



The

RAG

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Motoring ahead on uncertain ground

If we assembled a word cloud for 2019, "uncertainty" would inevitably loom large. No doubt, "Election" and "Brexit" would "Trump" it, but barely a magazine article, keynote speech or news bulletin can be written these days without mentioning the impact uncertainty is having on every aspect of business.

It's no coincidence that the insurance industry tends to manage uncertainty better than most. Protecting people and businesses from the consequences of uncertain outcomes lies at the very heart of what we do. But these have been particularly uncertain times.

What eventually became the Civil Liability Act, with its "whiplash" reforms, is one uncertainty that has been hanging over the motor market for many years.

Almost as soon as the ink was dry on the Legal Aid, Sentencing and Punishment of Offenders Act, 2012 (LASPO) the wheels were set in motion to address the spectre of "whiplash" claims that insurers argued were inflating all of our motor premiums.

Even after the election result, we can't say with absolute certainty whether the reforms that ultimately made their way into the Civil Liability Act will be introduced in April, as planned.

Whatever happens, many have underestimated the impact it will have on the motor market, legal expenses underwriting and even some brokers' business models. Few, however, question the fact that it will make having legal protection more important than ever, for motorists.

The very model of a modern motor policy

We can't let uncertainty hold us back though. In May, ARAG was the first to announce new motor wordings, updated to accommodate the provisions in the Act, because the policies we have issued since then will still be in force when it is due to be implemented.

Nor are we simply reacting. This month, we're launching the next generation of legal protection for motorists. Motor Complete is 2020-ready, irrespective of when the Civil Liability Act comes into force!

It also offers the broadest motor legal protection available, with cover for defending policyholders facing a motor prosecution and protecting them should they fall victim to the growing problem of vehicle cloning.

Our secret weapon

This doesn't all happen by chance, of course. ARAG's commitment to innovation is more than just lip service. Our product development team may not be huge, but it boasts more than 60 years of experience in legal expenses insurance specifically, not to mention the rest.

At the helm, Lesley Attu, our Product & Development Manager, knows about as much about legal protection as anybody. Her contribution has been sought by regulators, legislators and academics and she was recently shortlisted for a prestigious Women in Insurance award, with good reason.

Uncertainty may sometimes seem like the bane of all our lives, whether we're building a standard-setting motor legal protection policy, on shifting legislative ground or launching a business in Ireland with our future relationship

with the EU still unknown (see page 4), but for Lesley, her product development team and ARAG, uncertainty is another word for opportunity.

Let's hope the next initiative to emerge from government shows some understanding of this.

In the meantime, I would like to wish you all a Merry Christmas and a happy New Year!



MD Tony Buss

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Nationwide support for brokers

One of the things that has always set ARAG apart is our willingness to shape products to suit the specific needs of the particular market niches in which our business partners work. To do that, we have to offer expertise and support to our broker partners throughout the UK.

It is no coincidence that ARAG has by far the largest and most experienced legal expenses insurance sales team in the UK, with more than a dozen people out on the road, talking to business partners every day, and many more supporting them from our offices in Bristol and London.

ARAG has long differentiated itself on innovation, flexibility and service, none of which can be achieved without the close relationships and constant feedback that only true national representation can deliver.

While the wider market has seen some contraction in recent years, both in terms of the number of providers and also the number of account managers available to support business partners, the ARAG sales team has grown.

As well as smaller, specialist teams dedicated to solicitor partners who use our after-the-event products and to the insurers,

banks and MGAs we also work with, our team of broker account managers serves the whole of England, Wales, Scotland and Northern Ireland.

In this short video, Chris Clacy, who looks after our broker partners in the South East of England, and Tristan-Lennox Gentle of MIAB talk about ARAG's approach to building partnerships and our commitment to delivering bespoke, sector-specific solutions that help regional brokers to stand out in their own markets:



Broker Partnerships - MIAB

One step ahead of new IR35 rules

Private sector businesses face a small but important change in legislation next year, when the responsibility for determining the employment status of 'off-payroll' workers shifts to the 'end client', the company for which the work is being performed. Fortunately, ARAG's commercial policyholders are already insured against the risk of a dispute with HMRC about such matters.

The same responsibility was shifted onto public sector organisations back in 2017, so they are already responsible for deciding on the status of any IR35 contracts they may have in place with workers who are employed through a personal service company. From April 6 next year, this will also apply to the private sector, except for smaller organisations for which there is an exemption.

The business must also provide each contractor working through a personal service company with a 'Status Determination Statement' (SDS) in writing, and provide a copy of the SDS to any agency involved in supplying or paying the contractor.

Ultimately, the legislation ensures that HMRC can seek to recover any employment tax liabilities that arise from any party in the employment supply chain, if they have failed to comply.

Both ARAG's Essential and Absolute Business Legal Solutions products include access to a free tax advice helpline and cover against the cost of a dispute with HMRC.



