

# Motor trade

Broker News

Allianz 

December 2008

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Mark Ashwood,  
motor trade  
manager

## Welcome

Welcome to the latest edition of our motor trade broker news special. This issue brings you up to date with the latest industry developments affecting the motor trade market and key developments in the Allianz motor trade world.

'23% reduction in new car sales'... 'Dealership closures?' These headlines do not make easy reading for motor traders and we recognise that there are tough times ahead. You and your clients can rest assured that Allianz will continue to offer outstanding cover and a range of services that will add value through this challenging period.

During this difficult period it is important that clients do not neglect essential risk management considerations. Cutting costs in these areas can prove to be a false economy, an issue highlighted in our driving safety at work article on this page. Don't forget Allianz also provides Risk Director, a free online tool delivering risk management advice.

In Allianz Commercial you have access to an insurer with the strength and capability to respond in moments of truth. We have a secure capital base, very strong credit ratings and provide local solutions from across our 14 UK branch locations. We have the people, products and service commitment that makes Allianz Commercial a trusted and sustainable proposition for your clients.



## RoSPA warns - don't cut corners on health and safety!

Given the current financial climate, it is no surprise that employers are looking for ways to tighten their belts.

The Royal Society for the Prevention of Accidents (RoSPA), is urging organisations not to cut corners on health and safety, including the important area of managing occupational road risk.

At the present time, there is a danger that measures to reduce risk on the road may be seen as "nice to have" rather than "essential". With health and safety regulations regarding the road as an employee's workplace when driving for business, it is imperative that employers continue to focus on this area

In addition to the legal and moral reasons for preventing accidents, RoSPA is reminding employers to recognise the strong business case which exists even when times are tough:

- In a recession, when there are no longer opportunities to improve the bottom line by increasing turnover, controlling loss becomes even more important
- Recession is coming at a time when penalties for non-compliance are being increased and third parties such as clients are continuing to demand higher standards.

**Kevin Clinton**, RoSPA head of road safety, said: "Now is a good time for companies to assess how they are managing occupational road risk and whether additional investment in any parts of the system (such as risk assessment or driver training) could result in cost savings - as well as peace of mind."

### Allianz and RoSPA – working together

Allianz is proud to be the only insurer working exclusively with RoSPA to promote the importance of effective risk management and protecting people driving at work.

A key benefit of this partnership means your clients can access exclusive discounts off a range of driver training courses. These include risk assessment, driver development training and consultancy, along with a range of specialist and advanced courses.

To find out more speak to your local branch today or visit [www.allianzbroker.co.uk](http://www.allianzbroker.co.uk)

# Great news for brokers

## Changes to motor trade renewals

Small motor trade renewals which fit the following criteria will now be traded on a statement of fact basis:

- Renewal premium is less than £15,000
- Overall turnover less than £3,000,000
- All trades except breakdown, recovery and transportation.

This will dispense with the need to obtain a signed proposal for each renewal you transact with us.

\* There may be exceptional cases where due to adverse underwriting features or claims experience we require a signed proposal form.

## New electronic renewal form

As part of the new renewal process an electronic renewal proposal form will be issued with all motor trade renewals.

The form includes details of the existing exposure with a column to input the updated exposures if required.

A declaration is also now included in the electronic renewal proposal form. The form only has to be returned if there has been a change in exposure or material facts.

## Index linking

To assist you to ensure your clients' sums insured are protected against inflation, index linking is now also available for all motor trade policies.

**To find out more about the service improvements we've made contact your local branch today**



Allianz, making it easier for you to trade with us

## Allianz and the ABI take further steps to combat uninsured drivers

When uninsured vehicles are seized by the police, they can be re-claimed if the owner can provide proof that the vehicle has now been insured. Increasingly the police have seen people collect these vehicles with the help of a 'driving other vehicles' facility on someone else's motor trade policy. Generally this results in the vehicle returning to the road without insurance and so continuing to pose a threat to innocent motorists.

To prevent this occurrence, an industry wide initiative has been launched, working alongside the ABI and the Police. Subsequently we have amended our motor trade certificate with the following line being added to the Limitations as to use section:

'Excluding use to secure the release of any motor vehicle which has been seized by or on behalf of any government or public authority which was not the property of the policyholder or in his custody or control at the time of seizure.'

This change will be applied to all policies inception or renewed from 1st November 2008. There will be no disadvantage to policyholders wishing to recover seized vehicles which belonged to them or were in their custody or control when they were seized.

