

BROKERTALK

alone speak with them.

Roger tells me he will be improving

his golf in his retirement. Well, it's about time, is my response. It was back in '84 when we found ourselves paired at an MIB golf day at Burhill, and we had a very enjoyable time hacking round together. So much so that we kept the pairing going for quite a few subsequent years.

withers.net

Subsidence looks to become a prime candidate for many future seminars associated with climate change, red lining, risk mapping and the like. The number of claims is expected to rise by the end of this year, so will those who actually carry out remedial work be able to cope?

I spoke with Robert Withers, managing director of Withers PLC, a company that provides subsidence, piling and foundation solutions. He reckons handling subsidence claims is like waiting for a bus... nothing comes along for ages and then they all appear at once. He's concerned because insurers have put little work out to contractors following last year's 'event'. "Instead they're focusing on meeting their initial service criteria of looking at new claims and making reports. Only 40% of last year's subsidence claims have progressed beyond the stage of remediation works."

He believes that if the 2003 claims are not progressed further, then there'll be a log-jam with two years' worth of claims being put out to contractors. "It doesn't take an

expert to work out that if the same number of contractors are getting double the amount of work, there will be cost, capacity and service delivery issues," he states.

In preparation for 'all the buses coming at once' Mr Withers has formed withers.net, a national self-managed network of regional repair companies. Withers PLC is working in partnership with



Robert Withers

Bearing Foundations, Acorn Foundation Engineering and Falcon Foundations using a web-based central hub system. Withers.net offers a matrix or menu pricing structure, lump sum fixed prices and a schedule of rates, if required. Its web-based claims management system addresses any capacity issues and service delivery is scrutinised via key performance indicators. There's one point of contact and clients -

insurers and loss adjusters - can monitor their claims progress via data inputted onto a web-based system. Password-protected files are held centrally on the web, providing clients with 24/7 access and monthly reporting allows clients to monitor whether contractors have met their KPI and service criteria.

Mr Withers tells me that all withers.net contractors are members of the trade association ASUC Plus and are based in Croydon, Luton, Manchester and Bristol. "Collectively, they have the capacity to handle over £2m worth of claims and we are looking for this to increase as new members join."

He adds that in the past, insurers have either used their own in-house teams, managed separate companies, or contracted with a national organisation resulting, in his opinion, in a fragmented service via a regional office network. "By forming withers.net, I'm channelling the expertise of regional players into a self-managed network. Member companies have to meet stringent capacity, service delivery, health & safety, technical and financial criteria and once in the network, they agree post code areas and/or disciplines they'll work within."



Tony Boobier

One of the first companies to sign up to withers.net is Capita Insurance Services. I caught up with Capita's director of building services, Tony Boobier, who expects withers.net to be an important business partner. "It harnesses the flexibility of medium-sized firms into a single national enterprise, without compromising compliance issues. This is an important development in the subsidence industry at a critical time."

As we all know, subsidence claims can be lengthy, expensive and sometimes emotional - and not just for the homeowner. So anything that alleviates that pressure - like reducing the amount of time spent on a claim and helping to control costs - is to be applauded.

Contact: admin@withersnet.net

Subsidence Forum

While talking about subsidence, mention should be made of the new Subsidence Forum created earlier this year by ASUC Plus members (formerly the Association of Specialist Underpinning Contractors) to create an industry-wide co-ordinated approach in resolving the large volume of claims expected

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from 2003.

Initial members included Norwich

Union, Zurich, Lloyds TSB, Halifax, Capita, Cunningham Lindsay, Crawford, GAB Robins, National House Building Council, Building Research Establishment, UK Drainage Network, Structural Surveys Direct, Treesphs, Building Risk Solutions, Ellipta, VKHP-Douglas Rose partnership and representatives from its founding body, ASUC Plus.

The Forum will provide a common platform to identify best practice, share expertise and produce a series of recommendations on how claims can best be handled. The findings will form the basis of a best practice guide which it is hoped will become an industry 'subsidence bible'.

Forum chairman, Zurich's John Parvin says there is an agreement between insurers regarding the handling of claims if a customer changes insurer, but this does not extend to protocols once a claim is in progress.

"Although the customer is protected, this agreement can lead to internal wrangling between parties over liability issues, for example, tree recovery actions. A generic protocol will allow all parties to get on and settle the claim. This has got to be a 'win, win' for insurer and customer. The industry has lost a lot of skills and expertise over the year, so this forum and our best practice guide will be an invaluable information tool for people who are dealing with a subsidence claim for the first time."

Brokers are welcome to join the Forum - see www.subsidenceforum.org.uk

Silver for 'Age'

Congratulations to *Insurance Age* magazine on its 25th anniversary earlier this year. It has been my pleasure as a freelance to pen articles for five of its most recent Editors and it was David Worsfold, who sat in the chair from 1982-86 who gave me my first series of commissions after he moved on to *Post Magazine*. A personal thank you goes to Kevin Pratt, John Jackson, Rachel Gordon, Jon Guy, and current incumbent Michelle Worvell for all their help and encouragement.

The underwriting scatter-gun

That infamous cliff-side postcode - the one with one home at the top and the other at the bottom - highlights the hazards of reliance on maps and

artificial boundaries when it comes to assessing potential flood risk. There's been an uneasy suspicion that several insurers telling the world that they are now able to individually rate the flood risk for every home in the country are not in fact working from data down to individual postcode. What they actually have is a big map covered in coloured blobs, and if your postcode happens to fall inside one of these patches, you're high risk, and if it doesn't, you're not. So they are not being inaccurate when they claim to be able to rate every property - it's just that they are using a shotgun rather than a scalpel.

I must confess to a vested interest here. My postcode endured three flooding incidents during the last inundation, and the waters never entered the house, and never have in the twenty years of our occupation. As a good insurance man you don't think I bought the house without checking the flood risk, do you? The last event was probably the worst of the lot, but just as the rising waters nearly reached us (why do these crises always occur at midnight?) the local topography kicked in, and the waters then allowed gravity to take them elsewhere. The floorboards later came up just to make sure there was nothing nasty lurking underneath - this at a time when mould was the latest scare. Consequently I am very interested in talking to any home insurer who is willing and capable of taking these underwriting factors into account. It's particularly pleasant to note the recent flood map issued by the Environmental Agency endorses my findings, with our postcode standing proud amid a sea of blue.

Now wouldn't it be interesting if other members of the public who have been similarly penalised for residing in a so called high risk area - while in reality high and dry - got together to pursue a refund from their insurers for negligent underwriting?

Whoops! dept

Just received a Mark Twain style "reports of my demise are greatly exaggerated," message from Simon Clayton, chief executive of ASA Insurance Services. His recent appointment as the new non-executive chairman of LFC Insurance Group based in Essex duly appeared in our September *Comings & Goings* page, but somehow the words "formerly chief executive of ASA" crept into the item. No doubt the ASA shareholders, insurer partners and staff will already be aware that he is still very much in place as full time CEO of ASA. Happy to put the record straight.