

SPRING 2022 NEWSLETTER



EASTWOOD

INSURANCE BROKERS



CHAPTER ONE
1 CHALLENGES FACING VEHICLE REPAIRS

CHAPTER TWO
3 INDEXATION & HOW IT IMPACTS YOU

CHAPTER THREE
5 WHIPLASH REFORMS COME INTO PLAY

CHAPTER FOUR
11 STAY SAVVY AGAINST VEHICLE THIEVES

CHAPTER FIVE
15 CELEBRATING 30 YEARS

What's inside?



Challenges facing vehicle repairs

CHAPTER ONE

Our Motor Claims partner FMG recently provided an update as to the challenges currently facing the vehicle repair industry.

We have been used to being able to book vehicles in for repair within a short space of time but there are a number of issues in the system at the moment which we wanted to bring to the attention of our clients as these may affect your experience if you need to use any vehicle repair services in the near future.

The issues stem from significant delays in the supply chain for new parts being manufactured and delivered to repairers. If your vehicle is roadworthy, you may be asked to keep driving it until the repairer has the parts.

They are trying to avoid booking vehicles in, only for them to be waiting weeks at the garage until the parts arrive. Due to vehicles having to wait longer to be repaired, the availability of courtesy cars and non-fault hire vehicles has been affected too as they are being booked out for longer.

It is extremely important to us that our clients always feel supported during this process and we work together with FMG to manage these challenges as smoothly as we can. The service our clients receive from us and our partners is paramount.

“It is extremely important to us that our clients always feel supported during this process.”



Indexation &

how it



impacts you

Article courtesy of NIG Insurance

CHAPTER TWO

Due to a number of factors including a significant rise in demand for building materials, disruption to the global supply chain caused by the pandemic and labour shortages, rebuilding and claims costs are being affected.

Many insurance policies include protection against inflation and in recent years, these indices have grown at a relatively low rate. In 2021 the growth was more significant and sustained and has very much continued into 2022 and Insurers are now taking additional action. For example, one Insurer is currently applying 9.51% for Buildings and 12.7% for Contents.

It is also important that your sums insured are adequately insured as many insurance policies are subject to "Average" by which Insurers seek to deal with any under-insurance in the event of a claim. If sums insured are not adequate, claims can be reduced in direct proportion to any under-insurance. When arriving at your sums insured, you should consider the following points.

BUILDINGS

Buildings sums insured need to reflect the reinstatement cost, including full rebuilding costs, site clearance and demolition, VAT where appropriate, index linking / provision of inflation and professional fees.

STOCK

Sums Insured need to reflect the current market value in respect of stock, materials in trade and work in progress, your property or held by you in trust for which you are responsible.

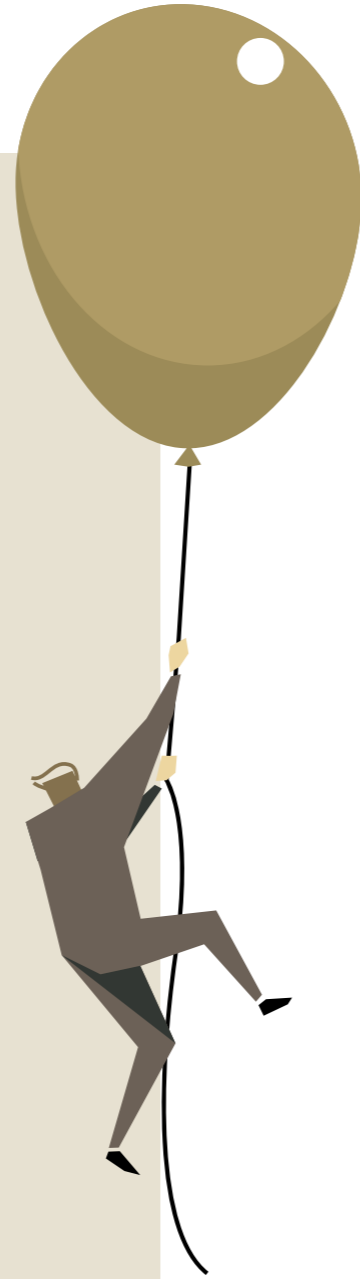
MACHINERY, PLANT & CONTENTS

Sums insured are required to reflect cost of replacement as new with equivalent models. The sum insured has to represent the total cost of replacing all machinery and plant within the premises, including machinery in the open and including removal costs / site clearance.



