalking and fake news or smear campaigns which can spread like wildfire across the internet and cause untold damage in a very short space of time. Nevertheless, while 98% of those questioned for the report believe that reputation is of huge importance to their family's success, a surprising 38% of them did not have any kind of cybersecurity policy in place. That suggests a substantial disconnect between the risks posed by the misuse of leaked private and confidential information and the impact it could have on their reputation, privacy and future business dealings.

This is something which family offices need to address urgently. Strong defences are no longer optional and cyber security is a problem which needs to be addressed proactively at board level. A comprehensive policy will tackle three main areas which are outlined below along with some concrete protection measures that can be put in place against the most common threats.

IT FIREWALL

- Commission an audit of cyber security requirements by a third-party specialist
- Establish formal governance structures and guidelines relating to information and regularly review these to ensure ongoing relevance
- Monitor systems to detect a current or historic cyber attack
- Install a firewall and carry out an independent penetration test to determine how effective it is
- Back up all data off-site
- Put in place a secure authentication process for instructions concerning wire transfers and banking procedures
- Encrypt all emails containing sensitive information such as bank details and credit card information
- Regularly carry out IT upgrades and updates on all devices

HUMAN FIREWALL

- Carry out an audit of information in the public domain
- Correct inaccuracies in the public domain
- Remove information that does not need to be there

PASSWORD MANAGERS

- Secure and Encrypt all Cloud based application passwords with the like of 1 Password, LastPass and Dashlane
- Use a unique password for each application or service you subscribe to
- Using password managers makes it easy to generate strong and encrypted passwords
- Use different passwords all Home Applications and Business Applications

In addition to the above, it is a good idea to have an action plan in place in the event of an incident so that swift steps can be taken to minimise the impact of a data breach. This should include what measures need to be carried out and by whom. Azur understand the evolving threats of cyber risk on High Net Worth individuals.

Personal Cyber cover has been embedded into their Private Client Home and Smart Home wording so your clients are left knowing they are protected.

HELP! I WAS IN AN ACCIDENT AND IT WASN'T MY FAULT

Lyndon Willshire, Head of Sales and Marketing at ALPS, offers some insight into the Civil Liability Act and what it means for drivers.



I'VE BEEN INVOLVED IN A ROAD TRAFFIC ACCIDENT, IT WASN'T MY FAULT AND I SUSTAINED A WHIPLASH INJURY. UNDER THE LAW, AM I ENTITLED TO OBTAIN FINANCIAL COMPENSATION FROM THE OTHER DRIVER FOR MY PERSONAL INJURY?

These are common words uttered by around 650,000 motorists in the UK every year, many of who do go on to make a claim. But the question is...

ARE THEY ENTITLED TO COMPENSATION?

Currently, access to the justice system and getting representation from a legal expert to gain personal injury compensation, following a genuine non-fault road traffic accident, couldn't be easier – there are solicitors who will happily take on a driver's case on a no win/no fee basis.

However, this is changing – to address what it believed was a 'compensation culture', the Government lodged the Civil Liability Act to introduce a fairer system for claimants, insurance companies and taxpayers, as well as reducing insurance premiums. The Act became law on 20th December 2018 and from April 2020 it will take effect, bringing with it drastic changes in how personal injury claims will be handled and compensated on in the future.

WHAT IS CHANGING?

- The small claims court limit, which currently stands at £1,000 is jumping up to £5,000
- Any claims worth less than £5,000 will not require the attention of lawyers

- Whiplash claim compensation levels will now have its own tariff of awards based on the recovery time of the injury sustained
- No compensation settlement can be agreed without a bona fide medical report

Under current laws, the amount of compensation that an injured party is awarded depends on the severity of the injury and period of suffering. For example, for a neck injury or whiplash claim which lasted up to six months, the injured person could receive up to £2,400. However, under the new law, this will be greatly reduced to a cap of only £470.

WHAT DOES IT MEAN?

From April 2020, finding a lawyer to take on a case could be a thing of the past. Many law firms will not be able to act for potential clients as the individuals will not be able to afford the legal fees because their damages will be too low to enable the lawyer to deduct the legal costs from them. Also, the at-fault insurer will no longer be obliged to meet the legal fees. This means that the claimant will have to carry the burden of all the legal and associated costs themselves.

