

# Protect

A guide to managing risk for care providers

The number of people aged 85+ in England increased by almost a third over the last decade and will more than double over the next two decades.

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# About Howden

Howden is an independent, specialist insurance broker, part of the Hyperion Group - the world's largest employee owned insurance group.

Within our network we have a presence in over 75 territories and over 5,000 specialists. Our Care division (previously Care Home Insurance Services and Primecare) has over 20 years' of experience and expertise in providing insurance solutions for care providers in the UK.

We are the preferred insurance partner to the National Care Association (NCA).



*Recognising the importance of peace of mind, our insurance partner, Howden, is able to support providers to get the best insurance solutions for their business based on their experience and knowledge of the challenges care providers face.*



**Nadra Ahmed**  
Chairwoman,  
National Care Association

## Today's increasingly complex and diverse risk environment makes it challenging for care businesses to deliver quality service and be commercially viable.

The owners and directors responsible for protecting their business from risk are feeling the pressure, particularly as many elements are outside of their immediate control. There are currently a number of factors impacting the care sector, such as the effects of Brexit and lack of government funding, which could be a cause for concern if not managed effectively.

This is why we've created this guide to help you be aware of the potential threats to your business and the appropriate measures to safeguard it.

Whether you are our client or not, please do get in touch via email or phone if you have an insurance or risk management related query.

### Meet the team



**James Chambers**

New Business  
Account Handler



**Becky Newman**

Senior Broker  
& Team Manager

### Contact us

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Being prepared for  
the unexpected



## As with every business, no-one knows what is around the corner.

### Howden response

We receive a high number of claims throughout the year related to liability and losses. Whilst it is impossible to anticipate everything that doesn't go to plan, our clients can rest assured that in the event of an incident we will be on hand to respond effectively. If an issue arises, our dedicated claims team will ensure you get access to the help you need, exactly when you need it.

Our highly trained team are committed to working in partnership with our clients to ensure claims are dealt with the highest level of service.

Your nominated Account Handler will review your record of claim occurrences in order to understand any trends in your claims across your business. By identifying and resolving any re-occurring issues, we will help protect the marketability of your business to the insurance sector in the future, allowing for better long term value.



# Protecting confidential data

Businesses of every size are increasingly reliant on information technology and data. Care businesses need to make sure they are compliant with guidance and regulations set out by the ICO and the CQC, particularly with the implementation of GDPR in May 2018.

Care providers are entrusted with lots of highly confidential data such as client care plans and financial information, which is usually stored on computers.

As the recent cyber attack on the NHS demonstrated, the effects of a cyber attack can be catastrophic.

If IT systems are interrupted or data is mislaid, stolen or rendered inaccessible, the business and its clients are exposed to a range of negative impacts from financial loss to reputational damage. Any losses incurred would not be covered on a general insurance policy.

#### Howden response

Cyber Liability insurance cover enables clients to rectify a situation quickly to reduce the impact of the breach. Clients will have access to an immediate response team comprising of legal, IT and forensic PR experts, to assist in restoring the business to its original position before the cyber incident occurred. See our separate brochure on 'How to combat the cyber threat.'

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43%

of all businesses have identified at least one cyber security breach or attack in the last 12 months.\*

\*Source: Cyber security breaches survey 2018, UK Government Department for Culture, Media and Sport in association with Ipsos MORI and the University of Portsmouth

A close-up, low-angle shot of a person's legs running on a treadmill. The person is wearing grey and pink athletic shoes and dark leggings. The treadmill is white and blue. In the background, a large window shows a bright green outdoor scene with trees and grass. The text "Recruiting and retaining staff" is overlaid in white, sans-serif font in the center of the image.

# Recruiting and retaining staff

## Having a quality workforce is vital for every care business and yet it is often a struggle to achieve.

When it comes to recruitment there are a number of factors that could be causes for concern. The increase of the minimum wage and pension contributions and the high cost of agency staff means that businesses need to pay out more money. Furthermore, the impact of Brexit is looming; the number of non-British EU carers has increased by over 40% in the last three years suggesting there will be a bigger strain on recruitment if businesses cannot draw upon this talent pool.\*.