Whiplash reforms come into play

CHAPTER THREE



CONDITIONS

- They are over 18.
- They were injured in a road traffic accident.
- The accident occurred on or after 31st May 2021.
- They suffered whiplash injuries.
- They were a driver or passenger of a motor vehicle (this does not include motorbikes and scooters).
- Their injuries are worth less than £5,000 and the total value of their claim is less than £10,000.

DIFFERENCES

- The injured party must make a claim through a new Official Injury Claim portal.
- Whiplash injuries will be valued according to a fixed tariff.
- The injured party will be unable to include any legal fees or costs in the claim.

IMPLICATIONS

- The compensation award is likely to be lower than would be anticipated in an unaffected claim;
- The claimant will not be able to instruct solicitors, or engage any legal representatives, to help them bring their claim; and
- Insurers will only have 30 days in which to obtain all the details of the claim and issue a defence. The driver must sign a statement of truth. This means that early capture of all the data is important. There are very few exceptions to this timescale, such as sickness, bereavement and holiday etc. If a liability decision is not forthcoming, liability will be assumed and the claimant will succeed in their claim.

**To cut down on fraud,
a ban on pre-medical
offers of settlement
in affected claims
means offers to settle
a claim can no longer
be made before a
medical report on
injuries has been
obtained**

What counts as a 'whiplash injury'?

The reforms define a whiplash injury as a soft-tissue injury to the neck, back or shoulder. In those areas of the body, this includes damage to muscles, tendons, or ligaments (i.e. sprains, strains, tears, ruptures, or lesser damage); and damage to soft-tissues associated with muscles, tendons, or ligaments.

However, whiplash injuries do not include damage to soft-tissue which is part of, or connected to, a non-whiplash injury.

For example, a broken arm will inevitably have some damage to the soft-tissues around it but would not count as a whiplash injury, even there is muscle damage at the shoulder.

How do we know if the claimant's injuries are worth less than £5,000 or not?

If they are still experiencing symptoms, there is no way they can possibly know whether their injuries are, or will be, worth less than £5,000.

However, the £5,000 threshold is a high one; and in reality, the overwhelming majority of whiplash injuries will be worth less than that.

For a whiplash injury to exceed a value of £5,000, a medical expert would have to believe that, in their medical opinion, the injury had persisted for longer than 2 years and – more crucially – that the symptoms throughout that time were attributable to the accident.

This is rare for a soft-tissue injury, especially when a medical expert will consider any previous aches and pains the claimant may have had in the injury's location before the accident, and also any symptoms which may be expected as a result of the natural ageing process.

What is the Official Injury Claim portal?

The Official Injury Claims portal has been set up alongside these reforms to allow claimants without legal representation to make their claims. If the claim meets the conditions of a whiplash injury claim the Injured Party will have to make the claim through the Official Injury Claim portal.

The portal itself is an online system where the IP can submit details of their claim, arrange medical evidence, and communicate with the Defendant's motor insurers. Claims can leave the Official Injury Claim process if they are no longer eligible to proceed through it.

