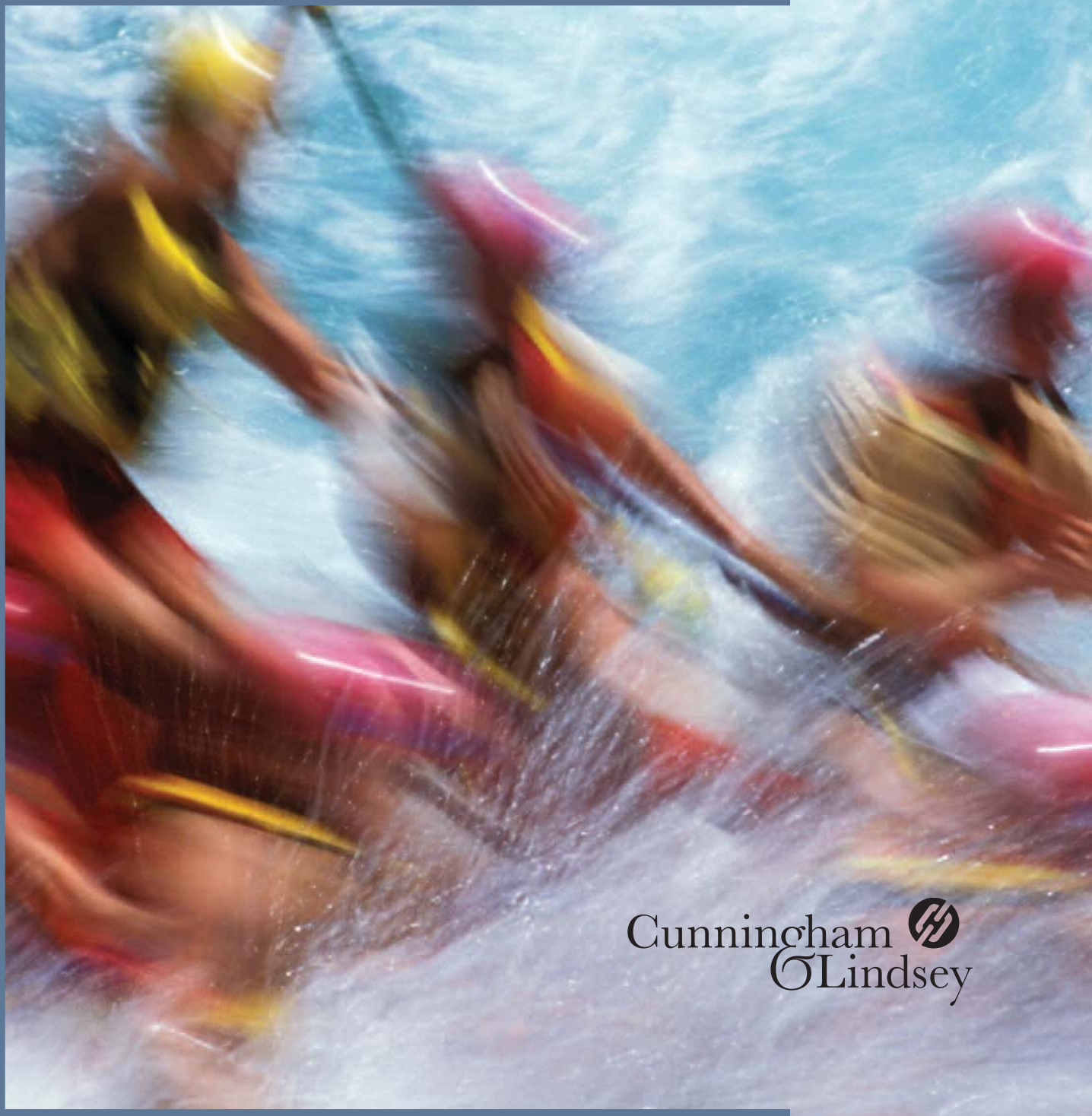
Major Loss Review 2010

Specialist Adjusting Network



Cunningham Lindsey

Contents

FRONT COVER: ***We're paddling in the same direction.***

2010 marks the fifth year in which we have published the Major Loss Review and the publication has become a standard bearer for our business.

In it we seek to draw lessons from our experiences in handling major losses and to share these with others in the insurance industry. In doing so we hope the trends we have highlighted this year will be both important and interesting to underwriters, claims handlers and brokers alike.

In this year's publication we have tried not only to examine the procedures and processes involved in handling major losses, but also to look beyond these and consider the role that people play.

What softer skills do people need? How do they bring value to a claim? How can we make sure we always have the very best people handling major losses as a company and as an industry? The review also takes account of the changing world in which we live and considers how, as a growing company, we can work together globally and make sure that good communication and collaboration see us bring the right knowledge and experience to bear in losses at a local level.

Punctuated by examples of changes in the global environment, the review looks specifically at some of the issues raised by climate change and extreme weather.

It looks at the evolving international sector for public private partnerships and considers some of the inconsistent and developing legislation around fledgling markets such as sustainable construction.

As a company we are also being asked to respond to ever more complex losses and here we take the chance to get under the skin of some of the challenges thrown up by the intricate supply chains that are needed to serve our modern consumerist society.

Equally we are increasingly asked to react internationally and in more technically savvy ways and so we investigate how we can best respond in the present and prepare ourselves for the challenges we will be asked to meet in the future.

It is important to realise that no matter how well trained we are technically, there is no substitute for the willing eagerness to go the extra mile that I find so impressive in the response of our major loss adjusters when working in incredibly demanding circumstances.

This combination of professional willing and technical expertise is a heady concoction and one we hope you will enjoy celebrating with us in this issue.

Philippe Bès
President & Chief Executive Officer
Cunningham Lindsey Group Limited

Changing role of the major loss adjuster

Rarely credited in the public arena, the role of the loss adjuster is as important as it is fast moving. Here Maggie Cowing and Roy Shevlin look at how things are changing and underline just what makes the best loss adjusters stand out from the crowd.

Loss adjusters rarely get top billing in the media reports around major disasters, but their involvement is essential in the aftermath in order to generate a successful outcome for all affected parties.

The role of the major loss adjuster has evolved over the years and in order to provide the best response in a disaster and protect the business of those involved, it must now extend way beyond the basic function of quantification.

In this article, we review the reasons for the changes, examine the skills required when dealing with large losses and look at what the future might hold for the role.

WHY THE CHANGES?

A common theme running through all successful major losses is teamwork. The business world is increasingly complex and handling major losses requires significant specialist knowledge. There is little room for a single adjuster working on his own. Well marshalled resources and a deep well of experience are the minimum requirements

Teams are composed of appropriate experts, either internal or external, and depending on the claim can operate on a local, national and international level. Typically we would seek to include the broker policyholder, and insurer, all of whom have knowledge critical to settlement. The adjuster's skill is to ensure early involvement, bringing the activities of the specialists together at the right time. This is characterised by excellent communication between all parties so maximising the impact.

Specialist major loss team leaders must have the capacity to immediately gain the confidence of all stakeholders, allowing them to take overall responsibility for managing the response. It is important that this response is both swift and decisive as industry analysis shows that the decisions made at the early stages of a loss have the biggest influence on a successful outcome.

As such it is imperative adjusters can immediately identify what skills are required in the team, generate effective solutions and set the pace of the response.