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**30.7%** It is estimated that the staff turnover rate of directly employed staff working in the adult social care sector was 30.7%, this equates to approximately 390,000 people leaving jobs over the year.\*\*

### Howden response

In a challenging market place, employers are increasingly under pressure to adapt their proposition in order to attract and retain the best staff. Competing on salary alone may not be possible financially so businesses may want to consider other employee benefits, such as healthcare or staff incentives, for example childcare vouchers or discounts, which can be seen as more valuable.

Howden's Employee Benefits team can help businesses of all sizes develop a programme that will support staff engagement and reduce turnover, and it may not be as costly as you think. For larger businesses with multiple sites, it can be possible to make savings by grouping policies together.

\*Source: The Guardian

\*\*Source: Skills for Care, The state of the adult social care sector and workforce in England, 2018

# Managing cash flow



Government funding for the care sector is a long term issue with some very real effects. The lack of sufficient funding has meant that many businesses struggle to maintain working capital, and some are in danger of insolvency.

Many care businesses have to make cuts where they can and often want to make savings on their insurance policies. Whilst a cheap policy seems appealing in the short term, it could be an expensive mistake if the need for a claim arises and insufficient cover is in place.

#### **Howden response**

Our products have been developed around the specific needs of care providers. Whilst we may not always be the cheapest on the market, we would rather that our clients have the protection they need when it matters the most.

We also aim to deliver value to you in other ways through insurance support, a friendly and efficient service and industry insight.

To help our clients manage the initial cost of their insurance premium, we can offer them the option to spread the payment over monthly instalments. This is managed through our partner, Premium Credit Ltd, the leading provider of premium finance in the UK.



# Minimising reputational damage

The care sector is always high on the media agenda. Unfortunately, the frequent stories that appear in the news often paint care businesses in a negative light.

Negative media coverage can be extremely damaging to reputations of both businesses and individuals and will undoubtedly put off clients. Knowing what to do in a crisis isn't always obvious and can sometimes make things worse.

### Howden response

We include HR and legal services in every insurance programme. Care providers have access to professional crises management experts to help protect the company's reputation and revenue before, during and after a crisis.

This includes access to a 24 hour helpline; a telephone service that includes legal advice with specialists who will provide advice on care regulation and employee related issues; a tax helpline; cover in the event of an employment tribunal; an online, care specific HR document service to ensure all documents are up to date; and a 24 hour counselling helpline giving your employees access to expert help to cope with stress.

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**74%** of UK board members see reputational damage as the most worrying consequence of an incident or scandal.\*

\*Source: The Economist Intelligence Unit (EIU)



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Acting as your trusted advisor, Howden will help you  
navigate the care sector's risk landscape

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← Tear me out

# The Howden sleep-easy checklist:

Are you fully protected? Have a look through this comprehensive checklist to make sure you're not at risk.

↪ Tick me off

## Our specialist covers include:

- |  |   |   |
|--|---|---|
| <input type="checkbox"/> Buildings cover             | <input type="checkbox"/> Abuse cover                      | <input type="checkbox"/> Loss of registration                 |
| <input type="checkbox"/> Contents cover              | <input type="checkbox"/> Professional indemnity           | <input type="checkbox"/> Engineering inspection and breakdown |
| <input type="checkbox"/> Residential effects cover   | <input type="checkbox"/> Legal expenses                   | <input type="checkbox"/> Motor insurance                      |
| <input type="checkbox"/> Business interruption cover | <input type="checkbox"/> Directors' & Officers' liability | <input type="checkbox"/> Terrorism insurance                  |
| <input type="checkbox"/> Employers liability         | <input type="checkbox"/> Employment practice liability    | <input type="checkbox"/> Cyber security insurance             |
| <input type="checkbox"/> Public liability            | <input type="checkbox"/> Personal accident                | <input type="checkbox"/> Employee Benefits                    |
| <input type="checkbox"/> Medical malpractice cover   |   |   |







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