

Risk management tips brought to you by the insurance professionals at
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DID YOU KNOW?

Eighty-nine per cent of managers surveyed for a 2013 Chartered Management Institute study reported that ensuring continuity of operations is one of their key responsibilities as a manager, yet only 63 per cent of respondents reported that their organisation has business continuity management arrangements in place.

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Is Your Business Continuity Plan Effective?

If your organisation suffered a major catastrophe, one that completely stalled your operations, your customers would probably wait only a short period before turning to your competition.

Your customers, like you, have strict deadlines to meet. Neither of you can afford any pauses in productivity, which is why business continuity planning (BCP) is so crucial.

BCP helps prepare your business for disasters that could disrupt or halt its manufacturing operations. It should make your business more resilient so that when something unexpected threatens to bring your manufacturing to a standstill, you can respond with agility and restore your operations quickly without losing any business.

Do you have a business continuity plan? If so, is it effective? Follow these top tips to ensure your plan is effective:

- Prioritise your organisation's critical business functions. Decide what is crucial for your business.
- Detail plans for getting your business working again, not just short-term solutions for overcoming an incident.
- Share the plan with all managers to ensure your business continuity plan is not solely dependent on a few key people.
- Identify your critical suppliers and key equipment. Devise a plan for what to do if either of them are lost.



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You Need Business Interruption Cover

Manufacturers are regrettably underinsured when it comes to business interruption (BI) cover. Experts agree that the average BI policy, which lasts only twelve months, can be inadequate and fail to account for the time needed to restore a business to its pre-loss trading position.

BI cover is not just about restoring the physical aspects of your building—it is also about the time it takes to get your business back up and running. Experts recommend extending your BI policy since twelve months is often not a suitable amount of time to resuscitate your business.

Periodically review your BI policy to make certain it insures you for an adequate amount of time. In the wake of a disaster, your BI policy will act as your business' life jacket—keeping you afloat long enough to restore your operations and customer base.

The Common Hazards and Types of PPE You Should Know

Personal protective equipment (PPE) is indispensable in the manufacturing industry. Depending on what your business manufactures, your employees face a diverse set of hazards that require PPE to protect them from serious injury or death.

The following hazards plague most manufacturing businesses. Familiarise yourself with these hazards and the PPE they require to help safeguard your employees from preventable injuries:

- **Eyes** – Common eye hazards include chemical or metal splash, dust, projectiles, radiation, and gas and vapour. Appropriate eye PPE includes safety spectacles, goggles, face-shields and visors. Make sure the eye protection fits the user properly, has the right combination of eye protection for the hazards listed above and is suitable for the task.
- **Head** – Common head hazards include impact from falling or flying objects, activities that present a risk of head bumping, and hair entanglement. Appropriate head PPE includes a wide range of helmets, hard hats and bump caps. Some safety helmets incorporate or can be fitted with specially designed eye and/or hearing protection. Be sure to also supply your employees with PPE that provides neck protection. Never use head protection if it is damaged—always replace it.
- **Breathing** – Common breathing hazards include dust, vapour, gas and oxygen-deficient atmospheres. Appropriate breathing PPE includes disposable filtering face-pieces or respirators, half- or full-face respirators, air-fed helmets and other breathing apparatuses. Remember to use the right type of respirator filter since each filter is only effective for a limited range of substances.
- **Hands and arms** – Common hands and arms hazards include abrasion, temperature extremes, cuts and punctures, impact, chemicals, electric shock, skin infection, disease, and contamination. Appropriate hands and arms PPE includes gloves, gauntlets, mitts, wrist-cuffs and armllets. Avoid gloves when operating machines such as bench drills where the gloves could get caught.
- **Feet and legs** – Common feet and legs hazards include wet, electrostatic build-up, slipping, cuts and punctures, falling objects, metal and chemical splash, and abrasion. Appropriate feet and legs PPE includes safety boots and shoes with protective toe caps and penetration-resistant mid-soles, gaiters, leggings, and spats. Ask employees to opt for slip- and chemical-resistant soles.

Recent Fines and Prosecutions

Rolls Royce fined for loss of radioactive source

Rolls Royce Marine Power Operations Ltd was fined £200,000 and ordered to pay £176,500 in costs after safety failings at its Derby plant led to the loss of a radioactive source that exposed workers to high levels of gamma radiation. The company uses radioactive sources to check that its welds are perfect. Due to the absence of a suitable and sufficient risk assessment for gamma radiography work, the radioactive source, about the size of a small screw, was lost for five hours and exposed workers to 32 times the annual permitted dose.

Prosecution after worker loses fingertip

A West Midlands fabrications company was fined £13,000 and ordered to pay costs of £1,391 after an employee lost a fingertip in an unguarded drill. The required guard for the drill was removed in the past, but it was never replaced.

Exploding vessel leads to fines for carpet company and inspection firm

A Kidderminster carpet company and a Surrey-based inspection firm were fined £10,000 and £13,000, respectively, after the carpet company's large pressure vessel exploded, propelling its quarter-tonne lid 6 metres into the air. No one was hurt, but lax maintenance and shoddy inspection failed to identify the problem.