

Commercial Insurance Profile

December 2018

New Year, New Risks:

Prepare Your Business for 2019

EU organisations listed the following concerns as their top risks for 2019:

Cyber-security (66%)



Compliance (58%)



Data security and protection (58%)



Source: The European Confederation of Institutes of Internal Auditing

The Biggest Risks Facing UK Businesses in 2019: Revealed

In the past 12 months, the UK has experienced several changes that impacted businesses across the nation, regardless of size or industry. Between growing cyber-security concerns from high-profile breaches and the GDPR, broken supply chains from a commercial CO2 shortage and the collapse of big-name companies like Carillion, various risks have taken precedence. Not to mention, 2019 will be another year of change as Brexit occurs. To prepare for a new year filled with emerging and evolving risks, the European Confederation of Institutes of Internal Auditing recently released their annual Risk in Focus 2019 [report](#). Don't let your business fall behind—be ready to tackle these top risks:

- **Stepping up in cyber-security**—This risk took the top spot on the list, with 66 per cent of organisations labelling cyber-security as one of their greatest risks. Consider these primary concerns:
 - *Staying safe on the cloud*—Many businesses have transitioned to using the cloud for data services. However, Microsoft reported that the number of attacks on cloud-based accounts quadrupled in 2017, largely due to poor password management and phishing scams. If your organisation uses the cloud, it's critical to establish a strong security framework.
 - *Securing your supply chain*—Nearly 60 per cent of organisations experienced a cyber-attack that was caused by a supplier in 2017. Be sure that your business bolsters their entire supply chain with proper data protection initiatives.
- **Ensuring compliance**—Coming in second place, 58 per cent of organisations listed compliance as one of their top risks. Indeed, non-compliance can have severe consequences, including costly fines and a tarnished reputation. Be prepared with this guidance:
 - *Understanding the GDPR*—Although this regulation has been in place for several months, more than 25 per cent of organisations report they still won't be fully compliant by the end of 2018, according to TrustArc. Your business can't afford to ignore the GDPR. Use the ICO's [website](#) for compliance tips.
 - *Getting ready for Brexit*—A wave of uncertainty remains for UK businesses, as official Brexit plans are still unknown. Regardless, it's crucial for your organisation to prepare for the various outcomes, including a no-deal scenario. This entails planning for updated customs, altered supply chains, product compliance changes, and new contracts or permits for employees. In addition, sign up for government-issued email alerts regarding Brexit by clicking [here](#).



**Crendon
Insurance
Brokers**

www.crendoninsurance.co.uk

enquiries@crendoninsurance.co.uk

0121 45 45 100

Embrace the Festive Season While Avoiding Liability Issues: Top Tips

Maintain a positive environment by enforcing workplace conduct.



Select a safe, nearby location to make transport simple.



Monitor alcohol intake with a token or tally system.



The HR Hangover: Here's How to Avoid Christmas Party Liability

Although festive season is an exciting time filled with reason for celebration, transitioning the Christmas spirit to a workplace event can sometimes get complicated. Without proper practices in place, what should have been a joyous office Christmas party could become a disastrous scene of employee discrimination or violence, costly accidents and extensive legal ramifications.

Keep Christmas 'merry and bright' by ensuring your organisation takes steps to prepare for the risks of a festive celebration with this guidance:

- **Enforce the rules**—Take the time to inform all staff members of the expected conduct. These rules can establish appropriate topics of conversation (avoid issues such as office politics) or discuss prohibited behaviour (enforce a zero tolerance policy for discrimination or violence). Emphasise that even though this is a celebration, unacceptable conduct will result in consequences.
- **Consider the location**—When determining the venue for your party, keep key safety factors in mind. This includes ensuring the location allows attendees to return home quickly and safely, as well as offering group transport or rideshare options if needed.
- **Keep an eye on alcohol intake**—If alcohol is provided at the celebration, it's crucial to find a way to limit the risk of intoxicated guests. You can do so by establishing drink limits with a token or tally mark system. Additionally, be sure that all bartenders understand the signs of intoxication and cut off at-risk guests.

Apart from these best practices, provide your organisation with ultimate peace of mind by purchasing employment practice liability cover. For more information, contact Crendon Insurance Brokers Ltd today.

How Disgruntled Employees Can Make You Liable for a Data Breach

It was a data breach nightmare for Morrisons when a disgruntled employee abused his access to the company's payroll data. In January 2014, after copying the data onto a personal USB, the employee posted personal details of nearly 100,000 Morrisons workers on a file-sharing website.

But what happened next was even worse. While the employee received an eight-year prison sentence, the High Court took legal proceedings against the company itself as well. Although Morrisons was found to be compliant with data protection laws, the High Court and Court of Appeal recently agreed that the company was still vicariously liable for the disgruntled employee's actions.

Especially in the era of strict data protection law under the GDPR, this situation emphasises the importance of being prepared and protected against any possible data breach situation. Contact Crendon Insurance Brokers Ltd today to discuss potential insurance solutions.

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