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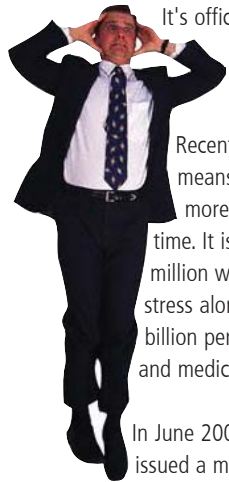
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# Work Related Stress



It's official, stress is the "new" back pain. It has been estimated that almost 90% of visits to our GPs are stress-related.

Recent trends towards lower staffing levels means that employees are under pressure, more than ever before, to do more in less time. It has been suggested that nearly 14 million working days are lost each year through stress alone. This is costing industry almost £3.8 billion per annum in sick pay, lost production and medical costs.

In June 2003, the Health & Safety Executive (HSE) issued a management standard that set six standards aimed at reducing stress in the workplace. These standards include reducing job demands, increasing support and giving staff more control over their work.

The code aims to introduce a legal basis against which companies can be assessed for their efforts in reducing stress to manageable levels. If fewer than 65 - 85% of employees agree that each standard has been met, the company will fail the assessment. Under the Health & Safety at Work Act, companies face legal action if they are found to be causing unnecessary stress at work. The new code of practice will make it easier for HSE inspectors to determine whether a company is up to the required standards and also, make it less difficult for employees to bring actions against their employers. Companies are being invited to implement the standards now but they will not be formally introduced until 2004.

Stress can often be seen to be a positive thing increasing our energy levels and productivity to deal with specific tasks and situations. In these instances, the stress tends only to last for the duration of these specific tasks. In itself, stress is not harmful but left unchecked to build up over time it could be harmful to physical, mental and emotional wellbeing. Warning signs include high staff

turnover, increases in sickness absence, reduced work performance, poor timekeeping and more customer complaints. Stress in one person can lead to stress in their fellow colleagues who cover their work whilst absent.

As individuals, there are a number of ways in which we can deal with stress. Undertaking regular physical activity, going for a run or even a brisk walk, can help. Relaxation is another way to tackle stress, reading a book or soaking in the bath. We can help ourselves by following a sensible diet avoiding foods rich with fat, sugar and salt that only serve to worsen blood pressure and upset our metabolism.

As employers, you are open to compensation claims by employees if stress in the workplace is not taken seriously. Fortunately reducing stress need not cost a lot of money. Providing occupational health facilities for your staff can make a positive impact on their working practices and their environment. Stress counselling help lines are becoming more popular as they can prove to be extremely effective in reducing stress without necessarily costing too much.

The key messages on stress are:

- Work-related stress is a serious problem for organisations. Tackling it effectively can result in significant benefits for organisations.
- There are things organisations can do to prevent and control work-related stress.
- The law requires organisations to



# Covernotes

## Humorous stories

The owner of a brand new 32 ft Winnebago was driving onto the freeway and decided to set the cruise control at 70mph and calmly left the drivers seat to go back and make himself a cup of coffee. Not surprisingly the motorhome left the road. As the owners manual did not say he couldn't actually do this, the jury awarded him \$1,750,000 and a new motor home. The company then changed their manuals following the outcome of this case.

UK accident reports: True extracts from UK insurance claim forms

1. The pedestrian had no idea which way to run, so I ran over him
2. The guy was all over the road. I had to swerve a number of time before I hit him
3. I was thrown from the car as it left the road. I was found in a ditch by some stray cows
4. The car in front hit the pedestrian but he got up, so I hit him again.
5. I pulled away from the side of the road, glanced at my mother-in-law and headed over the embankment

## Affordable Disaster Recovery for SMEs

We often read of others' misfortune; businesses being lost to fire, flood and other unforeseen accidents and believe 'It'll never happen to us'.

