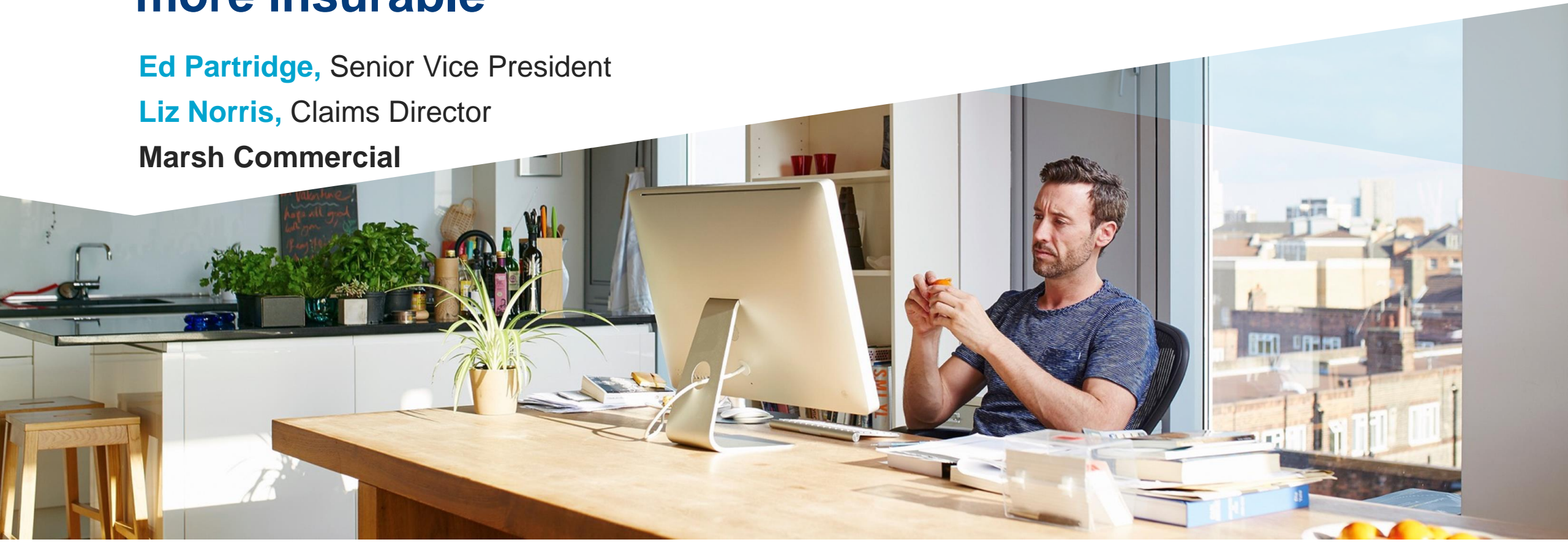


How to make yourself more insurable


Ed Partridge, Senior Vice President

Liz Norris, Claims Director

Marsh Commercial



Who is Marsh Commercial?

- Marsh Commercial (formerly Bluefin Professions) is a leading specialist insurance broker for financial professions
 - We've worked with ICAEW for 14 years as its appointed broker for members' professional indemnity insurance, office insurance, and cyber insurance and as a long-standing Member Rewards Partner
 - Almost 4,000 members entrust us with their insurance
 - We are part of Marsh, the world's leading global insurance and risk adviser
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The current insurance market

- Tough market conditions – a ‘hardening market’
- Carriers reducing capacity
- Insurers imposing reduced exposure and greater restriction
- No new entrants into the professional indemnity (PI) market
- Perfect storm from an insurer perspective
- There is light at the end of the tunnel –market is cyclical and will soften with economic fall-out of Covid





You are luckier than some

- Still solid support for traditional accountancy
- Areas that are worse effected
- Huge increases within certain business verticals
- No sign of this changing in the short to medium term



PII benefits and enhancements

- Exclusive ICAEW policy for chartered accountants
- Free tax helpline for you and your clients, used more than a 1,000 times every year by members
- Counselling helpline available
- £250,000 of cyber cover as standard
- £100,000 of legal expenses cover
- Interest free instalment option
- Six year run-off cover available
- Access to dedicated in-house claims team

Safety in numbers

- A scheme will ensure that you are working with an insurer that understands your market
- Any insurer will only enter into a scheme agreement after risk profiling and due diligence has been completed
- Any scheme insurer will be more comfortable than an open market provider to insure some higher risk work

The words of your scheme provider....

“The benefit of the scheme is that we look at it as a portfolio. It provides the stability to many. Something that firms don’t have in the open market. It gives the ICAEW member the combined purchasing power. Therefore the price/premiums will be more stable than outside the scheme arrangement”





Managing your renewal

- Still support from the market within the accountancy sector
- Risk profilers are being scrutinised more by insurers
- More information being requested
- Slower insurer response times
- Start the renewal process early
- Be prepared to supply additional information
- Ensure your broker understands your business



Running your business down? Don't forget run off!

- Thinking of retirement or closing your business? You need to remain insured
- What is run off?
- How long do I need it for?
- What will it cost?
- Please feel free to speak to a member of my team for any advice

Top five claims in 2020

- 2020 was a radically different year – but how has it impacted claims?
- Top five areas that are driving professional indemnity claims for accountants are:
 1. General accountancy
 2. Tax
 3. Insolvency
 4. Audit
 5. Transactional/corporate finance



2021...the same but different?

- We anticipate the top five claims to remain the same – but perhaps with a different slant or focus
 - Audit
 - Fraud
 - General accountancy e.g. delayed implementation of new/extended IR35 regulations
 - VAT rules changes in the Construction Industry Scheme (April 2021 onwards)
 - Covid-19





Covid-19 general accountancy issues

- Coronavirus Job Retention Scheme tax reliefs, grants and VAT deferrals
- Flurry of reported claims arising from missed deadlines to register PAYE online - Real Time Information (RTI)
- HMRC investigations around alleged fraudulent use of furlough scheme

Covid-19 and general claims

- Remote working
- Less direct or effective supervision
- Delays
- Poor communication



Online vulnerability and document security

- Ignore at your peril!

Physical:

- Paper-based diaries/filings/client files
- Increased portability of company documents and hardware as more mix of home/office working



Online vulnerability and document security

Security:

- Increased vulnerabilities caused by alternate working arrangements
- Expanded existing IT infrastructure
- Increased use of personal equipment for work purposes
- Speed of change
- Increased risks
 - Accessing of data in multiple locations
 - Greater difficulty to identify breaches (especially if personal devices used)
 - Blurring of work/home life



Recap

- Fast changing environment
- Take time to regularly review and take stock
- Employees are key to most of the risks – their engagement and morale can significantly affect risk profile and likely errors and omissions
- Keep on top of training in key areas both in terms of technical abilities but also cyber security/data protection etc.



Why use Marsh Commercial?

- Member Rewards Partner
- Exclusive professional indemnity solution/scheme
- Extensive knowledge of the accountancy market
- Added benefits – including free tax helpline
- Strong insurer relationships
- Dedicated account handler, direct dial phone and email
- In-house claims team





How we can support you

- Not every case we see is a “vanilla” risk
- Many insurers are declining to offer terms at renewal
- Some are removing themselves from the market
- Using our trading power to the benefit of ICAEW members

GET IN TOUCH

We have a dedicated and specialist ICAEW team based in Bristol. Please get in touch if you would like any advice or support.

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@ Liz Norris @Ed Partridge

With offices across the UK, wherever you are, we're here to help.

marshcommercial.co.uk/ICAEW



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