WHAT MAKES A GOOD MAJOR LOSS ADJUSTER?

We have found that although the best major loss adjusters have varied experience and skills, there are some common attributes shared between them.

Highly developed interpersonal skills feature strongly and are essential to gain a stakeholders' trust and influence them into making the right decisions, at the right time.

Based upon a foundation of knowledge and experience, the best major loss adjusters bring their own flair to each claim, often by lateral thinking, adapting and applying previous experience in new situations.

The bedrock upon which this stands is a thorough understanding of how the

policy can be worked to the best advantage of all stakeholders. This is critical in a commercial world that is evolving so quickly and continually throwing up new problems and challenges.

To summarise the best adjusters have four key qualities. They are:

ASSURED

The adjuster uses direct and simple language. He/she acknowledges the team's strengths, recognising and addressing any weaknesses.

IN CONTROL

The adjuster is decisive. He/she acts quickly and visibly, giving firm commitments at the earliest possible stage.

INFLUENTIAL

The adjuster makes sure expertise is shared and suggests new ways of working. He/she encourages others to feel responsible for what needs to be done, helping claims get settled faster.

INSPIRATIONAL

The adjuster leads by example and brings the best out of others in the team.

WHAT DOES THE FUTURE HOLD?

Within Cunningham Lindsey, we are working on specific projects examining a number of different areas in which improvements could be made to the way major losses are handled.

Project management is very much in vogue and, to some extent, every major loss can be regarded as a project, which requires management through to successful completion.

The project management discipline has developed over recent years and trained, experienced project managers can bring skills, which are beneficial to the team as a whole.

For example, establishing and agreeing a programme, monitoring progress against it, providing critical path analysis and then challenging the programme to identify fallow time, can greatly shorten the length of a claim.

If we consider the major loss process as a series of key decisions or interventions, it makes sense to ensure that these are made based upon the best information available, at the earliest possible stage in the process.

We are, therefore, examining ways in which technology can be used to obtain immediate information from the policy-holder and using other resources, such as costing models, to aid our work in this area.

Visibility of activity is increasingly commonplace. For example, we can track an Amazon order from day one and there is an expectation that we should offer this level of accountability to our clients. Electronic media therefore have a growing role to play in recording and sharing information and explaining the decisions we make.

Increasingly, we are looking at ways in which we can bring our claims experience to bear on the pre-loss process. Working with the client, the broker and the policyholder, we are more frequently involved in disaster planning and stress testing of policy wordings so that as much preparation as possible has been done before a major loss occurs.

IN CONCLUSION

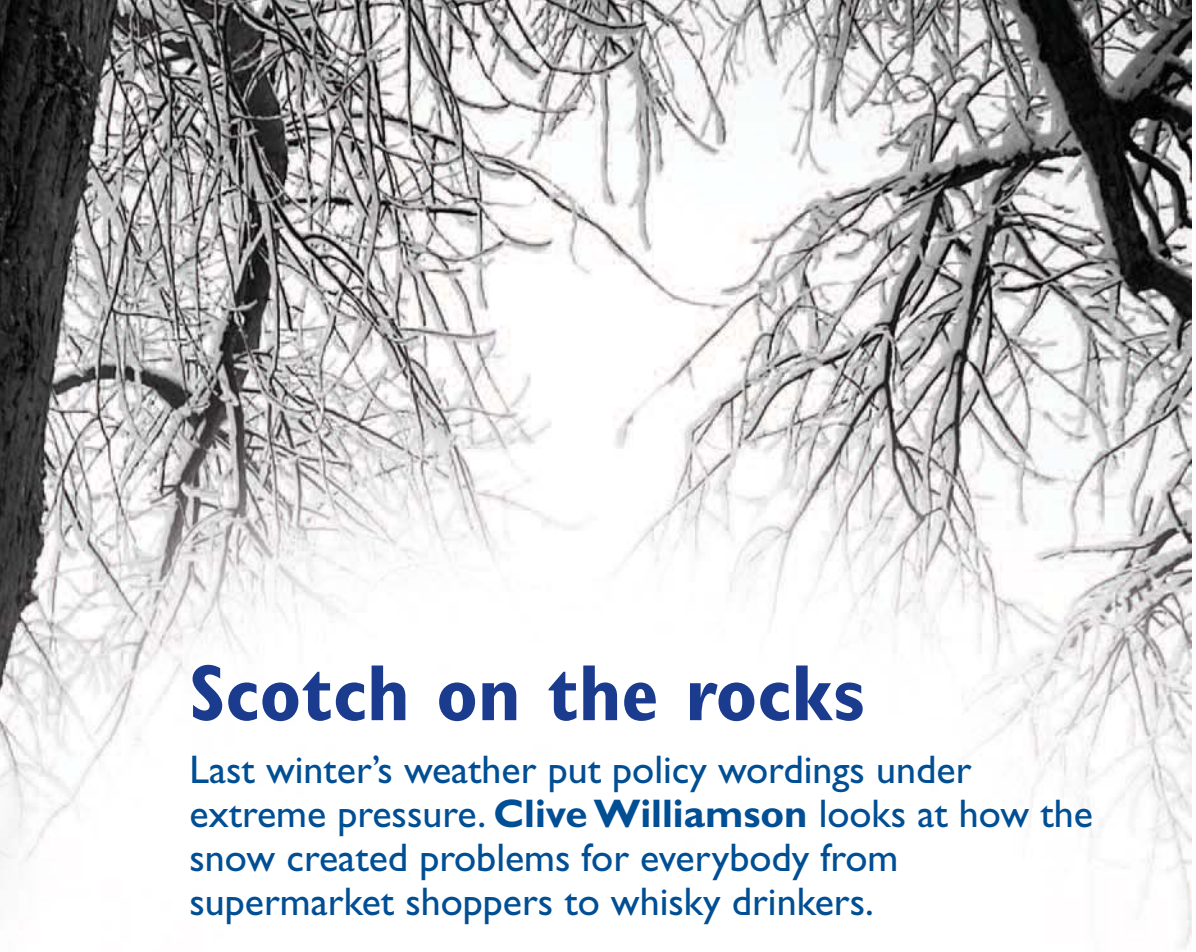
We cannot accurately predict what the future will bring, but we believe that an awareness of how our adjusters bring value to major loss handling will help us understand the ways in which we can improve. We can be prepared for and even influence those developments.

One thing is certain; our adjusters will continue to provide excellent service, offering innovative and effective solutions to the problems customers face in this changing world.

Maggie Cowing is our Major Loss Development Director based in London, UK. Email: maggie.cowing@cl-uk.com or Tel: +44 7770 640140

Roy Shevlin is Head of Specialist Adjusting Network based in Newcastle-upon-Tyne, UK. Email: roy.shevlin@cl-uk.com or Tel: +44 191 269 0900


peyside



Scotch on the rocks

Last winter's weather put policy wordings under extreme pressure. **Clive Williamson** looks at how the snow created problems for everybody from supermarket shoppers to whisky drinkers.

Policy wordings are a little bit like snowflakes, the closer you look at them the more detail you see.

Last autumn, few policyholders would have given too much thought to how their insurance would react to an extreme weather event and certainly not one caused by the mountainous snowfalls we saw over the winter. That is not a mistake they are likely to make again.