Ending the year on a high

ARAG is no stranger to the industry awards ceremony stages, but 2019 has been a particularly good year. As well as garnering a string of nominations, our teams have been presented with some top awards, and just picked up another for *Insurance Provider of the Year at the Personal Injury Awards*.

In April, ARAG also picked up the *Best Customer Service Product* award at the *UK Customer Service Excellence Awards* for our work in developing a motor breakdown product with a unique customer journey specifically designed to meet the more

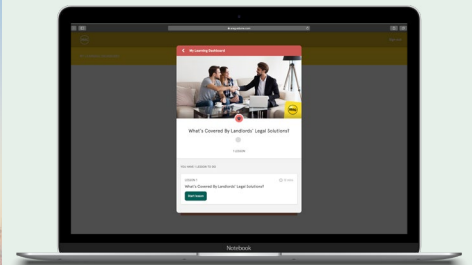
diverse and demanding needs of High Net Worth customers.

Then, in May, it was our claims team in the limelight when we collected the top prize for *Claims Product Solution of the Year* at the *Insurance Times Claims Excellence Awards*.

Recognition from our peers is always nice, but it's the opinions of our business partners and policyholders that really matter, which is why ARAG has long been committed to conducting thorough and exacting customer satisfaction research, to make sure we're really delivering the service that our trophy cabinet suggests.



Insurance Times Claims Excellence Awards Winner - Claims Product Solution of the Year



Training made easy

Now the weather has turned colder, burst pipes and heating failures are increasingly common problems for lots of people. To ensure your customers have 24/7 assistance when facing issues like this, home emergency insurance is the obvious, cost effective choice.

Our new edume training module can talk you through all the benefits of our cover in helping customers resolve stressful domestic emergencies, especially through the colder months when getting assistance quickly can be tricky.

The training platform offers bitesize learning on all of the products below. It's completely free to use and can count towards your CPD points. If you have already created an account, then the new module will appear automatically when you next login.

- **What is LEI?**
- **What is Assistance Insurance?**
- **Commercial legal expenses**
- **Landlords legal expenses**
- **Home Emergency insurance**

Keep an eye out for new modules as we are adding fresh content all the time, next up for the New Year will be Motor legal expenses.

Click here to start learning with edume:

www.arag.edume.com



ARAG launches in Ireland



2019 has been a busy year for ARAG around the world. While existing businesses, like ours in the UK, continue to thrive, the ARAG Group has also launched operations in two more countries, on opposite sides of the world.

Back in July, Australia became the 18th country in which the Group operates when a new MGA was launched in Sydney. ARAG Services Australia Pty Ltd offers legal expenses insurance products underwritten by HDI Global Specialty SE.

This month, the newest member of the global ARAG team launched in Ireland, bringing the total number of countries in the ARAG Group to 19 other legal expenses insurance provider.

Following the acquisition announced in February, ARAG Legal Protection Limited received regulatory approval and opened for business, in Dublin, at the start of December. ARAG immediately became the market-leading provider of legal expenses insurance products in Ireland.

The existing team in Dublin already has a wealth of legal protection experience and includes a number of employees who have worked in the sector for more than 20 years. They will continue to work from offices on Harcourt Street, at the heart of the city, and launched with a full range of legal expenses products for businesses, families, motorists and landlords, as well as a motor breakdown.

Throughout its recent transition, the ARAG team in Ireland has been supported by colleagues here in the UK, some of whom were involved when legal expenses insurance was first launched in Ireland in the 1990s. Our managing director, Tony Buss, was among them and commented:

“I worked with Adrienne and some of her team for several years, back when legal protection was new to the Irish insurance market. So, I am delighted that they are now joining the ARAG family.”

This new relationship with Ireland will enable us to continue trading post-Brexit with our UK business partners who have clients in the Republic. It will allow our partners to continue selling our market-leading products both here and in Ireland. Please get in touch with your account manager if you wish to know more.

www.arag.ie



Mock mediation & trial

We recently held a Commercial Contract Mock Mediation and Trial in association with 3PB Barristers and the Insurance Institute of Bristol. The event was held at the fabulous Coopers Hall in the Bristol Old Vic and we were delighted to have staff, business partners and CII guests in attendance.

The event was highly engaging and informative, and we will be releasing educational videos from the day itself in the New Year. Plans are also underway to hold more mock trials with our regional partners as a way of showcasing how our products can support your customers.

Here is a sneak preview from the day: <http://bit.ly/32VGPvK>



General enquiries:
generalenquiries@arag.co.uk
Press office:
pressoffice@arag.co.uk



9am-5pm, Monday-Friday
After-the-Event (Sales): 0117 917 1692
Before-the-Event (Sales): 0117 917 1685
General Enquiries: 0117 917 1680



ARAG plc
9 Whiteladies Road, Clifton
Bristol BS8 1NN



@ARAG_UK



arag legal services uk