People affected by such disasters also thought that it would never happen to them - and believed that they would be adequately insured to cover any losses. To a certain extent this is true, however, whilst insurance can cover the financial loss, it does not automatically provide disaster recovery services to get a business back up and running quickly, to say nothing of alleviating the emotional upset or the stress of dealing with the aftermath.

Most small and medium sized enterprises (SMEs) know they should have some form of disaster contingency but never get round to putting together a disaster recovery plan, let alone implementing one.

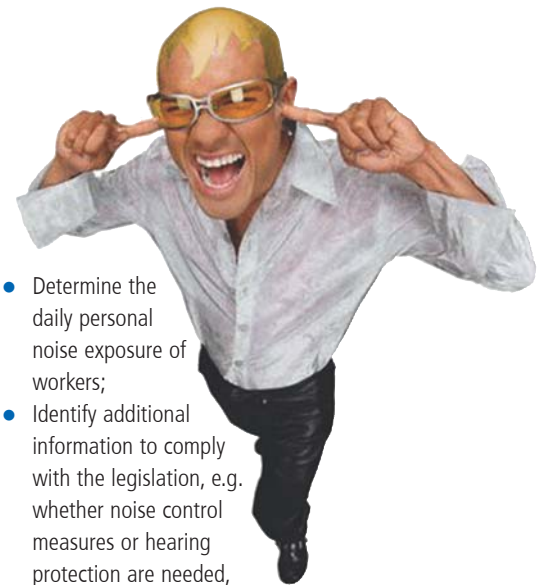
Disaster recovery planning gives any business the re-assurance that should a disaster strike, contingencies and procedures already in place would effectively keep the business up and running and limit the level of interruption to your business.

As your insurance broker we can offer the most cost-effective insurance cover for your business, and we work with a team of experts who can provide simple, affordable disaster recovery services.

In the event of a disaster, the team delivers a package of services to you within one working day:

- Access to one of 450 standby office locations around the UK, complete with furniture
- Provide a dedicated Event Manager - on-site
- Redirects your telephones
- Delivers, commissions and installs a standby PC network
- Reinstates your essential data
- Connects your internet and e-mail services
- Costs from £365 plus VAT per year.

**Contact us for more details.**



## Noise at Work Regulations

One of the most misunderstood workplace risks is 'Noise'. Hearing loss caused by exposure to noise at work continues to be a significant occupational disease. Management must become aware of their organisation's risk exposures and take active steps to reduce them. Research carried out by the Health & Safety Executive estimates that 170,000 people in the UK suffer deafness, tinnitus or other ear conditions as a result of exposure to excessive noise at work.

Noise related government regulations:

- The Noise at Work Regulations 1989 came into effect on 1 January 1990
- The Management of Health and Safety at Work Regulations 1999
- Provision and Use of Work Equipment Regulations 1998
- The Supply of Machinery (Safety) Regulations 1992 and the Agriculture (Tractor Cab) Regulations 1974.

Recent changes in these regulations have been adapted by a European Directive, which means that new UK noise regulations must be introduced by February 2006. By this time the Directive will need to be transposed into UK regulations.

As an employer, you have a legal duty to reduce the risk of damage to your employees' hearing. People who work in engineering workshops, sawmills, foundries, bottling plants, discos or textile mills, or who use noisy equipment and machinery on a farm, in forestry, or on a construction site, are just some of those who could be exposed to dangerous noise levels.

If you feel your employees are exposed to the above you must arrange for a competent person to carry out a noise assessment. The aim of the noise assessment is to:

- Identify the workers at risk from hearing damage (so you can prepare an action plan to control noise exposure);

- Determine the daily personal noise exposure of workers;
- Identify additional information to comply with the legislation, e.g. whether noise control measures or hearing protection are needed, and, if so, where and what type.

Key action steps:-

- Make an assessment of the risks from noise
- Take steps to reduce or control the noise risks in the workplace
- Provide hearing protection
- Introduce ear protection zones
- Provide information to employees on the risks associated with noise.