The north of Scotland saw heavy snowfalls from mid-December 2009 to March 2010 and by January the problems this created were beginning to manifest themselves.

Initially, reports of collapsing farm buildings were greeted with a certain amount of sangfroid by the loss adjusting community, familiar as it was with older buildings being the first to reveal their weakness. However, as the snow continued to fall, the problems began to mount.

Calm weather with little wind meant there was nothing to disturb the lying snow and temperatures continually below freezing allowed accumulations to increase.

Gutters came off houses, conservatory roofs and garages collapsed, a new major supermarket in Keith, Banffshire, was evacuated over concerns regarding the overstressing of the flat roof. And then the problems really began.

In whisky country, Speyside, bonded warehouses started to collapse. These included modern, recently constructed steel framed buildings. The first failure was greeted with a sense of disbelief, but as the severe winter continued, progressive failures occurred as roof structures carrying ice and snow collapsed onto whisky barrels on racking and pallets.

Whisky connoisseurs frown at adding anything other than some water to a malt. Dropping tons of ice on it caused brows to furrow deeply. This was no time for 'scotch on the rocks'.

As emergency responses and improvements in the weather eased the situation, the focus turned to how insurers would respond.

Students of insurance law were drawn inexorably towards the *Glasgow Training Group v Lombard Continental (1989 SLT 375)* case which dealt specifically with weight of snow claims being considered as 'storm' damage… or did it?

The policy then under consideration only provided standard perils cover, including 'storm'. Insurers argued that high winds were required to support a claim for storm damage, but the courts decided that this was not the case.

Indeed, it was held that it was enough that there had been an intense and excessive precipitation of snow so that an ordinary bystander would have described the conditions as a snowstorm. It was also the suddenness or violence of the precipitation that made it a storm.

In that case there was both meteorological evidence and witness evidence as to the intensity and effect of the snowfall in the area, including transport difficulties, school closures and the like.

The question here was how this sustained severe weather fell for consideration under the terms of an insurance policy.

In the majority of cases policies are now written on an 'all risks' basis or with an extension to include 'accidental damage'. In these circumstances, where the damage is sudden and unforeseen, providing the usual exclusions can be ruled out, policy liability should attach. A number of insurers requested comment on what attempts were made to clear snow from buildings and whether these had been reasonable.

Where policies did not have this cover we reverted to the Glasgow Training Group interpretation.

This created some difficulties in identifying specific 'storm' events over such a sustained period of extreme weather. Given the severity and exceptional nature of the conditions, most insurers adopted a pragmatic approach.

Notwithstanding this, changes of insurers at renewal date led to some interesting situations. In particular, insurers coming on risk in January 2010 sought reassurance that, even if the building collapse occurred in January, there was no prospect of them being held liable for damage that had been caused by snowfalls predating renewal.

Similarly, insurers coming off risk did not want to be held liable for damage caused by snowfalls post dating renewal.

We scrutinised weather records for details of daily snowfalls and plotted accumulations and on this basis we were able to present arguments to indicate that critical loadings most likely occurred after December 2009, allowing us to draw lines of where the liabilities fell that were acceptable to all.

With policy liability issues resolved we turned our attention to recovery prospects. The widespread nature of the building failures and the variety of ages and constructions involved suggested that deficiencies in design or construction were unlikely.

In the more severe collapses we appointed structural engineers to investigate.

While some construction deficiencies were identified, these were deemed unlikely to be a significant contributory factor. Physical measurements of the depth and density of snow and ice accumulations indicated that loads in excess of twice the snow load specified in the relevant design Codes of Practice and British Standards were achieved, making collapse almost inevitable.

The approach to reinstatement raised further queries as the current British Standards for structural design changed to Euro Codes on 1 April 2010. While the new codes allow enhanced snow loads to be calculated, these were still less than those actually experienced in January 2010.

Prudent building owners sought to protect their property by making them stronger and sought guidance from the Association of British Insurers (ABI) on justifying this position.

While the ABI recognised that design codes would evolve over time and changes in weather patterns may accelerate this process, they confirmed that the indemnity available under an insurance policy would only respond to the extent of the current accepted standards.

Looking ahead it will be interesting to see whether policy wordings change or insurers' attitudes harden when faced with similar situations in the future.

What is sure is that such widespread and prolonged snow created a significant challenge for the insurance industry and not only presented it with some technical issues to consider, but also gave it an unprecedented breadth of claims to deal with.

> "The devastating effect of deep snow accumulations are now recognised in the UK."

Across all types of business and all manner of buildings, the snow and ice created problems and being able to understand and deal with the intricacies of each situation successfully is something the insurance industry should be proud of.

The devastating affect of deep snow accumulations are now recognised in the UK and perhaps the details of the Glasgow Training Group case will be viewed more rigorously going forward.

In the future an implied obligation to clear snow from buildings may be formalised, however in Speyside the reconstruction of the warehouses is progressing and only a minimal loss of spirit has occurred.

We can all drink to that.

Clive Williamson is our SAN Regional Manager in Glasgow, UK.
Email: clive.williamson@cl-uk.com
or Tel: +44 141 240 2526

Bridging into the good and bad

Private Public Partnerships have been a growing phenomenon in the construction sector over the last 20 years and the UK insurance industry has developed an expertise in handling the peculiarities they present when major losses occur. Here **Rupert Travis** peels the lid off the national and international PPP market.

When the flooding hit Cumbria last year, the massive response by the UK insurance industry not only demonstrated its ability to handle major events effectively, but also showed off the unrivalled expertise it now has in dealing with claims from Public Private Partnerships (PPP).

In particular, the UK insurance industry's PPP expertise came into its own as the floodwater swept away the Calva Bridge that serves the town of Worthington.

The Calva Bridge was part of the Carlisle road network, which is operated by a PPP project company for the Highways Agency. As such it was the project company's insurance policy, rather than a government policy that responded to the incident.

PPPs have taken up a dominant place in the UK's economy ever since the Conservative Chancellor, Norman Lamont, came up with the concept in 1992.

Under the banner of the Private Finance Initiative (PFI), Lamont launched the concept of the private sector paying for government projects. In return the private sector contractors could then charge the government for the use of schools, hospitals and roads it had built for a period of 30 years, recouping their initial outlay and making a profit into the bargain.

During that 30 year period the private contractor is obliged to have appropriate insurance in place for the facility in question and so

responding to these policies and meeting the particular challenges of working with PFI collectives has become an area of expertise for the UK insurance industry.

PFI initiatives involve a contract between government bodies, and a specially formed project company comprising contractors and facility managers. This project company is bound by a complex contractual arrangement that is totally unique to the PFI market and understanding how it works is essential to effectively manage the insurance response to a claim.

The project agreement will set out in detail where liabilities start and end for various parties, who has responsibility for losses and where monies should be paid.

It will also detail how business interruption losses are quantified. The techniques used often differ from the standard approach taken in the commercial market. For example, business interruption claims are not valued in the conventional way by assessing loss of turnover. Instead the process entails assessing the non-availability charges, which are set out in the project agreement. These have to be used as the basis for the calculation.

Handling a PFI claim successfully depends on the ability of those dealing with it to understand the contractual basis on which the liabilities rest and how the values involved must be calculated.

"Think of major projects like the Channel Tunnel Rail Link, the M25 widening, tube maintenance from Metronet and the Police Firearms Training Establishment and you are thinking of PFI projects."