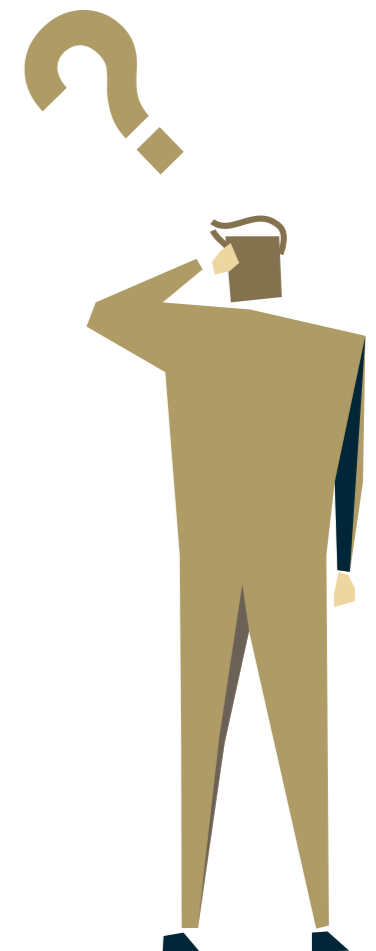
For example, if the insurers deny that their insured driver is responsible, or evidence shows that injuries are more severe than first thought.

The whiplash reforms have removed the possibility for legal costs to be recovered in whiplash injury claims which means a No Win, No Fee Agreement is not possible.

If there is a whiplash injury alongside another injury, then the claim can still be dealt with through the Official Injury Claim process (as long as the overall injury value is less than £5,000).

The whiplash injury part of the claim will still be valued based upon the tariff, with the non-whiplash injury amount being assessed by a court if the sides cannot agree.

Provision is made for so-called 'minor psychological injuries' within the tariff for whiplash injuries. The law introducing these reforms does not define what the term does and does not cover. However, it is likely to encompass most psychological symptoms which do not support a formal diagnosis of a recognised psychiatric condition such as PTSD, for example.



What is the tariff used to value whiplash injuries?

Whiplash injuries are valued according to a new tariff, introduced by the reforms. The compensation award is based purely on how long the injury lasted, and whether or not psychological symptoms were also suffered.

Courts have also been granted the power to apply an increase of up to 20% to an award under the tariff in 'exceptional circumstances'.

Do whiplash injuries sustained in other kinds of accident than road traffic come under the new regime?

No. The 2021 whiplash reforms only apply to road traffic accidents. This means that whiplash injuries suffered through a slip, trip, or fall, or through an accident at work, for example, will not be affected by these changes.

What kind of road traffic accident claim are not affected by these changes?

The government excluded personal injury claims made by vulnerable road-users from the 2021 whiplash reforms.

This means that if a claimant were injured in a road traffic accident as a pedestrian (including if you were in a wheelchair or on a

mobility scooter), a cyclist, a motorcyclist (including if you were a passenger on a motorbike) or the rider of a scooter (as a driver or passenger), their claim will be unaffected by the whiplash reforms. Personal injury claims made by children under 18 are similarly unaffected.



DURATION OF INJURY	AMOUNT (WHIPLASH ALONE)	AMOUNT (WHIPLASH & MINOR PSYCHOLOGICAL INJURY)
Not more than 3 months	£240	£260
More than 3 months but not more than 6 months	£495	£520
More than 6 months but not more than 9 months	£840	£895
More than 9 months but not more than 12 months	£1,320	£1,390
More than 12 months but not more than 15 months	£2,040	£2,125
More than 15 months but not more than 18 months	£3,005	£3,100
More than 18 months but not more than 24 months	£4,215	£4,345

These figures are intended to compensate you for the pain and suffering that the injury has caused, as well as for the effect it has had upon enjoyment of life.

33%
INCREASE THIS YEAR
FROM THE 75,000 CARS
STOLEN IN 2019

CHAPTER FOUR

Picture this: you get home after a long journey, and your wheelie bin is at the end of your drive. Your natural reaction might be to get out of your car to move the bin out of the way, so you can pull into your driveway.

Believe it or not, thieves are using this as a tactic to steal cars. When drivers jump out of their car to move the bin, leaving the engine running, criminals are then driving off with the vehicle.

As the keys have been left in the car, many insurance policies may not cover motorists for this type of theft. If your wheelie bin seems strangely out of place, think about parking around the corner, ensuring you lock your car. If you notice anyone suspicious, stay safe – get back in

your vehicle and call the police.