**If you require any help and assistance please contact us.**

## Mobile phone ban: 3 points and a fine

Research carried out by the RAC suggests that one out of every three motorists are likely to break the new law forbidding holding mobile phones while driving.

In the UK, around 35 million adults use a mobile phone, in fact, whilst reading this article 500,000 will be using their mobile phone right now. On December 1st 2003 a new law came into force to prohibit drivers using a hand held mobile, or similar devices while driving. The penalties will initially be a fixed penalty of £30-£1,000 if the offender goes to court (£2,500 for drivers of goods vehicles or passenger carrying vehicles with 9 or more passenger seats.



The AA Motoring Trust suggested that many motorists are aware of the change in the law but a further 16% told researchers they intended to invest in an ear-piece and wire device, not realising this will also be illegal if the phone is handled at any point.

Another 3% thought cradling phones between their shoulders and ears would be legal, according to the survey.

The regulation states that a "mobile telephone or other device is to be treated as hand-held if it is, or must be, held at some point during the course of making or receiving a call or performing any other interactive communication function.

### Mobile phone facts

- It can also be an offence for employers to require their employees to use mobile phones while driving
- Studies by the Transport Research Laboratory have suggested using a hand-held mobile is more dangerous than drink driving.
- People using a phone while driving are four times more likely to have an accident, according to the government.
- One in ten people admitted sending text messages while driving, the Continental Research study found.

## Corporate killing: a directors' personal risk

Following a number of recent high profile tragedies, such as the Hatfield rail disaster, the Home Secretary has promised a thorough tightening of the Corporate Manslaughter laws and a Bill is currently before Parliament to do this.

The new Bill will make company directors more directly accountable if they fail to set and maintain adequate safe systems of work and management, which results in fatalities to either the public or their employees.

Many company directors, especially those of SME's are unaware of the personal risks they face. They often fail to understand the implications of changes in legislation, society trends and the knock on effect this will have on their personal liability. Increasingly, directors are finding themselves accused, either rightly or wrongly, of corporate malpractice and are putting their personal assets at risk if their decisions are tested in the courts

### Company directors can face financial ruin, or even imprisonment, as a result of their actions and decisions they make on behalf of the company.

depending on the allegation. A director need not be guilty of a wrongful act to incur defence costs and expenses. Successful prosecution means directors can be

made to pay for damages, sent to prison or disqualified from being a director for up to 15 years.

Recent corporate scandals have raised major questions globally among governments, regulators and the media as to the performance and activities of company directors. This has been compounded by the increasingly litigious nature of society and increases in the numbers of legal action being made against directors.

### Directors and Officers Insurance

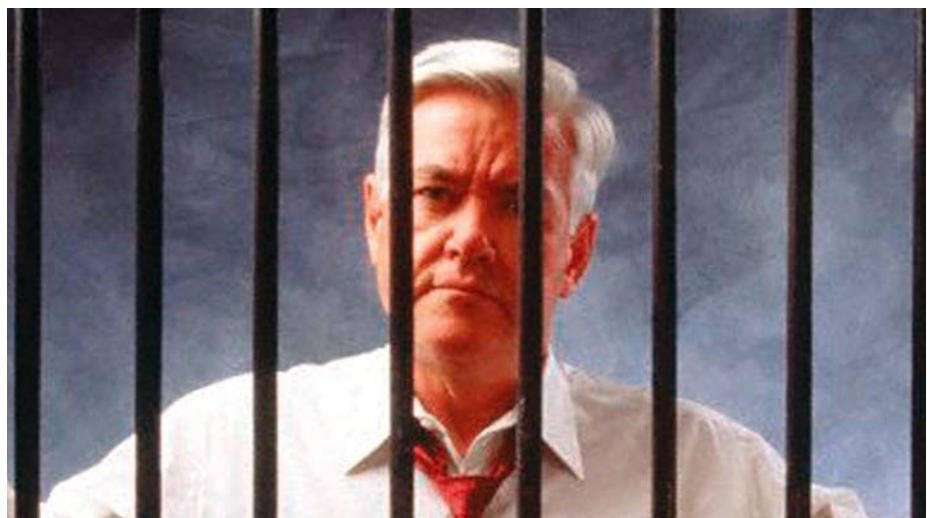
Directors and Officers liability insurance protects directors, officers, management and supervisory employees against claims arising from their actions and decisions made on behalf of their company. It also reimburses them for the often, considerable legal costs that they incur in defending a claim.

