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# RAG

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# Taking commercial cover to the next level

ARAG's market-leading commercial policies have attracted some imitators over the years, but we work hard to stay at least one step ahead of them by broadening cover and improving value without inflicting unwelcome price hikes. The relaunch of our Essential, Absolute, Employment Practices and more bespoke business products is an opportunity to put some daylight between us and the rest of the market, and our product development team has seized it.

Essential Business Legal is first for a redesign that includes our new 'Executive Suite' of covers for the directors, partners and executive officers of the insured business. The extremely popular Crisis Communications cover has its limit of indemnity increased from £10,000 to £25,000, and there is a new indemnity for Health & Safety Executive fees for intervention under Compliance and Regulation, also set at £25,000.

It's not easy running a business, so our new Executive Suite gives valuable personal cover to key officers of the business, including motor prosecution defence and tax protection, plus a full ID theft resolution service, should one of them fall prey to identity thieves. There is cover of up to £25,000 for mediation costs to help resolve a dispute over a business partnership agreement, and we've extended the benefit of Crisis Communication cover to those individuals, acknowledging the fact that a

senior officer of the business facing a personal PR crisis is likely to impact the company too.

A new, interactive version of the digital policy wording provides quick links to relevant content and documents in the legal services website, ARAG tutorial videos and other resources, such as ACAS guidelines. Another useful feature is a downloadable handout about the employee counselling helpline, while a new privacy statement is provided that complies with GDPR requirements.

The regulatory and employment landscape certainly hasn't got any easier for businesses of all sizes and the only certainty seems to be more uncertainty. Already, the abolition of tribunal fees for employment disputes has resulted in a rapid upturn in the number of applications reaching tribunal while various compliance requirements, safety and other workplace issues put further strain on day-to-day operations. With so much advice and assistance on tap, ARAG policyholders can manage many of the legal risks they face and

enjoy peace of mind with the backing of insurance, should the worst happen.



MD Tony Buss

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If you would like to discuss our new commercial product in more detail, please get in touch with our sales team on **0117 307 2278** or email **ben.parkinson@arag.co.uk**.

# Uphill journey resumes for employers

*“These figures highlight a greatly increased risk that employees will pursue grievances”*

The spike in employment tribunal claims over the past three quarters looks set to mark the start of a permanent upward trend in the figures. With the ‘affordability barrier’ now gone, ACAS is receiving around 2,200 notifications every week and there has also been a matching rise in the number of disputes reaching tribunal. The statistics released by HM Courts & Tribunal Service, for October to December 2017 showed a 90% increase in the number of single claim employment tribunal applications compared with the same quarter in 2016. These figures highlight a greatly increased risk that employees will pursue grievances all the way to tribunal exposing employers to significant legal costs, if they do not have the benefit of commercial legal expenses cover.

## HR updates

To add to the pressure on businesses to keep up with the speed of legislative change, a number of new or increased requirements came in from the start of April;

### 1 April

- Increase to National Minimum Wage and National Living Wage.

### 4 April

- Deadline for gender pay gap reporting for both private and voluntary sector employers with at least 250 staff.

### 6 April

- Taxation of PILONS (pay in lieu of notice) and termination payments - a significant new requirement, making termination pay and payments in lieu of notice taxable.

### 25 May

- On the 25th May the Data Protection Act 2018 will come into effect significantly strengthening existing data protection rules.

Also in the pipeline is the prospect of draft legislation by July on CEO/worker pay gap reporting. We can expect consultation on extending IR35 rules on off-payroll working

into the private sector, to ‘ensure individuals who effectively work as employees are taxed as employees even if they choose to structure their work through a company’.

The Government has said it intends to make it illegal not to pay interns and there will be legislation that requires employers to provide payslips for all workers from day one. Four consultations are open; these deal with agency rights, tribunal enforcement, increasing transparency of the labour market and employment status. The consultations close in June and we can expect the Government to publish and consult about recommendations in the Autumn.



## Whiplash reforms re-focus attention on Motor LEI

Now that the Civil Liability Bill has started its journey through the House of Lords, whiplash reforms are expected in April next year. This will complete a process that combines a number of key changes;

- the introduction of fixed tariffs that limit awards to lower levels than current court guidelines
- changes to court rules to raise the small claims track limit for road traffic accidents, from £1,000 to £5,000 and for non-motor related injuries to £2,000
- insurers will be banned from offering to settle whiplash claims before a medical assessment has been carried out.

Almost all whiplash claims are likely to fall within the expected caps and tariffs, putting those without a motor uninsured loss recovery policy at a severe disadvantage. Raising the small claims track limit means that for around 90% of motor injury claims legal costs will no longer be recoverable from the party at fault.

While outlawing of pre-assessment offers is to be welcomed, the changes are expected to drastically reduce the opportunity for legitimate claimants without insurance to be helped back into recovery. This is likely to result in claimants either using predatory claims management companies or attempting to pursue claims without a lawyer. The knock-on effect of this is that the cost of motor LEI will increase as providers pay costs previously recoverable from the third-party insurer.

