

Summer risk management guidance

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Robin Till: Hi, I'm Robin Till from Aviva. We are here today to talk to you about some of the summer risk management guidance that we're releasing, and I'm joined here today by Mitch Broadhurst from our claims team. So, Mitch, what do we tend to see coming to the forefront in the claims environment during the summer months?

Mitchell Broadhurst: To be honest, Robin, I think the most, important peril that comes to mind when it comes to summer is fire. Whether it's gonna be arson, summer heat and the extremes that we can get or whether it's people out having a barbecue and the fire, and the biggest one we saw in 2022 is we had a massive spike in fire claims due to the extreme heat and wildfires. We saw a lot of property claims increase. What sort of guidance can you give for brokers and their clients, related to the risk fires?

Robin Till: So, if we go to, you mentioned there things like barbecues and wildfires and outdoors. So here in the UK we're talking about really making barbecues and the like as well, yet better weather. We're gonna draw the people outside and we have seen a space of, in previous years of barbecues. So, people using disposable barbecues in inappropriate areas, not taking just the general safety precautions, which come on every packet so please do read the packets. But in terms of lighting them in inappropriate areas, lighting them around vegetation, not having a safe means to extinguish them when they've used them. So leaving them unattended or dispose of them into general waste bins and the like as well. So those are some of the basics we will see with perhaps with barbecue related. So if you have land, if you've got estate land etc and you know people are making use of that for picnics and so on, then definitely that might be something you wanna pay attention to.

Mitchell Broadhurst: And is there anything that a company can do to protect themselves, with summer extremes when it comes to fires?

Robin Till: Yeah, so when I'm out with our customers providing some risk management advice it sounds obvious, but you will have warmer temperatures, everything dries out so vegetation starts to dry out, becomes a bit more like kindling, waste bins, skips, recycling compactors, all those sorts of areas will start to become drier and drier. So, it takes less of a spark shall we say to get those things going. So if I was a business owner or I was out with a business owner today, and it was during a bit of a heat wave, I'd certainly be able to look at areas such as the smoking shelter. We've got smoking activities, we've got smoking waste being disposed of, but potential there for that being inappropriately disposed of, perhaps being blown away from the smoking shelter, getting into areas around there. So, I'd be checking to look at the locations such as any waste bins near the smoking shelter, any buildup of debris, things blowing across the yard and collecting in that sort of area. Plant and machinery; of course, as it gets warmer, things have to work harder, particularly if it's perhaps say refrigeration. So, I was out with a customer only last week and we were talking about some of the actions they've taken to provide some shielding, some shade really for their external compressors, which were

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on the south side of their building. So exposed to the sun for prolonged periods, and just a simple non-combustible shelter really made sure that the temperatures could drop down there. So, another thing we also see Mitch is, smoke contamination. So of course, fire is always the forefront of our mind, it's the primary cause of damage, but secondary to that can be the smoke produced and one of the things I'll often run in my reports will be, that whilst the fire event may be quite small, that the secondary damage caused by the smoke contamination can be quite considerable. and particularly areas such as food manufacturers, clothing, textile, those sorts of goods where you might have finished stock in a warehouse and because of the high quality and controls, etc, smoke coming in either from outside, so hot weather, we have doors and windows open, we have extraction systems pulling in fresh air from outside or it could even be inside as well, plants machinery inside the building, which is working harder to keep things cool or keep the plant running. Anything that could cause even a small fire there, which is quickly extinguished could then create quite a lot of smoke and with that contamination could lead to quite a large loss of stock claim.

Mitchell Broadhurst: From a claims aspect, I would say our biggest challenge is just making sure the clients and the brokers notify us of these claims as soon as they can. And a lot of these claims can be a large claim so the sooner we know, the sooner we can get our experts out to help the client and also look towards progressing the settlement. Talking about summer overall, is there anything else from a risk perspective that you are looking at?