To assist with this, the Government has commissioned the building of a technology platform to allow claimants to bring their case themselves, negotiating directly with the at-fault insurer.

IS THERE AN ANSWER?

Luckily, there is a product that can be pre-purchased alongside your car insurance policy called motor legal expenses. Some drivers already purchase it, but many don't.

It protects your No Claims Bonus and provides expert help to pursue all types of uninsured losses derived from non-fault accidents, such as:

- Personal injuries for both driver and passengers
- The arrangement of medical reports
- The provision and recovery of vehicle hire costs
- Damage repairs
- Excesses
- Loss of earnings

All legal and associated costs in handling such cases are covered by the policy, ensuring the customer is not out of pocket in pursuing the claim, receives expert help, gains access to the justice system, as well as receiving 100% of any compensation awarded.

Do you have motor legal expenses cover? Speak to D2 Corporate Solutions to find out more.

THE GOOD WORK PLAN

AXA in partnership with rradar looks at the Good Work Plan, which sets out the Government's vision for the future of the UK labour market and what it means for both employers and employees.

WHAT IS THE GOOD WORK PLAN?

Introduced by the Government, the Good Work Plan aims to introduce a labour market that rewards people for hard work, celebrates good employers, pays equal attention on the quality and quantity of work and earnings potential in the UK, by creating better quality jobs.

WHAT DOES IT MEAN?

The Government aims not only to maintain workers' rights but to enhance workers' rights as the UK plans to leaves the EU:

- Workers with over 26 weeks' service will be able to request a more fixed working pattern from their employer, who must respond within three months
- Legislation will extend the break in continuous service to four weeks, allowing more employees to gain access to employment rights
- Legislation will repeal the Swedish derogation and ban the use of this type of contract to withhold agency workers' equal pay rights.

WORK SHOULD BE FAIR AND DECENT

The Good Work Plan believes that all work should be fair and decent and employers should offer opportunities that give individuals realistic scope to develop and progress.

One of the points it looks at is how quality work means different things to different people – for some it is pay, while for others it is greater flexibility or the opportunity to progress. The Good Work Plan sets out how quality of work is based on five foundation principles:

- **Satisfaction** providing better jobs helps employers to attract and retain talent
- **Participation and progression**

giving people the skills needed to enter the labour market and perform effectively at work

- **Wellbeing, safety and security** happy and engaged employees experience less workplace stress and are more productive
- **Fair pay** the Government will legislate to ban employers from making deductions from discretionary payments/staff tips

- **Voice and autonomy** this encourages long term information between individuals and their employers and provides a vehicle for their views to be considered on major workforce reforms.

MORE CLARITY ON EMPLOYMENT STATUS

Employment status is determined by the characteristics of the working relationship rather than what the contract says, and there is a three-tier framework:

- **Employees** are entitled to all statutory rights, including those requiring a period of qualifying service
- **Workers** are entitled to day one rights, including national minimum wage, holiday pay and rest breaks
- **Self employed** individuals, who are genuinely self-employed, do not require legal protection to treat themselves fairly. They have control over how, when and who carries out the work, and negotiate the price of the work to be undertaken.

CLARITY OF INFORMATION

Written statement from day one

If you're an employer, you will need to provide both workers and employees with a written statement from day one, which should include:

- The duration of a job or the end

date of a fixed term contract

- The notice required (from employer and worker) to terminate the agreement
- Eligibility for sick leave and pay
- Details of other types of paid leave
- Duration and conditions of any probationary period.
- All remuneration (not just pay)
- Specific days and times workers are required to work.

Key Facts Page for agency workers

If you are taking on workers from an agency, you will need to provide them with a key facts page, which includes the type of contract, the minimum rate of pay, how they are to be paid, if they are paid through an intermediary company and any deductions or fees that will be taken.

EMPLOYMENT TRIBUNALS

Some employers continue not to pay tribunal awards. The Courts and Tribunals Service will be reformed so that this does not happen in future.

IMPLICATIONS FOR EMPLOYERS

- Review/amend Written Statement (Terms and Conditions)
- Re-issuing of Written Statement (Terms and Conditions)
- Review/amend Staff Handbook
- Review/amend Company Policies and Procedures

WHEN WILL THESE CHANGES COME INTO EFFECT?

Legislation should be in place and implemented by 2020, however, we'd recommend reviewing your current working practices now, so you're ahead of the game when they come into effect.