Reacting in this way demonstrates our continued dedication to working with the ABI, other insurers and the Police to clamp down on uninsured drivers and insurance fraud, reducing the burden on our customers

**Visit our new and improved MID website at**

<http://www.allianz.co.uk/commercial/mid>

# Go green –

save the planet and make money.

A win, win, win says Allianz

For vehicle repairers and workshops, going green means not only that they guard against prosecution for breaching laws and regulations designed to protect the environment – including water sources – from pollution.

Allianz Commercial also points out that a sensible environmental approach to business can also reduce operating costs by reducing energy consumption and bills, helping win contracts from government departments and other commercial operators that require business partners to manage their environmental impacts effectively, and improve your clients' operations reputation among staff, customers and the public.

The automotive industry, whether it is involved in repairs, servicing, bodywork or spraying, has significant responsibilities when it comes to the environment, particularly when it comes to emissions (vehicle exhausts, re-spraying vehicles and dust from moving and storing materials), and land contamination (avoiding spills of acids, solvents, oils and spent fuels).

Then there are issues regarding noise pollution (from equipment and machinery as well as moving materials and vehicles), waste disposal (such as vehicles and vehicle parts, tyres and batteries, oils and paints) and water discharge (run-off from vehicle cleaning or forecourts).

## The Landfill Nightmare

Allianz Commercial is doing its bit in a number of ways, first by offering its network of approved vehicle repairers the chance to reduce the amount of waste sent to landfill sites.

Working in partnership with Specialist Waste Recycling Ltd (SWR), Allianz is the first UK insurer to offer its approved repairers the opportunity to opt for a greener and cheaper approach to managing their waste through the use of 'sort at source' bins.

Batteries, bumpers, tyres and hazardous liquids are just some of the items segregated into the specialist bins placed on-site. The items go on to be recycled into everyday materials, including:

- Seat belts – bags, hammocks, soft furnishings
- Tyres – artificial sports grounds, building materials
- Plastic bottles – insulation, clothing, street signage



## Recycle a commercial success

Allianz Commercial supplier manager, Phil Brailey, said: "Mounting legislation in this area means companies are increasingly accountable for what happens to their waste. We hope that by working with our approved repairers we can offer a solution that will build their reputation as an ethical business and save them money."

SWR guarantees that 75per cent of waste will be recycled, moving to 85per cent within 18 months of using the service.

Angus MacDonald, chairman of SWR, said, "This is a significant move by a major insurer to wish to lead the way in responsible waste management. By taking advantage of the years of experience we have specialising in recycling motor accident repair waste, Allianz has shown its proactive commitment to the environment whilst making a commercially sound decision for all stakeholders. We at SWR are delighted to be a central part of this project."

There is more than one way to skin the environmental cat however, and Allianz Commercial is also reminding businesses of the need to comply with the new Energy Performance of Buildings Regulations which came into effect in April.

Helping protect the environment is not only good for the planet – it can also be good for a motor trader's business

For the full article visit [www.riskdirector.co.uk](http://www.riskdirector.co.uk) if you are not already you will need to register when you first login

Regulation,  
regulation,  
regulation ...



# Important information motor traders cannot afford to ignore!

Due to the ever increasing focus on health and safety legislation it is essential that your clients clearly understand their regulatory obligations.

Motor traders have specific issues and responsibilities due to the access that the general public have to their facilities.

## Fixed Electrical Wiring Installations.

All fixed electrical wiring installations should be assessed and maintained to ensure that they remain safe.

Electrical faults can lead to injury to persons from electric shock, burns and property damage from fires. The Electricity at Work Regulations (EaWR) requires that all electrical systems should be maintained to prevent danger. The inspection and testing of such systems is one way in which your client can demonstrate that this requirement is being met.

The Institute of Electrical Engineers provides guidance, to the scope and frequency of the inspection and test, which states that the maximum period between inspection and testing would not normally exceed three years.

If your client dispenses petrol, whether direct to the public or into their own vehicles, then they have additional responsibilities under the Petroleum (Consolidation) Act 1928 as amended by the Dangerous Substances and Explosive Atmospheres Regulations (DSEAR) 2002 which requires the operator to protect the safety of workers, and others, from dangerous substances that can cause a fire or explosion.

