

### **DID YOU KNOW**

In August 2011, more than 15,000 people participated in extensive rioting across England, costing the country more than £500 million. By overturning a previous High Court ruling, the Court of Appeal has made it possible for damaged business to recoup more of their losses after riots.

June 2014

## Consequential Losses Now Recoverable Under the Riot (Damages) Act

In a landmark decision applying to properties in England and Wales, on 20 May, the Court of Appeal reversed a ruling that prohibited recovering consequential losses from the police after a riot. The High Court had previously ruled that businesses could reclaim damages for property, stock and other physical damage from the police under the Riot (Damages) Act 1886 (the Act), but not consequential losses, such as loss of profit and loss of rent.

This Court of Appeal ruling expands compensation payable under the Act beyond just physical damages; compensation under the Act now encompasses consequential losses for the first time.

This is welcome news to insurers of the Sony warehouse in Enfield, which was completely destroyed during the 2011 riots, resulting in Europe's

largest-ever arson attack. The Enfield insurers initially sought over £60 million in damages, and estimates for the additional consequential losses are around £11.4 million.

This decision will likely create a renewed interest on the part of insurers pursuing previously denied damages under the Act. However, industry insiders caution that this does not signal a compensation free-for-all, since police remain entitled to 'fix' an amount of compensation they deem 'just'.

## Do You Need Motor Fleet Cover?

If your business has just a few vehicles, you may not think that qualifies as a 'motor fleet'. The phrase conjures up images of packed car parks and endless queues of vehicles.

But whether your business has five or 500 vehicles, they can still be considered a motor fleet, and no matter the size of your fleet, you still face the hazard of corralling your vehicles and managing their extensive risks.

Rather than relying on standard motor insurance which only covers certain vehicles under certain policies, a motor fleet policy, which usually defines a fleet as at least five vehicles, can cover an assortment of vehicles with a variety of uses under one policy. This flexibility reduces the need for fleet oversight and thus

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## Brush Up on Criminal Record Checks Basics to Avoid Breaking the Law

Criminal record checks are invaluable tools. They help you determine whether a candidate for a position in your organisation meets certain criteria, such as having a clean past with no prior convictions.

As an employer, you must express caution when deciding whether to conduct a criminal record check. There are several factors dictating the need for a criminal record check, including legal requirements, the type of position, company policies, the level of the check and more. It is a criminal offence to apply for a check unless the job or role is eligible for one. Eligible positions can include those that work with children or vulnerable adults, health care professionals, barristers and solicitors, certified accountants, government officials and court officers.

Criminal record checks can reveal 'spent' and 'unspent' convictions. A conviction becomes spent after a rehabilitation period, the length of which depends on the type of sentence and the age of the offender when convicted. A conviction is unspent if the rehabilitation period is not passed or if the sentence exceeded two and one-half years.

All UK employers are entitled to ask and know details about applicants' unspent convictions through a basic disclosure request. Do this through [Disclosure Scotland](#), which services all of the United Kingdom for basic disclosure requests. But to obtain details about spent convictions, employers need to follow country-specific legislation and requirements.

- **England and Wales – Disclosure and Barring Service (DBS) Checks.** A DBS check discloses the spent convictions of those applying for specific positions and professions. Employers are responsible for ensuring they are entitled to submit a check for the positions. There are three types of DBS checks, in varying degrees of detail: standard, enhanced and enhanced with list.
- **Scotland – Disclosure Scotland.** In order to apply for a disclosure on an individual, employers must become a registered body and pay an annual fee. There are three main types of disclosures in Scotland: standard, enhanced and the Protecting Valuable Groups Scheme.
- **Northern Ireland – AccessNI.** Northern Ireland employers can apply for two main criminal record checks to reveal spent convictions: the standard AccessNI check, and the enhanced AccessNI check.

Consult your government's employment service to avoid committing a criminal offence by unlawfully conducting a criminal records check.

## Do You Need Motor Fleet Cover?

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lowers overall administrative costs. The average motor fleet policy is much more robust and flexible than standard motor insurance, reducing driver restrictions and allowing you to regularly add or remove vehicles from your policy.

Could your business benefit from motor fleet cover?

A bespoke motor fleet policy, bolstered with effective risk management, can reduce claims, streamline business operations and slash administrative costs. Consider adopting the following motor fleet best practices:

- Interview drivers to figure out what practices need changing.
- Study whether there are more efficient ways to allocate driving assignments and change routes.
- Enforce a mobile policy for your drivers that complies with the law and stresses driver safety.
- Establish clear rules for using safety equipment such as seat belts, first-aid kits and fire extinguishers.
- Adopt a 'clean car' policy which prohibits leaving any valuables in view and dictates that drivers can only park in secure places.

Crendon Insurance Brokers Ltd has all the resources and expertise to ensure your business' vehicles are safe and road-ready.