

Commercial Newsletter

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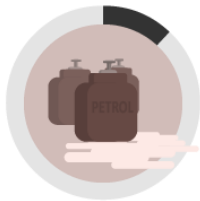
Revealed: Top Causes of Environmental Impairment Liability Claims



1. Wastewater management (15%)



2. Emergency fire response (15%)



3. Fuel/petrol management (12%)

Source: Insurance Claims Data

Provided by:
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Laurie Ross
Scotland's Personal Insurance Broker

Don't Skip out on Environmental Cover: Debunking Common Myths

Whether your organisation conducts business operations at the construction site, on the road or in the confines of an office building, it's crucial to consider your environmental liability exposures and purchase proper cover as protection. Nevertheless, many organisations are quick to reject the importance of having an insurance policy for environmental concerns—justifying their lack of cover with the belief that their exposures are low or non-existent.

But the harsh reality is that any business has the potential to cause environmental damage. Between pollution problems, poor waste management planning, drainage malfunctions or a fire emergency, your organisation could suffer severe consequences from an environmental disaster. Review the following debunked myths surrounding environmental cover to ensure your insurance protection is adequate:

- **No regulations, no problems**—Many organisations forego environmental cover because they don't think they are subject to any specific environmental regulations. But think again. Regulations such as the **Environmental Liability Directive** and **Environmental Protection Act 1990** require all businesses to take measures to prevent damage to the nearby environment, as well as help fix the environmental damage they have already caused.
- **Response planning will save the day**—While an emergency response plan can help reduce the immediate costs and damages of an environmental disaster within your organisation (eg a fire or drain leak), one-off pollution or gradual environmental damage can linger for years, highlighting the need for a long-term solution like proper cover in addition to robust risk management.
- **Existing cover will suffice**—Although you might think your current cover (eg public liability or property insurance) will protect you from environmental liability costs, such a disaster carries various expenses that simply won't be covered by other insurance policies.

Ignoring environmental cover today could lead to underinsurance issues in the future—leaving your organisation responsible for the hefty price tag that results from an environmental liability disaster. By purchasing robust **environmental impairment liability (EIL) cover**, you can have ultimate peace of mind against costly environmental concerns. Especially in the midst of growing environmental risks as a result of climate change, your organisation needs EIL cover. For more information, contact our Business Insurance Team on 0141 259 0088 today.

It's More Than a Data Disaster: The Hidden Costs of a Cyber-incident

Apart from lost or stolen data, a cyber-attack can result in the following costly consequences:



Hefty regulatory fines



Business interruption costs



Legal Expenses



Lost customers or contacts

These Intangible Threats Are Top Culprits of Business Interruption

Today's evolving risk landscape contains a wide range of intangible threats—cyber-attacks, broken supply chains and the mental health of your employees, to name a few—that all have the potential to cause noticeable business interruption within your organisation. In fact, recent research found that 20 per cent of organisations feel ill-prepared for unforeseen events in 2019. Clearly, the visibility of various risks to your organisation shouldn't determine their disruption capabilities. Consider these top intangible threats to reduce interruption risks:

- **Digital threats**—Organisations across industry lines are joining in the race to 'go digital', implementing a variety of innovative technologies in the workplace. Even though doing so can help your organisation expand to new markets and boost productivity, reliance on technology can also make you vulnerable to cyber-attacks—causing significant business interruption during a breach.
- **Supply chain threats**—Whether it be a delivery delay or lost shipment, problems with your suppliers often generate a chain reaction. Simply put, failure to consider unseen supplier risks can lead to just as much—if not more—disruption concerns as those that occur within your own company walls.
- **Employee threats**—While it can be difficult to determine when a worker's well-being is suffering, employees who are struggling with untreated mental health concerns are more likely to contribute to business interruption issues in the form of more frequent errors and higher absenteeism rates.

Above all, you need proper cover to protect against business interruption. For insurance solutions, contact our Business Insurance Team on 0141 259 0088 today.

Why the Giant British Airways Fine Highlights Extra Struggles for SMEs

Following the implementation of the GDPR, it's no secret that suffering from a cyber-attack can wreak havoc on your organisation—just look at British Airways. The company was recently fined a record £183 million for last year's data breach. However, while large businesses like British Airways can eventually recover from a high-profile data breach and hefty GDPR fines, the results of such an event for SMEs can be devastating. Indeed, SMEs have more limited resources to protect themselves and respond to cyber-incidents. But even with fewer resources, your business shouldn't ignore the risk of a cyber-attack and accompanying GDPR fines. Use these tips to promote cyber-security:

- **Staff training**—Conduct routine, internal cyber-security training for employees in all departments—not just IT.
- **Response planning**—Establish an effective, comprehensive cyber-incident response plan and test it regularly with staff.
- **Proper cover**—Purchase robust cyber-insurance to provide ultimate protection.

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