The Calva Bridge incident is one of the biggest PFI claims to take place in the UK. It has also been one of the most complex and challenging, given there is little precedent for reinstating a 19th century stone bridge while simultaneously working out how temporary measures can be used to avoid consequential loss, or charges that might be levied on the PFI company.

Establishing liabilities, assessing values, communicating with the appropriate people and managing the overall progression of the claim has posed a significant challenge and one that required a comprehensive understanding of the intricate issues involved in PFI projects. It is this understanding that the UK market has developed and that makes it so adept at handling claims from the growing tide of PFI projects.

PFI construction work now accounts for around 30% of all construction work in the UK and over the course of almost 20 years; the insurance industry has developed an authoritative position in underwriting and managing risks as well as responding to and settling claims.

Think of major projects like the Channel Tunnel Rail Link, the M25 Widening, tube maintenance from Metronet and the Police Firearms Training Establishment and you are thinking of PFI projects.

Indeed much of the work carried out by the construction divisions of insurers, brokers and underwriters in recent years has

been in direct response to these large PFI projects and this is helping the industry extend its reach into other territories as they turn to their own brand of PFI.

Cunningham Lindsey, along with a number of others including 0urich, JLT, Aon, Willis and Marsh, was asked by the Chartered Insurance Institute to write an Advanced Study Guide, specifically on 'Insuring Privately Financed Projects'. This was launched at Lloyd's of London on 23 November 2009 and offers written testament to the knowledge now housed on the subject in the UK.

It's hardly surprising, therefore, that those setting up their own partnership programmes in other parts of the world are turning to insurance experts in the UK when it comes to insurance and finance.

As a result, those same brokers and insurers, who have developed the PFI programmes in the UK, are being asked to advise PFI consortiums and governments throughout the world.

Given that there are now more than 671 global PPP deals in operation, with a capital value of over £227bn, there is some very attractive international work for the UK insurance industry to pitch for and its specialist knowledge is standing it in good stead.

In recognition of this growing market, we launched our Global Construction Practice on 5 March 2010. This is part of a series of special practices that have been established and a full list is detailed on page 43.

The scale of the PPP work underway is outlined in the table detailing some of the major projects of 2009. Underpinning most of these will be the expertise of the UK insurance industry.

Rupert Travis is our Global Construction Practice Leader based in London, UK.
Email: rtravis@construction-cl.com or Tel: +44 7816 1814

Transaction name	Location	Sector	Transaction stage data	Transaction value £m
Berlin Brandenburg International Airport	Germany	Transport	June 2009	3,975.70
M25 Widening PPP	UK	Transport	May 2009	2,399.25
A2 Toll Road PPP Phase II: Swiecko-Nowy Tomysl	Poland	Transport	June 2009	2,221.88
Florida I-595 Highway Upgrade PPP	USA	Transport	March 2009	1,668.00
Greater Manchester Waste PFI	UK	Social Infrastructure	April 2009	1,092.56
South-East False Creek Development Olympic Village	Canada	Social Infrastructure	April 2009	991.70
Circuito Exterior Mexiquense Highway PPP Refinancing	Mexico	Transport	June 2009	935.63
Litoral Oeste Highway: Atlantico to Brisal	Portugal	Transport	February 2009	889.81
A5 Motorway: Maisch to Offenburg PPP	Germany	Transport	March 2009	845.42
R4 Madrid-Ocana Toll Road PPP Refinancing	Spain	Transport	January 2009	723.36


CAR PARK
REAL
BEEF
90

Assessing the boundaries of BI in wide area damage losses

When a loss has an impact on more than just the insured, meeting the liability can present debilitating problems for those without the appropriate cover. Harry Roberts looks at how this issue is being addressed by the insurance industry and its policyholders alike.

The weather is normally the first thing that springs to mind when we think of things that generate widespread losses. Looking past Mother Nature for a moment, the effect of explosions, deliberate or accidental, can also be extensive, while it is not unknown, even in the UK, for significant power cuts to throw whole areas into blackout.

To the lay person it may seem immaterial that the damage that affects them should also affect a wide range of people and businesses. They think: "If I am insured, what does it matter whether others are affected? I have the cover and that should be sufficient".

Unfortunately, this is not correct, and the standard business interruption (BI) policy wording requires that any BI losses are related to damage occurring to property at the insured's premises. Most notably this link is captured in two places:

- **The Operative Clause:** *"The insurer agrees… that if… any building or other property or any part thereof used by the insured at the premises for the purpose of the business be accidentally lost destroyed or damaged … and the business carried on by the insured at the premises be in consequence thereof interrupted or interfered with then the insurer will pay to the insured in respect of each item in the schedule hereto the amount of loss resulting from such interruption or interference."*

- **The Other Circumstances Clause:** *"The figures thus adjusted shall represent as nearly as may be reasonably practicable the results which but for the damage would have been obtained during the relative period after the damage".*

The reason for the link is that a key step in underwriting a business interruption risk, is an ability to assess the risk of physical damage occurring which will trigger an impact on the business. In assessing that risk the underwriter relies on the survey of the physical risk at the premises.

In reality a business can suffer indirectly from damage at nearby premises. Fire damage to an adjacent building can block a road or other access way, which in turn will deter customers from coming to other businesses in the vicinity.

Likewise there can be key elements to a town or city centre, such as a major shopping mall or entertainment venue, that draw in business to the area. Loss of these facilities will be likely to have an adverse impact on other businesses in the area.

In recognition of these risks, extensions to the standard UK BI wording have been developed such as Denial of Access and Loss of Attraction. There are also customer and supplier extensions which recognise that damage at the premises of a key customer or supplier may equally impact on the business.

These extensions are relatively straightforward to apply when a loss occurs, but one of the commonest problems is that policyholders who have not suffered physical damage often do not think about the wider BI loss and how it relates to the cover they have in place. In these situations there is often a late notification of the loss as it is only picked up when their broker undertakes an annual review.

However, it is also important that insureds understand the limitations of their cover. When a wide area damage

event occurs, businesses assume they will not only be covered for the physical damage, but also all of the BI losses they suffer, whether they are due to damage at their own premises, damage at the premises of others or just the general economic impact of the event – as in the aftermath of events such as 9/11.

In the absence of Denial of Access or Loss of Attraction extensions, there may be a significant shortfall between the impact of a wide area event and the coverage available under the basic BI policy.

This will be particularly apparent for businesses sustaining relatively minor damage themselves, but suffering the impact of the broader ramifications of the incident as in the hypothetical sandwich shop example detailed in Appendix A.

But even if the business has both Denial of Access and Loss of Attraction cover, the extent to which losses should be reflected in any claim is not always straightforward.

Wide area damage can have a diverse range of effects on the local economy. There is disruption to people's lives. People's homes are affected, journeys to work are altered and demand for products will rise and fall. Building material suppliers may see a rise in business, for example, while those in the tourist trade may suffer.

In the event of terrorist acts and indeed explosions generally, a fear factor may come into play. Tourists may also be deterred if the local scenery has been badly affected as with the Indonesian Tsunami of 2004.

The question that arises is to what extent should these changes be reflected in any adjustment. For example, if a business had not suffered its own damage and would have enjoyed an upturn as a result of the incident, can it claim that additional loss?