### Legal Expenses

Legal expenses insurance is available to both private individuals for their 'personal' needs and to businesses for their 'commercial' exposures. The concept of this type of cover is straightforward. If a person has a need to protect his legal rights and incurs fees, costs and expenses in doing so, those fees, costs and expenses are met by the insurer.

For more information on legal expenses insurance please speak to us. Getting the right advice to businesses at the right time is essential.

**If you have any concerns as a director regarding the information contained in this article and need any help and advice, please contact us.**



# Winter closedown

Most property losses are sustained during the winter months due to cold weather or winter storms. Preparation and forward planning could avert or minimise a significant number of claims. Emphasis should be placed on the prevention of water damage due to the freezing and bursting of water pipes, especially sprinkler systems where extensive damage can result.

Material Damage insurance policies often contain specific conditions known as Policy Warranties stating that certain precautions will be taken. Alternatively, insurers may apply a "reasonable" Precautions Clause, requiring the Policyholder to demonstrate that they have taken reasonable measures to protect their property.

## Heating

Adequate heating must be maintained in winter months to prevent pipes or water systems freezing, especially where sprinkler systems are installed. This can be arranged by automatic or manual systems dependent upon the heating system in use. An automatic system in good working order, is preferable, but should not be totally relied upon.

**DO** check that the positions of all stop cocks are known to all keyholders and that they can be easily operated.

**DO** check that there is adequate means for heat to reach into roof-voids and false ceilings, if not, provide it.

**DON'T** use the winter closedown period to do boiler maintenance work. If there is an emergency breakdown, temporary heaters will have to be provided but check the insurance position and take care.

## Lagging

**DO** check that any lagging on pipes is in good condition. Consider if other areas would benefit for lagging.

## Fuel supplies

**DO** ensure that there is an adequate supply of fuel.

## Power

**DON'T** switch off the power supplies to heating arrangements, frost stats etc.

**DO** ensure a good standard of maintenance and repair work at these times. Broken windows, dropped slates and the like can give rise to local cold spots.

## Sprinkler systems

In view of the extent of sprinkler systems and the considerable volumes of water they are designed to emit, extensive damage can be caused if they are allowed to freeze and burst. This risk must therefore be given particular consideration.

- Sprinkler pumps - Ensure adequate heating. Diesel driven pumps need a minimum of 10C (50F). A maximum/minimum thermometer should be provided to check this.
- Sprinkler activation - Ensure that maintenance or security staff have written and verbal instructions on emergency procedures.
- Wet systems - Those where the sprinkler pipes are charged with water all year round. Heating must be maintained at all times to prevent freezing. A minimum temperature of 6°C (43F) is suggested but this may vary in certain circumstances. Particularly

vulnerable areas are cavities above false ceilings, roof voids, toilets and loading bays with large doors.

## DO check that any:-

- Lagged Pipes - have a sound and integral lagging
- Trace Heated Pipes - have the system "on" and working
- Isolation/cut off valves - were isolated at the onset of winter. Often fitted under loading canopies etc. Try to keep them clear of combustibles
- Tail-end air valves - were changed over to air at the onset of winter.

**DO** check that the valves themselves are adequately heated and/or lagged, that a weekly sprinkler test will be made throughout the closure period and that at the same time the compressor maintaining air in the system is being checked.

If you have any concerns on the types of precautions you need to take during the Winter months please speak to us for further advice.



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## Commercial Risks

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