Other technical changes to the discount rates applied to the Ogden Tables are included in the Bill but its progress in parliament depends on the detail added by the Lord Chancellor. Despite the numerous challenges the Bill faces, it has always been the government's intention that motor premiums should fall as a result of the reforms. Ultimately, its success in becoming law is assured.



## Insuring women's legal futures

This year, we've been inspired by the CII's ongoing campaign highlighting the roles that the insurance and financial planning professions should play in championing gender equality, not just as employers but also in providing products and services that could help to level the financial playing field between men and women, rather than continuing to distort it.

There are so many ways in which women are put at a financial disadvantage in society, from the obvious gender pay gaps that numerous companies are trying to address at the moment, to less obvious issues such as the much poorer pension provision suffered by women.

Legal expenses insurance may not be the first thing that comes to mind when considering such a potential disparity in financial service provision, but we have taken a good look at our policies in the light of the Insuring Women's Futures programme and identified some key benefits that may, in some small way, contribute to a brighter and more equal financial future for women.

ARAG was founded on the principle of providing affordable access to justice for everyone, not just those who can afford it and, by providing legal protection to the whole family (not just the 'policyholder') the benefits of free legal advice and representation are available equally.



The most obvious benefit is the employment cover in our Family policies, which has enabled thousands of women to defend their legal rights in the workplace, often in situations in which they have been facing discrimination.

Equally important, however are some of the other benefits that our policies provide to all family members, such as telephone legal advice on any personal matter and online legal tools.

Digital legal services are a growing and highly empowering feature of the best legal expenses insurance policies and our ARAG Legal Services website allows users to easily create legal documents such as pre-nuptial agreements, powers of attorney and wills, the absence of which can often leave women at a financial disadvantage, later in life.

We're going to be watching the Insuring Women's Futures programme with great interest, as well as reflecting further on what more ARAG might do to help create a fairer financial future for all of our mothers, sisters and daughters.

For more information please visit: <http://www.insuringwomensfutures.co.uk>

# Latest moves in sales and management

As Andy Talbot takes the reins of both BTE and now ATE sales, ARAG welcomes two new faces into its teams.

Basil Anderson has joined ARAG as Corporate Account Manager, with responsibility for building and managing relationships with insurers, financial institutions and other MGAs. He brings significant insurance sector experience, after roles with RSA, Allianz and, most recently, Bank of Ireland.

Joining the ATE sales team is Paul Morgan, who will be working with law firms and intermediaries, particularly in South Wales and the South West of England. Paul has 8 years of account management experience within a law firm and many more in the logistics and publishing industries.

At a time when ARAG is expanding its sales operations, Andy Talbot welcomes the newcomers to the fold. "The teams are



**Basil Anderson**



**Paul Morgan**

well-established and full of experience but it's great to be adding some new faces to the line-up", he says. Andy himself has led the highly successful BTE sales team since the UK business was established in 2006. This year, he additionally takes responsibility for the After-the-Event sales teams.

In a further change to the senior management, David Haynes has been appointed as a Director to the company's

Where you can find us in 2018

- 14 September  
UK Broker Awards, London
- 18 October  
High Net Worth Forum, London
- 1 November  
Broker Expo, Coventry

board. He retains full responsibility for the company's underwriting and marketing functions, bringing his operational skills into play at strategic level. This is recognised by Chairman of the board, Werner Nicoll, who comments: "David is a strong asset to our UK business. He's a very loyal and dedicated team member who has worked tirelessly to build the successful ARAG plc business, as we know it today".



## Making a Will is easier than you think!

We all know that a Will is an important legal document, but often put off making one because we think it's going to be complex, time-consuming and costly. But did you know that the ARAG Legal Services Website includes an online Will writing service that allows policyholders to create a Will without the need to visit a solicitor's office or spend a lot on legal fees?

Just answering a few straightforward questions online creates a Will that's tailored to individual circumstances. It's quick, convenient and hassle free.

To demonstrate just how easy it is, we're offering you the chance to create a Will for

free, and if you make one by the 15th June 2018, you'll be entered into our free prize draw to win one of three £100 Amazon vouchers.\*

To take advantage of this offer, simply visit [www.araglegal.co.uk](http://www.araglegal.co.uk) or scan the QR code to access the ARAG Legal Services Website. Register using this voucher code: **ARAG999CON**.

Once registered, just select the Will that's right for your situation, click the 'Self Service' option, then follow the instructions which are provided every step of the way.

### So, don't delay, try it today!

The prize draw is offered in conjunction with Epoq Legal Ltd, the provider of ARAG's online Will writing system.

\*To read the full terms and conditions, please visit [www.arag.co.uk/prize-draw-biba-2018](http://www.arag.co.uk/prize-draw-biba-2018).

**MAKE A WILL WITH ARAG FOR YOUR CHANCE TO WIN**

**A £100 amazon VOUCHER!**



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[arag.legal.services.uk](http://arag.legal.services.uk)



**9am-5pm, Monday-Friday**  
After-the-Event (New business): 0117 917 1692  
After-the-Event (Underwriting): 0117 917 1564  
Before-the-Event (New business): 0117 917 1685  
Before-the-Event (Underwriting): 0117 917 1693  
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