In the example of the plant hire company in Appendix B, it is difficult to see why not. Likewise those businesses likely to suffer a downturn would have to accept a reduction in the claim to reflect trends that would have adversely affected them had the incident not occurred.

This latter scenario is difficult to apply in practice and has generated much cause for debate, most recently in the Orient-Express Hotels case against Assicurazioni General. In essence the case revolved around that fact that following the devastation caused by Hurricane Katrina in New Orleans, the city was closed for business and as such the hotel would not have had any people to stay, even if it had been undamaged and open to customers. Although Orient-Express was able to claim under the Denial of Access and Loss of Attraction covers it had in place, the limits on these were minimal and no cover was secured under the main policy for the BI loss generated by the impact of the damage across the New Orleans region.

"there may be a significant shortfall between the impact of a wide area event and the coverage available under the basic BI policy."

In addition they will pay for BI losses that flow from damage at other premises if the necessary Denial of Access or Loss of Attraction extension has been bought.

What insurers do not and could not afford to do is to underwrite the whole

economic impact of an event. The tragedy of 9/11 is probably the best example of this with its widespread impact on markets and even international trends.

Equally, the earthquake in Chile has created damage to the country's entire infrastructure and wide area damage issues will come under further scrutiny as businesses seek to quantify and claim for BI losses that have occurred not as a result of primary damage, but through the secondary impact of that damage to the country as a whole.

The BI issues around losses in relation to wide area damage are at the very top of the adjusting agenda at the moment and given the complexities involved this is perhaps no surprise.

However, the challenge remains for the whole insurance industry to clear up any grey areas that exist in cover and to make sure businesses know just when and how their own policies will respond to these types of losses.

Harry Roberts is our Technical Risk & Compliance Director based in Reading, UK. Email: harry.roberts@cl-uk.com or Tel: +44 118 960 7262

APPENDIX A

Sandwich Shop A suffers terrorist bomb damage in the form of a broken glass shop front. Following boarding up, the glass is not replaced for a period of two weeks (demand for glaziers was particularly high as a result of the incident). The business then suffered a continuing partial downturn in turnover for well over six months.

Sandwich Shop B suffers no physical damage, but experiences a similar downturn in trade. With a failure to satisfy the Material Damage Proviso, and no Loss of Attraction cover, they are unable to make a BI claim.

The (unlucky) owner of Sandwich Shop B was suffering a loss which could not be attributed to physical damage at his premises, whilst Sandwich Shop A would potentially be recovering some losses not consequent upon the actual physical damage to its property.

APPENDIX B

In July 2005 there was a period of heavy rainfall in the south of England that led to widespread flooding in and around the town of Chichester. We were consulted over one particular claim for an insured who operated a plant hire business.

The business suffered flooding at the industrial unit which it occupied. It argued that, but for the physical damage to its own premises, plant and equipment, which notably included a stock of dehumidifiers; it would have enjoyed an upturn in sales in the flood period.

The company was thus seeking to invoke the Other Circumstances Clause, which allows for the adjustment of historic business performance figures to reflect circumstances that the business would have enjoyed had the damage not occurred.

In this case and given the specific stock affected, the insurer accepted there would have been an upward trend in the insured's business and this was accordingly reflected in the settlement.

International claims re2uire international solutions

When a Chinese ship, insured by European underwriters and carrying 85m high cranes, collided into a Uruguayan dock, working through the loss was always going to be complicated. Here Ton Schox explains just how it was done.

Major ports have always been a melting pot of the world's cultures and customs and it is, therefore, apt that Uruguay's capital, Montevideo, was the scene of a major loss that saw our team display its international capabilities.

The container terminal at Montevideo has been significantly developed to double its capacity and as part of this project 85m high container cranes were shipped into the port from China.

The sight of these massive cranes coming into port aboard the deck of the specialist transporter ship m.v. 0hen Hua was spectacular, but the difficulty of manoeuvring such a cargo became apparent when the ship collided with the quay while trying to dock.

The arrival of the cranes had formed part of the celebrations around the opening of Montevideo's new container terminal and one of our agents in Uruguay, who was at the port to watch the ship come in, witnessed the whole event.

The local loss adjuster was asked to investigate the circumstances surrounding the collision by the insured and simultaneously our Dutch construction all risks (CAR) department received instructions from the underwriters of the quay that had been hit.

Given the size of the ship and its lumbering cargo, the practical logistics of the claim were always going to be difficult, while Chinese ship owners, European underwriters and a South American location gave the loss a fully international and multifaceted flavour.

The team in Rotterdam quickly put their heads together and between the CAR team and the marine specialists all aspects of the loss were considered and a CAR loss adjuster and a nautical loss adjuster were put on a plane and sent out to work with the Uruguayan agent, who had already been instructed to clarify the events leading up to the collision.

Working together with local loss adjusters, two teams were formed: one to determine the nature and extent of the damage and the other to carry out nautical investigations into the cause of the collision.

Together with the local loss adjusters the CAR loss adjuster mapped-out the extent of the damage and his significant experience helped to restrict the overall consideration of the claim.

Originally a reserve of W2m was put on the claim, but it was settled for W600,000 due to the adjuster's extensive technical abilities and detailed understanding of the Dutch policy wording.

Building up a clear picture of exactly what had happened in the run up to the collision proved particularly difficult.

Communication with the Chinese crew was awkward due to the language barrier, while information had to be gathered from many sources including the quayside witnesses, the local port authorities, the tugboat operatives and the pilots involved.

There was also meteorological information to consider as well as that pertaining to the local tides and other shipping traffic.

Pulling all of this information together quickly and accurately required a high degree of communication and co-ordination between the adjusters in situ and the lack of a common language enhanced the difficulties faced.

However, these challenges were met and the cause of the collision was established within a week.

The Captain of the m.v. 0hen Hua had had no problems with the vessel and it's special cargo during the voyage from China to Uruguay and on arrival at Montevideo had left all responsibility for mooring the ship alongside the quay to the pilot.

Due to the size of the ship and the nature of its unusual cargo it contributed to the pilot inaccurately estimating the manoeuvres required, while miscommunication between the pilot and tugboat crew compounded the error.

These issues were further exacerbated by the captain of the ship, who stayed in the wings as events unfolded and did not intervene, despite knowing his ship and its peculiarities better than anyone.

After many negotiations with the parties involved and on the basis of all the information gathered, we were able to convince the carriers that they were fully liable for the damages incurred.

In this particular case, it is clear that the speedy intervention and international approach brought satisfaction to the underwriters, brokers and also the insured.

The collaboration of the departments in the Netherlands and Uruguay ensured that the claim was settled in only six weeks and that the costs involved were kept to a minimum.

Ton Schox is our Marine Director based in Rotterdam, the Netherlands. Email: tschox@cl.marine.com or Tel: +31 88 286 6400.

"Chinese ship owners, European underwriters and a South American location gave the loss a fully international and multifaceted flavour."

A big flap

A dock's infrastructure has to be robust and carefully engineered if it is to enjoy a long and trouble free life in what is a very harsh environment. But, just occasionally, things go wrong and when they do it is invariably in a big way and almost always at the wrong time.

On the occasion in question, the problem weighed 324 tonnes, was 37 metres wide and 14 metres high. When we received the call it was lying on the sea bed threatening the departure of the UK's latest nuclear submarine for sea trials - as recently featured in a BBC2 documentary. No, it wasn't a hostile submarine lurking outside the harbour, but the main sea gate serving the docks at Barrow-in-Furness.

