

A Broker You Can Trust

As we look ahead into 2012 we cannot help but feel many of the events of 2011 will have an unnerving affect on the issues that will characterise the New Year. The financial crisis has permeated every sector of society including the insurance market, and it seems now the rising cost of motor insurance has even attracted attention of the government.

Our ambition as your broker is to offer true independence and stability in these uncertain times; an insurance solution that can be trusted without question. It is for these reasons that Sharrocks have taken steps which we believe no other broker in the South East have taken.

Would you be concerned if your broker after selling a policy to you received a further commission incentive? Would you be concerned if your broker had signed a deal with an insurer running January to December meaning a commission enhancement was paid upon completion of the deal? What if the broker was short of completing this agreement and your policy was recommended to be placed with that particular insurer in the December as the deal was about to close? Do you think you as the policyholder you should know that such a deal was in place before discussing insurance requirements with that particular broker?

Did you know that when you are unfortunate enough to have an accident that is not your fault your broker can receive a referral fee of over £500 per injured person? Do you think this should be disclosed when you have a claim?

At Sharrocks you can be assured we do not have any such deals in place with insurers. When we recommend you the best insurer we do so because they are the best insurer for you and not for us. And in 2012 every single referral fee we receive in the event of a personal injury will be donated to our Sharrocks Send A Smile charitable foundation.

If your policy is not with us challenge your insurance provider!



Sharrocks Claim the Initiative

In the coming weeks and months we will be offering our motor customers some new procedures that will make sure if the worst does occur your claims will be settled quicker and any claims challenged more effectively. According to recent surveys by the British Insurance Broker Association (BIBA) 87% of brokers regularly negotiate up to a 20% increase on claims, 91% negotiate a claim payment uplift either often or occasionally and 94% overturn a claim rejection occasionally or often. However in 2012 we will be offering new ways to even greater assist our customers. In recent years the rise of credit hire and personal injury claims made by third parties has increased claims pay outs and reciprocally helped increase motor premiums. Should you hit a third party vehicle and not inform your insurer straight away the injured party can submit costs which are consequential to the incident and which if had they been notified earlier your insurer may have been able to reduce. QBE a major motor fleet insurer provides the following real claims scenario:



- Accident 13/3/2008
- Hire by Third Party (TP) began 14/3/2008
- Claim form sent by policyholder to broker 27/3/2008 (14 days after the accident)
- Claim notified to QBE by the TP hire company 27/3/2008
- Broker emails claim form 2/4/2008 to QBE (2/4/2008) to QBE (20 days after the accident)
- QBE suggests settling the TP claim
- Policyholder not prepared to accept full responsibility for the accident
- TP now approached own insurer to get repairs done
- Witness Statement received 28/04/2008
- Policyholder then accepts liability
- TP vehicle repaired and hire ended 27/5/2008
- Credit hire cost £8,384.

The lesson to this story is to report early and be sure on liability but it is clear how quickly costs can mount up.

So to help our new claims initiatives are:

- Every customer purchasing motor insurance be it single vehicle fleet or motor trade insurance will be issued with a claims credit card. This card will have your insurers details, policy number and claims contact number as well as a guide to what to do when reporting a claim. This claims credit card will help you reduce third party credit hire!
- If you cannot make a call to us or the insurer visit our website at **www.sharrocksinsurance.co.uk** to complete our online claims form so that we can advise your insurers on your behalf.
- We now have a dedicated claims line. When you phone us press option 3 and speak to one of our experienced claims handlers who will be able to assist you every step of the way right through to settlement.
- Finally Sharrocks supports the ban on referral fees. Should you have a not at fault accident we will not benefit from a referral fee or any extra incentive for passing this on to a credit hire specialist or personal injury solicitor. In 2012 we hope many other insurance brokers and motor insurance providers will follow and help reduce your premiums rather than add to them.

For more information on how referral fees are affecting the motor insurance market please visit:
<http://www.bbc.co.uk/news/uk-14846666>

So should the worst happen we will be there to help.

MD's column

Firstly thank you for your support in 2011 and our first year at the Windmill. I feel too often in the insurance industry we either insult our customers with childlike cartoon imagery which devalues our product and patronises our clients or act in a way devoid of our customers.

In 2011 I have discussed with many insurers the reasons for their price increases and then had to explain them to my team and customers alike. We fully accept that a business must operate profitably and to do so price increases are a way of achieving this. However, we also believe a consistent price model will ensure that any changes required to bring profitability and more security in the insurance sector will occur more swiftly. However it seems insurers are unable to offer such consistency. Too often do we find the same insurer complaining of losses due to poor claims history and then offering a deal to an insurance broker which means unsustainable price reductions.

In August 2011 MMA insurance undertook a survey which revealed that a significant proportion of all brokers offer schemes. Traditionally a scheme would be a specialist relationship between an insurer and a broker who might offer niche experience for a particular product and then provide a policy uniquely suited to that trade with reduced premiums passed on to the customer. Unfortunately at the moment schemes are offered to brokers far too frequently and then the major motivator for re-negotiation was enhanced commission for the broker. Rather than increasing rates to satisfy profitability it would seem insurers are allowing brokers to dictate to them to carry more risk for less premium but for bigger volumes of commitment.

As a broker with over 40 years of trading experience we seek stability and sustainability. We also understand that to move business purely based on our commission is near sighted and short-termist. Our profits both as brokers and insurers will be secured long term by truly investing in our customers, with improved customer service and consistent stable premiums rather than pockets of rate increases and ill-judged gimmick based discounts.

I am pleased that in 2012 we have launched our "Challenge Your Broker" campaign. We are hoping that this will offer greater transparency to our customers and to re-inject the insurance market with a greater sense of trust.

Twitter and Website

In October we launched our new website at www.sharrockinsurance.co.uk. Profiling our new windmill premises and our commitment to customer service our new site is full of useful documents, news articles and industry information. If you are an existing customer, let us know about our customer service and save £10.00 from your next broker charge.

As well as the launch of the new webpage we have also launched our Twitter account @SharrocksInsure offering industry updates, local news and comments. We hope that you can visit us online and follow us on twitter in 2012.

CHRISTMAS

Our second annual
Christmas fundraising day.

All monies raised were
donated to the Sharrocks
Send a Smile Foundation



Crazy Golf Day

on 18th May 2012

at the Windmill

09:30am until 05:00pm

all donations towards Sharrocks

Send A Smile Foundation

Entry Fee £5



ELTO – Employers Liability Tracing Office

With effect from 1st April 2011 there is a requirement for customers that have employees (and pay them above the minimum PAYE threshold) and have the compulsory Employers Liability cover to provide Employer Reference Numbers (ERN).

The Employers Liability Tracing Office (ELTO) is an independent body that has been created to assist claimants in tracing their Employers' Liability insurers. From 1st April 2011, Insurers began to capture Employers Liability insurance policy data. Most employers should be aware of this initiative through the ELTO bulletin issued by HMRC to all users of the PAYE scheme.

If you are a business that qualifies for submission of your ERN you may have already received our letter requesting your information. However if not simply complete the easy to complete form and return it to us at your earliest convenience:

http://www.sharrocksinsurance.co.uk/userfiles/files/employers_reference_number_declaration.pdf

Useful information:

<http://www.hse.gov.uk/pubns/hse40.pdf> - HSE Guide to Employers Liability cover

Our New Contact Details

Visit us at Watsons' Mill, Ride's Passage, High Street, Sheerness, Kent ME12 1UD
Alternatively call us on 01795 580800

Email: enquiries@sharrocksinsurance.com

Fax: 01795 662499

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