



REAL STORIES

## INSURANCE – MAXIMISING THE BENEFITS

RICK AND ALEX BOTH RUN CAR REPAIR WORKSHOPS IN AN AREA THAT HAS FLOODED REPEATEDLY

**Rick: “If you can get away without, you keep the insurance premiums down by not claiming”**

“We try to keep the insurance at a bare minimum to save costs. The last thing you want to do is put claims in to up the premium if you can avoid it. If you need the insurance money to keep your business going then you claim; but if you can get away without, then you keep the premiums down by not claiming – based on how you can get over it, how much you’ve lost and how easy it would be to wear it. You can have all-singing-and-dancing insurance that you pay through the nose for. Or you have the insurance that you think is necessary and that you can afford. And that’s what we have: public liability, employer’s liability, fire – all the major bits. But we don’t cover loss of business; proving how much business you’ve lost is very difficult.”

“It’s not like when your home floods, when you’ve got furniture in there; carpets and plaster and such like. These buildings are steel and concrete, so they don’t take too much of a battering. Once the water’s gone and it’s dried out, it’s usually back to normal; it’s just the stock usually what gets damaged. Up until now, we’ve been okay: you know, lost money, but been okay to carry on.”

**Alex: “My broker’s really helpful. He will speak to the insurance company and say, ‘listen he’s a solid guy’ ”**

“My insurance broker’s really helpful. He will speak to the insurance company and say, “Listen he’s a solid guy”. We didn’t even see a loss adjustor or have to take photos and all that kind of stuff. They just wrote the cheque and put it in the bank. My broker came down to see me and he was expecting a claim of about £50,000, so I think when it came in at about £15-17K, you know, they were quite happy. But as I say I’ve had a long relationship with my broker.

I didn’t claim for carpet, that’s another thing; because the carpet was worn out, so I replaced it myself anyway. Desks were okay too; they’re never pristine desks in a place like this. I think if I’d put a claim in for fifteen grand they would have been quite happy; but because I don’t like it when people do it to me, I don’t take the piss out of insurance companies.”



- What role does insurance play in the flood-resilience of your business?
- How much financial loss could your business sustain in a flood without having to make an insurance claim?
- What kind of a relationship do you have with your insurance broker or insurance company?
- What could you do to improve this relationship?