There is nothing unusual about the gate being on the sea bed – it's a flap gate and lies down twice a day, every day around high tide to let vessels pass through the entrance basin.

On this occasion, however, nothing could raise it from its slumber and it transpired that a hinge trunnion had become detached and there were just two months to get it operational again if the submarine was to depart on schedule.

We were appointed to investigate the cause and extent of the damage and advise on mitigation strategy, which necessitated our close involvement in all aspects of the incident. With co-operation between shipbuilders, dock owners and other stakeholders, this seemingly Herculean task of divers inspected the gate and facilitated the lifting operation. The gate was floated out to the quayside on board a semi-submersible barge and was repaired at the dockside. Limpet dams where installed to allow refettling of the hinge bearings on the sea bed and the gate was then refloated out and stepped back into position.

We can't claim the credit for the success of that operation, but our construction specialist and dock engineer were heavily involved in investigating and monitoring the incident to establish the cause of the failure, the extent of the damage and the potential impact on the submarine's departure.

Potentially catastrophic infrastructure events like this may be infrequent, but when they do occur responding with the correct skills is essential.

Getting back on track

Sprawled like a spider's web across the UK, the rail network takes passengers and freight to some of the country's most remote spots. As Bill Padley, Alan McConkey and Paul Batchelor show, when things go awry it can create some serious snags for those dealing with the reinstatement.

Catering for the numerous interested parties and managing the significant logistical issues that arise out of major claims on our national railway infrastructure is an area of significant expertise for our major loss engineering and accountancy team.

It remains a statistical fact that rail travel is easily the safest way to travel by land in the UK. In the period between 1999 and 2008, measured per billion passenger kilometres, the low incidence of death and serious injury by rail and other domestic travel is apparent from the statistics below.

On the rare occasion when misadventure does occur, the engineering challenges of reinstating the railway are highly specialist and can throw up some very intricate business continuity issues.

In incidents where there has also been human injury or fatality, this adds extra professional and personal dimensions to the work that need to be carefully addressed.

Our major loss team of adjusters, mechanical engineers and civil engineers involved in major losses to help facilitate the agreement and costing of remedial programmes, which will speed up the return of normal rail service.

The logistical challenges involved are often significant and never less than interesting.

When wagons of a freight train became derailed near Ely in the Cambridgeshire Fens they destroyed a rail over-river bridge, leaving the train hanging precariously over the water. Not only was the railway

	Rail	Bus or Coach	Car	Motorcycle
Killed	0.2	0.3	2.5	106
Injured	12	10	27	1,254

closed to passenger and freight traffic, but the river was also temporarily closed to waterborne traffic.

The challenges of this project included severe difficulties in traversing the remote, marshy site for cranes to remove the stricken wagons from the damaged bridge, and to facilitate repairs. A barge-mounted crane on the river was considered, but deselected.

It was simply impracticable to float such a large crane up the river, moor it securely and reposition it as required during the process, to make the option viable. Another solution had to be found.

Finally, access for a 1,000 tonne mobile crane was provided by a temporary haul road constructed across the Fens with due regard for the well-being of breeding birds on the adjoining Fenland being a priority in the build. A temporary platform was then constructed at the end of this road, from where the crane could operate as required.

The nature and extent of damage to the original steel riveted bridge that had been constructed before the First World War, led to a decision that a replacement central steel span would be fabricated off-site and transported for installation on new concrete culverts, which would reduce the risk of flooding at times of high water levels in the river. These were cast on-site.

This engineering solution was a response to the features of the location, and made the best possible use of time and resources on a railway, which was closed to traffic until the bridge could be replaced.

This approach was a departure from a typical response to such a situation, where the entire bridge would be fabricated off site and then assembled in situ. It prevented the need to remove the original timber piles and was considered the most cost-effective solution.

Within six months the difficult recovery of the train and the design and building of the bridge were accomplished allowing freight and passenger train services to resume.

On the back of significant rainfalls, a landslip at Elland in Yorkshire presented similarly challenging circumstances in which to operate, calling on all of the expertise within our team.

"when misadventure does occur, the engineering challenges of reinstating the railway are highly specialist and can throw up some very intricate business continuity issues."

The embankment above the railway, on which the landslip had occurred, was so steep that cables from the top of the embankment were needed to secure the heavy plant deployed in the repair and prevent the various cranes and diggers from careering down the hill.

The loss ran to millions of pounds, but one intervention by our team helped reduce that significantly. The team came to agreement with the owners of a nearby quarry that had been mothballed, to use the area as a tipping ground for the 150,000 tonnes of material that had to be taken from the site.

The deal saw Network Rail exchange ownership of the quarry for a small piece of land it had no use for, but which the quarry owner was interested in and resulted in a significant saving to the overall cost of haulage and tipping fees that would otherwise have been incurred.

Yorkshire was not the only place to suffer severe weather. The winter of 2009/2010 was the most severe for more than 30 years. Even by Scottish standards roads were blocked and building structures collapsed due to abnormal depths of snow.

Our major loss team in Scotland was called to a derailment of a freight train at Carrbridge, 150 miles north of Glasgow.

Despite horrendous conditions, a heavy blanket of snow and temperatures which were sinking as low as –22°C, our team got to the remote Highland site, within hours.

The incident at Carrbridge happened as a result of a runaway train and resulted in the engine and ten wagons being derailed. The subsequent recovery operation was made all the more challenging by the extreme snow and temperatures, with hydraulic systems freezing and basic access being difficult.

These issues were overcome, by the ability of our team to get on-site quickly, despite having to battle against Mother Nature to do so.

Bill Padley is our Special Accounts Director - Corporate Services based in Leeds, UK. Email: bill.padley@cl-uk.com or Tel: +44 1924 428734

Alan McConkey is our Regional Construction Manager based in Glasgow, UK. Email: alan.mcconkey@cl-uk.com or Tel: +44 141 250 2509

Paul Batchelor is our National Railways Manager based in London, UK. Email: paul.batchelor@cl-uk.com or Tel: +44 20 7530 0661

Learning lessons in the heat of it

When Campsmount Technology College was raised to the ground by fire, maintaining the educational calendar seemed an impossible task. **Bill Padley**, **Ian Webster** and **Rob Jessop** look at just how the insurance industry helped the local authority to rise to the challenge.

Your school days may well be the happiest of your life, but for those running educational establishments there can be some very major headaches to deal with along the way.

Few problems come on a bigger or more challenging scale than the one presented to Campsmount Technology College in Doncaster.

The South Yorkshire college serves 780 pupils aged between 11 to 18 years and carries a team of 115 teaching and ancillary staff.

In the early morning of 13 December 2009 a fire broke out in the kitchen area, and despite the best efforts of the local fire and rescue service, it destroyed 80% of the school buildings and their contents.

We have a well-established expertise in dealing with such claims, but this loss involved truly enormous proportions, wiping out 8,000m^2 of school property and generating reinstatement costs that will ultimately run to many millions of pounds.

The fire was so severe that only the steel frame of the structure remained after the blaze was extinguished. Whilst the gymnasium and limited administration and library facilities were saved, all of the classrooms and teaching facilities were effectively lost.

Fortunately no one was in the school at the time and there were no casualties.