Flammable substances, such as petrol, are readily ignited and any sources of ignition should be identified along with the measures being taken to reduce the potential for that ignition. A faulty electrical installation has that potential and therefore your client must be able to demonstrate that all necessary measures have been taken to ensure the integrity of the electrical installation e.g. report of thorough inspection and test.

## Local Exhaust Ventilation (LEV)

Under the requirements of the Control of Substances Hazardous to Health Regulations (COSHH) 2002 your clients have a responsibility to ensure that the exposure of their employees to substances hazardous to health is either prevented or, in those circumstances where that is not practicable, to adequately control that exposure.

Examples of hazardous substances include: car engine exhaust fumes; petrol vapour; paint spray vapour and grinding dust.

Local Exhaust Ventilation can be provided as a form of control however it is a further requirement that it should be examined and tested at frequent intervals (generally 14 months) to ensure that the required level of control continues to be provided.

## Motor Vehicle Lifting Tables

Almost all garages are equipped with 'ramps' (motor vehicle lifting tables) which represent

yet another source of danger. Accident statistics produced by the Safety Assessment Federation (SAFed) indicate a rise in the number of accidents over the last few years. In fact 5.7% of all ramps examined by inspection bodies contain a serious safety related defect. Mercifully, few accidents lead to serious injury but the potential is there when cars are on the ramps and fitters are working underneath them, or members of the public are sitting in the driving seat of their cars at a MOT centre.

Periodic inspection is not only a safety 'must' it is a legal requirement.

## Other Dangers

Garages contain numerous dangers for workers and their clients. Good housekeeping to ensure that floors are not slippery and free from obstructions and cables, power tools are properly maintained, properly guarded and are safe, lifting equipment is kept in good condition and subjected to regular inspection as the law requires.

Above all, proper training and instruction is vital for all those working in garages. So often when an accident has occurred, the first question the enforcement officer will ask is: "show me your risk assessment".

**We offer a wide range of insurance and inspection services for motor traders.**

**For more information visit**

**<http://www.allianzbroker.co.uk/products/Engineering.htm>**

**Or contact your local branch today**

# News update

## Catalytic Converter Theft Update

In the last edition of motor trade news, we reported on the sudden outbreak of thefts of catalytic converters hitting the industry. Thefts have increased by 500% in the last year, with thieves pocketing £100 or more for a few minutes work.

We're pleased to report that some progress has been made in the fight against this crime; Ford and Retainagroup have developed permanent markings for catalytic converters so they can be traced to individual vehicles if they are removed and later recovered. This however, does not prevent a loss in the first place and effective physical protection is essential. Please refer to our news item on [www.riskdirector.co.uk](http://www.riskdirector.co.uk) for further information.

The outbreak of catalytic converter thefts accelerated when the price of platinum soared to over £1000 per ounce earlier in the year. In recent months, the price has halved and so catalytic converter theft may now prove to be a less attractive prospect.



## Up to 61% off the Allianz Fleet Recovery Service in association with the AA

Don't forget that all motor trade and fleet policyholders can enjoy up to 61% off the Allianz Fleet Recovery Service in association with the AA. The AA is one of the UK's largest breakdown providers with more dedicated patrols in the UK than any other breakdown provider.

Your clients can benefit from discounts on the choice of two payment options:

- **Up to 61% off the Fleetwide 3 option** – this is the ideal solution for those who want one annual contract and an 'up front' cost to cover all vehicles. For cars and vehicles up to 3.5T GVW
- **Preferential rates on Pay For Use** – a flexible and cost effective solution to those who don't want to incur up front charges. Your clients only pay for the services when they need them and no administration fee will be payable up front too.



To find out more and download the application form visit [www.allianzbroker.co.uk](http://www.allianzbroker.co.uk)

## Ipod winner

Congratulations to **Robert Sherlock** from **David Auden and Associates** who was selected at random in last issue's motor trade feedback prize draw. We would also like to thank everyone who entered this draw and gave us their valuable feedback.

At Allianz we listen to our clients when developing our products and services.

Your feedback is important to us.

**Please continue to let us know what you think via the motor trade section on [www.allianzbroker.co.uk](http://www.allianzbroker.co.uk)**

## VAT Rate Changes

As a result of the recently announced reduction in the rate of VAT to 15%, we are replacing all previously discussed documents with effective dates on or after 1st December 2008 for engineering inspection policies and motor trade policies with an engineering section. The affected transactions relate to new business, renewals and mid-term alterations (MTAs).