Almost 75k cars were stolen last year – a 33% increase from 2019, according to the DVLA. Whether you have a personal vehicle or a motor fleet, we've put together our top tips, so you don't become a victim of vehicle theft.

KEYLESS CAR THEFT

Provisional figures from the National Police Chiefs' Council show a 3.1% increase between May and June 2021 in vehicle crime. The bulk of this increase is from keyless theft.

Most modern vehicles now open with keyless technology, and thieves have found a way to exploit this.

Police intelligence shows organised crime gangs are using technology to get signals from keyfobs inside residential and commercial properties.

They then transfer this to a portable,

“On average keyfobs have an unlocking range of five to 20 metres, so make sure they're kept as far away as possible from any entry points in your home or business.”

relay device which allows them to unlock the vehicle(s) and drive away. This is known as keyless or relay theft, and criminals can get the signal and steal a car or van in less than two minutes.

On average keyfobs have an unlocking range of five to 20 metres, so make sure they're kept as far away as possible from any entry points in your home or business.

Some keyfobs have the option to turn off the keyless entry feature – it's always worth checking with your vehicle manufacturer if it can be disabled.

Another way to prevent access to your keyfob is by keeping it in a blocking pouch, which does what it says on the tin and prevents the signal from being used on a relay device.

OUT OF SIGHT, OUT OF MIND

It can be easy to leave items in our cars or work vans that we know we're going to

**Stay savvy against
vehicle thieves**

need on our next journey. However, an opportune thief may notice something on the back seat and break in and steal it. Not only could they take the contents, but they may also hot wire the vehicle once they've broken in.

If you need to leave anything in a vehicle, always make sure it is hidden away safely in the boot. However, it is best advised to empty any car, van or lorry at the end of the day. That way, it isn't a temptation for opportunists.

CHOOSE YOUR ROUTE CAREFULLY

Think about the area you're driving through or to - is it safe? Have you been there before? Try to stick to main routes where possible, especially if you're in an

unknown area. Car thieves may stake out lesser-known areas, hoping for someone who is lost.

They may pretend to be broken down, so you stop to help them. Similar to the wheelie bin trick, they're hoping drivers will leave the ignition running, so they can make a quick getaway.

If you're parking up, always choose a well-lit car park that has CCTV - as this could put criminals off from targeting your vehicle.

BE PREPARED

DEVICES THAT CAN DETER CRIMINALS OR STOP THEM IN THEIR TRACKS:

- Steering wheel locks - while they're not 100% indestructible, they can put thieves off.
- Kill switches - hidden way, they either intercept the flow of electricity to the battery or ignition or disarm the fuel pump.
- Immobilisers - if someone tries to hot wire your vehicle(s), an immobiliser will prevent the car from starting by stopping the ignition, fuel and starter motor from working in unison.
- Trackers - if your car or fleet is stolen, a covert tracking device can help you to recover your vehicle(s) from thieves, without the criminals ever knowing you're tracking them.

In **1991** John Eastwood, Jayne Clowes & Andrew Sugden came together to form an independent Insurance Brokers



FUTURE

1991

Our new website is live! Click here to see it for yourself...

Celebrating 30 years

1991

Fast forward 30 years and we have grown from 3 employees in one small office to a team of 60 at Northumberland House in the heart of Huddersfield town centre.

We have rebranded as Eastwood Insurance Brokers and we have grown into a group of companies consisting of Eastwood Private Clients, EP Risk Consultancy, Eastwood Financial Services and Credit Risk Management providing insurance solutions, risk management and financial services.

Our 30th anniversary is the perfect time to recognise the huge contribution of our valued employees in making Eastwood Insurance Brokers what it is today.

The Directors - John Eastwood, Jayne Clowes, Andrew Sugden, Lucy Hodgson, Tony Crabtree and Ian Sheppard - are celebrating our 30th anniversary with a cheers! Our team all received a bottle of Champagne last year to mark this momentous occasion. Here's to the next 30 years!

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