The loss created major logistical issues for the school and our major loss team were on-site the same day to manage the highly complex claim and work through the challenges it presented.

The scale of the claim may have been extreme, but we have significant experience in dealing with major claims for local authorities.

The entire approach of insurers and our major loss team was to maintain

continuity of service for the pupils, even though it would take up to three years to rebuild the school.

Fortunately the insurance programme had been carefully structured to respond to a situation just such as this and additional expenditure cover funded the cost incurred in returning students to education for the winter term.

space helped to provide emergency capacity to ensure lessons could carry on.

Meanwhile a temporary buildings supplier was engaged and undertook one of the largest projects of its kind the firm has ever delivered. Providing some 5,000m^2 of classrooms and ancillary accommodation in as short a time scale as possible.

"this loss involved truly enormous proportions, wiping out 8,000m^2 of school property and generating reinstatement costs that will ultimately run to many millions of pounds."

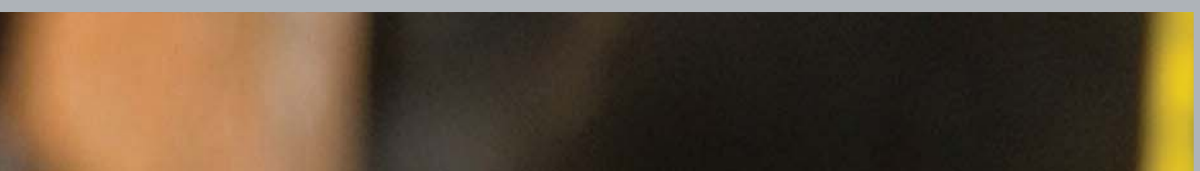
The additional expenditure cover carried by the school is something that other local authorities and their insurance advisers will be keen to examine, especially at a time when budgets are under pressure and insurance covers and contracts are being reviewed before renewal.

Members of the wider community also assisted in maintaining continuity and providing suitable temporary accommodation and everybody from other schools to businesses with spare office

To help manage and orchestrate this mammoth job was no less difficult for the adjusters. Communication with interested parties had to be regular and effective to make sure everybody's concerns were addressed.

Once the decision to provide a temporary school was taken the adjusters' time was spent liaising on almost an hourly basis as to what could and should be provided and installed.

Our team were able to avoid any delays whatsoever over the



procurement and costing of this contract, by application of pre-agreed schedules of rates and agreement of enablement works on an open book basis, costed for time and materials.

Systems were also introduced and agreed, which enabled us to be confident about validating the contractor's costs without incurring any delays to the contract.

Despite the worst winter weather for several decades, the temporary school was constructed and handed over just nine weeks after work had started on it.

The superbly equipped facilities enabled all curricular activities to be delivered and included a fully equipped science block, a design and technology block, and a specialist IT facility.

In tandem with the work involving the temporary school, the adjusting team was also involved with responding to asbestos contamination, agreeing to the notional rebuilding cost for the fire damaged school, reviewing and agreeing the claim for destroyed contents and liaising with contractors demolishing the remains of the school.

At all of these levels, the claim required a quick and assured response to enable normality to be restored as fast as possible.

The immediate ongoing site presence of the major loss team helped to build an open, proactive relationship with the local authority and the school management team. It ensured a collaborative approach from day one that focused on shared, positive outcomes for the school, community and insurer.

Amazingly only six days of schooling were lost as a result of the fire and all the pupils and staff were able to return to Campsmount within three months, minimising the impact on the children's education.

Such a speedy resolution, together with the local authority's commitment to create the temporary school, helped reassure parents, avoiding any reduction in the school role or adverse funding implications.

Through a series of meetings, the local community had been kept informed at every stage of the works, along with various technical departments of the local authority and the staff at the school.

The challenge in this claim came not only from its scale, but also from the unexpected difficulties that any large loss such as this throws up.

As just one example, it was necessary to negotiate with a local farmer to acquire the use of a neighbouring field to ensure the site could accommodate the temporary school as well as the requisite parking and playing areas.

This was done successfully and was just one of the many negotiations that adjusters were involved in, which all required a different approach to generate the most successful outcome and keep all interested parties onside.

Now the temporary school is in place and the immediate educational needs of the community have been met, the permanent reinstatement of the school and the adjustment of the insurance claim for payment can now be under-taken in optimum timescales and without detriment to the children's education.

Bill Padley is our Special Accounts Director based in Leeds, UK.
Email: bill.padley@cl-uk.com or
Tel: +44 7770 640140.

Ian Webster is a Specialist Adjusting Area Manager based in Leeds, UK.
Email: ian.webster@cl-uk.com or
Tel: +44 1924 428631

Rob Jessop is a Specialist Adjuster based in Leeds, UK.
Email: rob.jessop@cl-uk.com or
Tel: +44 1924 428716.

Local Government Association research

Each year in the UK there are between 1,400 and 1,800 fires in schools.

While the measurable cost of arson attacks on schools in 2001 stood at £65 million; the real cost of fires was nearer to £115 million.

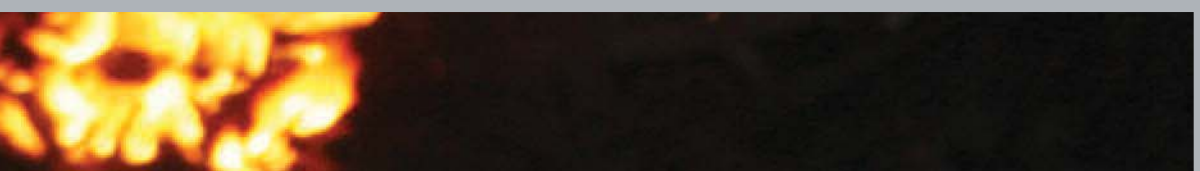
A survey in 2006 by the Arson Control Forum of 938 schools found that 43% had suffered at least one fire in the last three years.

One in eight schools suffers a serious arson attack and 75% of school fires are the result of a malicious fire.

Nearly a third of all school fires start in school time.

It is estimated that the education of 90,000 children is disrupted by school fires each year.

17% of schools who had experienced a fire said that it had led to a drop in staff morale, 6% to a drop in morale amongst pupils and 7% said that their fire had led to negative publicity about their school.



Chasing shadows

The internet has made organisations more visible than they have ever been. Peter Cragg and Adrian George pinpoint the pressures this throws up when a major loss occurs and discuss how the insurance industry can best help clients face these issues into the future.

The internet is without doubt the most powerful disseminator of information and services to stamp its electronic mark on the pages of history. The virtual revolution we are currently going through is dramatically changing the way in which we function commercially.

Perhaps the biggest pressure the internet has bestowed on the commercial world is the need to be continuously visible and to work in real time. In turn this has significant implications for loss adjusters and the way they assess the business interruption aspect of a claim.

Traditionally one of the most testing elements of a large commercial claim was estimating the impact of the physical damage on the financial performance of the business. Now, however, the calculations need to include the effects of damage on much less tangible assets.

After a major incident, businesses will attempt to limit the commercial damage by managing their customers and suppliers and containing the interest of the media. However, in the electronic environment there is no time for a business to get over an incident and far fewer places for it to hide.

The visibility of a business, generally measured by its web presence, has now become a very important element in any loss. Confidence is based on certainty and successful trading relies on a continuing, secure service in relation to both suppliers and customers.