Robin Till: Yeah, so with the better weather, people are out and about, the days are longer. There are more holiday periods. So we do see incidences of trespass increase and that can range from people walking across, estate land or parkland. It could be into occupied buildings, factories, yards, etc. Some of the straightforward things that people can do, put yourself in that mindset of a trespasser, start at the boundary, start at the perimeter of your premises and work towards the buildings or the centre of your site. And at each stage, stop and consider how easy is it to get to where I am? What could I do to restrict that access? And also, how would someone be detected? How would I intercept that person? What's gonna generate a response? So some absolute classics like, are your fences in good order? Are your gates in good order and secured? Is perimeter lighting in good order? CCTV cameras pointing in the right direction. We often see a little trend of cameras being moved just before an event occurs. That also happens with security and theft as well. So, are your cameras pointing in the right area? If you're able to get into the yard, can you cross that yard undetected? Is there external lighting? Are there perhaps some, external motion sensors? And then find when you approach the building, doors, windows, points of entry, skylights, are they secure? Are there security features, the locks, the bars, etc in good order? Are they being used, or have you become complacent? And then finally, once you're into the building, is there an alarm system if the buildings unoccupied? Is there something you're gonna send an alert to somebody to say you've had an intrusion? And that will generate an emergency response or a keyholder response to hopefully then deescalate the situation.

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Mitchell Broadhurst: Our loss adjusters what they see in the summer months particularly is unoccupied commercial buildings. Now along with that comes in trespass. So maybe it's time for our brokers and clients to have a quick look at their risk assessments to see if there's any more measurements that can put in place.

Robin Till: Yeah, absolutely. And it's important to remember as well Mitch that there is usually a wording, a policy condition about an occupied or vacant premises. So people should familiarise themselves with that to make sure they are complying so that when they come through to put a claim through that they are complying with all those conditions. But again, basic things like, have you switched off the non-essential services? So electricity been switched off, has the water been switched off? So is the premises less attractive to somebody looking to gain access or wanting to stay in that building for a period of time? Even things like temporary intruder alarm systems, so little rental portable units which provide motion sensors. They even provide water detection these days and send an alert if activated via GSM card, a mobile SIM card to an alarm receiving centre. So there's quite a lot you can do in terms of protecting those vacant buildings. Absolutely. So Mitch, what other seasonal summer trends will we see in claims?

Mitchell Broadhurst: If we are looking at a claims aspect from an employer and a public liability aspect? Seasonality is a big one. So during the summer months, we all know, it's a busy period. The customers and our clients are gonna see a higher footfall of people coming through. But on the same time as having more people coming through the doors, there's also a reduction in staff. Now this is gonna open up the doors to possibility of more employee and public liability claims coming through. Especially if we look at the fact that reduced staff, are gonna be under a lot more pressure. They're probably gonna cut some corners to try and get the service done as fast as they can. That's probably looking now as one of our main risks areas.

Robin Till: Yeah, absolutely, I'd agree with all those points there. From an employer's liability point of view, we quite often see key staff having to take the holidays, but that can put pressures on business, particularly when they're the ones with specialised training. So if you have say, five forklift truck drivers in a warehouse and three of them are on holiday all at the same time the other two can't be reasonably expected to make up that short capacity. But there are some just, again, very straightforward things you should not be doing. So if somebody's not qualified to drive a forklift truck, they shouldn't be operating the forklift truck. Even if a last-minute order comes in. Even if it's very, very busy. So it's perhaps giving some thought ahead to covering off those periods. Training more staff than you need and giving them regular refresher training so that when you do need them, there's a wider pool of people to select from.

Mitchell Broadhurst: Is now the time for our health and safety officers to start reviewing their assessments just to make sure we've got everything in place?

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Robin Till: Yeah, so go through risk assessments; are people briefed on the risk assessment? Have any of the work activities changed? Any of the tools, any of the machinery changed since people have been last perhaps? Who aren't so frequent users of those have been using them. Also thinking about things like toolbox talks, regular toolbox talks with your staff so again, they're familiar with the risks.

Mitchell Broadhurst: So, Robin, from a claims aspect, one of the key trends that we also tend to see in some months, looking out from the motor aspect is the roads are a lot busier, there's a lot more pedestrians out on holiday, there's a lot more cyclists, people are trying to get fit during the summer. What would you say that we can do from, if we're looking at it from a fleet aspect and or people out on the road, what can we do to try and minimise these risks?

Robin Till: Yeah, you're obviously right Mitch. So, anyone who's been on holiday, perhaps in Cornwall or the Lake District or anywhere like that in the peak of summer will know there's a lot of traffic around. The roads weren't built for the traffic, they certainly weren't built for the size of vehicles that we drive these days. And that will bring together delivery drivers, holiday makers, cyclists, walkers, etc all into those same areas. So, taking some time, I suppose fleet managers, taking some time to go through with your team, highlight again what the potential dangers are gonna be. Reviewing things like delivery routes, reviewing things like delivery schedules so you are avoiding hotspots at the worst possible time. Can you perhaps move those deliveries and schedules around to quieter times? We'll see delivery drivers going into those busier areas where perhaps they used to have parking, but everyone's now parking there, so they're having to make drop-offs on the roadside and that's putting both themselves at risk when they're jumping in out of vehicles into busy traffic, but also where they're positioning the vehicles as well could be creating an additional hazard on the road, particularly when you are unloading and loading heavy loads. But people are often having to make their decisions on the spot. Whereas if you give some pre-thought, if you could put some planning into it, then people can turn up prepared, know what the expectation is of them and know how to undertake those activities far more safely than sometimes we see.

Mitchell Broadhurst: One of the other things we're looking at from a motor aspect is there's a lot more vehicles on the road, there's newer vehicles that people are getting and electric vehicles. Is there anything within the vehicles these days that can minimise the risks as well?

Robin Till: Absolutely, Mitch. So, these days there are far more technologies that you can put into a vehicle, so now's a great time for fleet managers to start thinking about what's available to them, what could be fitted. I'm thinking of things like reversing cameras, assisted braking systems, also, alarms or signalling systems to further road users and pedestrians to know what vehicles are doing manoeuvres and the like as well. Whilst none of those is a magic bullet in their own right, all of those will help drivers stay safer and keep road users safer.

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Mitchell Broadhurst: Along the same lines, Robin, when it comes to employees and a lot of businesses these days are out in extreme weathers, especially during the summer months, is there anything from a risk perspective that we can do to protect our employees that are out in the field?

Robin Till: It's summer so there's more sunlight. People are outdoors more often. And if you think about the trades like construction, agriculture, horticulture, and those sorts of trades people outside that they're physically working. Effectively can be exposed to the sunlight and UV. So looking at things like providing instruction to your staff on how to stay safe in sunlight, basic things like do you keep covered up as much as possible? You know, wear a cap or a hat, wear sunscreen, all those types of things which sound really basic, but perhaps employers in the past haven't really engaged with their workforce on that level. But when you're out and about working in heat, dehydration. So do staff particularly when they're not working perhaps from a building, when they're out and about, on their mobile have they had reminders just to keep hydrated? Do people have access to drinking water? Some of the things which have brought into a bit of a more sharper focus and with dehydration, with exposure to sun that then can lead on to loss of concentration, it can bring on fatigue. And when people are doing physical work or operating machinery and plant, etc you really do wanna be on top of your A game rather than towards the end of that working day where you've been exposed to sunlight, you're tired, you're dehydrated and increasing the probability that you're gonna be involved in an accident.

Mitchell Broadhurst: So if we're saying basically for the brokers and the clients to start rethinking the simple stuff, back to the basics and make sure they're in place.

Robin Till: Yeah, absolutely. And a lot of risk management does tend to be the basics, you know, work pressures and like get in the way and can take us away from that, shortcuts pop up, we can do things quicker. My role as a risk consultant with Aviva sometimes is to just go out and take the time to talk to our customers about these things and put it back on their agenda.

Mitchell Broadhurst: Yes, thanks Robin. So overall from a claims aspect, when we're looking at, we've covered a lot of different perils and we've covered a lot of different risks and how we can minimise these risks. The main thing that we're gonna try and say from a claims aspect is it's now the time for the brokers and also our clients to go out, make sure the risk assessments are reviewed and these processes and strategies are put in place to try and minimise the risk and reducing the amount of claims that come through.

Robin Till: Yep. And all the topics we've discussed today, there's further information available on the Aviva Risk Management Solutions website.

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