As such the Achilles' heel businesses now carry is that a single point of failure can have a disproportionate effect on performance and can be potentially catastrophic.

To demonstrate how this new pressure plays out in practice, it is worth referring to specific losses that we have dealt with.

An online photographic equipment supplier suffered the theft of over £1m worth of stock from its warehouse facility. Its sales lines were open 24 hours a day and included a customer service commitment to deliver goods within 24 hours of the order.

The pressure to perform to these standards created immediate and substantial logistical issues in the face of this theft.

The time for the business to take stock, both literally and metaphorically, was greatly

compressed, to the point where the business struggled to keep its promise.

There was no time to plan, or implement a plan. Quantifying exactly what had been stolen had to be done alongside the delivery and dispatch of replacement goods, as it was beyond the insured to control or delay the demand generated by its online sales function.

Despite the arrival of new stock making it difficult to assess the scale of the theft, it did enable the company to continue to fulfill orders. This prevented an out and out failure of the business even though the strain to maintain operations was exceptional.

Due to its online model, the business was driven to respond immediately to customers and the need to keep its promise to deliver overrode all other considerations. However, imagine if the suppliers were unable to source new products immediately.

In the past, customers would tolerate a short delay, but the web has destroyed that tolerance and bred a culture of instant gratification. Customers will simply move on and in today's market there is virtually always an alternative competitor waiting in the wings.

> "the Achilles' heel businesses now carry is that a single point of failure can have a disproportionate effect on performance and can be potentially catastrophic."

The problems associated with keeping customers satisfied are not limited to the private sector as this second example shows.

A major fire at the offices of a rural borough council destroyed nearly two thirds of the building. It housed almost all of the council's staff and was the administration hub for all of its public services.

The council immediately found itself effectively cut-off from the local people it served and most critically there were neither telephones nor a functioning website to broadcast information, provide services or answer enquiries.

The fire had an instant and far reaching impact on the day-to-day provision of help to the most vulnerable in this rural location; those who do not have a buffer of time or money and whose needs are immediate and continuous.

The over arching issue facing the council was how, simultaneously, to care for its staff, rebuild its offices, recreate its administration, and communicate with, and deliver to, the people it serves.

The council was fortunate in having the benefit of a small, clear thinking and well directed management team, with the foresight to secure serviced offices twenty miles away enabling critical services to restart within two days of the fire.

A temporary communications network was then built at a string of sites around the town, augmented by face-to-face meetings to reassure and inform the local people.

The installation of a Wide Area Network introduced flexibility and enabled the various locations to be joined to the mainframe.

The council's web based public services are now being delivered, with notably little adverse criticism, while the council is engaged in the rebuilding of the council offices.

The building process will continue for some time, but the critical link between the council and the public has been maintained and confidence has been restored.

The incident shows just how closely risk management needs to focus on the central role of IT and communica-tions, as it now affects every area of an organisation and its ability to deliver.

As a starting point, a flexible, adaptable, and ideally portable communications network is desirable.

The immediate provision of hardware and expertise is important, but consideration must also go to connectivity, as new offices cannot always be supplied with the requisite fibre cabling to hook them up to the internet in the short-term, given the backlog of work facing the UK's major supplier – BT.

Organisations have to have back-up access to the internet already in place that they can switch to if needed.

Training is another issue to consider as IT functionality develops so quickly that the loss of an existing system will almost certainly require intensive training for staff on new and unfamiliar equipment and updated software.

So just how can the insurance industry help in these difficult situations? There is a growing need for specialist IT skills and the market is fast developing these to help it understand the true nature of the risks clients face and how they can be accurately assessed, underwritten, managed and mitigated.

As an example of how IT literate staff can impact the handling of a claim, one team member on the local authority loss is administering the most intricate and complex spreadsheet showing the purchases, expenditure and payments received for all aspects of the claim. This is a shared document created with the local authority and enables everyone to keep up-to-date with progress.

Managing such a document would simply be impossible for anyone unfamiliar or uncom-fortable with spreadsheets and their full functionality.

Similarly, one of our graduates has run the contents claim in a way that would be nigh on impossible without a strong understanding of what a PC can do.

The work is clear, with understandable summaries and details behind it. It is also quick and interactive, making it an invaluable tool in handling and managing the loss. Again this is only something an IT literate individual could manage.

Most insurance practitioners now have an accelerated IT learning programme for all staff, although the focus on IT advancement does tend to be on younger recruits who already have a significant IT knowledge base.

Similarly there are further IT courses being delivered to increase the understanding and use of IT in specific areas of specialist activity.

Certainly part of our recruitment process for graduates and adjusting executives now includes testing IT competence as a central requirement.

IT is no longer just a tool that helps commercial organisations carry out their function. It is the bedrock on which many and ultimately most businesses will be based.

The better we understand this and the better we make allowances for it, the better we will be able to assess the risks faced by commercial operators and quantify the potential business interruption losses companies will bear in the event of a major incident.

Getting these calculations right will be an essential part of helping the companies concerned get back on their feet.

Peter Cragg is our Area Manager based in Birmingham, UK.
Email: peter.cragg@cl-uk.com or
Tel: +44 121 233 6747

Adrian George is a Specialist Adjuster based in Bristol, UK.
Email: adrian.george@cl-uk.com or
Tel: +44 7880 780533

Online statistics

ONLINE SALES

In 2008, internet sales represented 9.8% of the value of all sales of UK non-financial sector businesses. This was up from 7.7% in 2007.

The value of these sales rose to £222.9bn in 2008, an increase of 36.6% from the 2007 figure of £163.2bn.

These figures have grown substantially from 2004 when internet sales were recorded at £66bbn, equating to less than 4% of total sales.

INTERNET ACCESS

In 2009, over 18 million UK households had internet access. This represented 70% of households and an increase of 1.85 million households on 2008.

Of all UK households, 63% – 16.5 million – had a broadband Internet connection in 2009, an increase from 56% in 2008.

The number of all households with broadband has increased by 6.6 million since 2006.

Source: Office for National Statistics

Don't count your chickens, especially after they've hatched

Chicken may be a simple staple in today's diet, but **Dave Walker** looks at the complexities of the journey that gets these birds from the hen house to the table.

The sight, smell and taste of the country's favourite roast chicken dinner may not have changed much over the years, but the journey it takes before ending up on our tables has been transformed beyond all recognition.

So just where have we come from, where have we got to and what implications are there for the insurance industry in dealing with claims that come out of the poultry market?

It was not that long ago that almost every farm had a chicken shed with birds laying eggs that ended up as our Sunday roast. Now, the vast majority of the poultry that makes its way on to our plates is the product of a long and very specialised production chain. (See chart overleaf)

Not only is the process lengthy, but it is also international these days and the UK leg of the journey for our Sunday roasts starts when young chicks arrive in the country after being imported for their high genetic quality.

These chicks are nurtured through to maturity and the eggs and chickens that come from them are moved on to rearing farms. In turn these rearing chickens produce eggs and chickens of their own, which are sold to laying or breeding farms. It is the eggs that come from the chickens on these breeding farms that grow up into the oven ready chickens that we find on our supermarket shelves.

Therefore, from the original imported chick, the production line goes through four generations and stretches over a period of between 66 and 132 weeks to produce the chicken that we eat.

Over recent years we have been involved in a number of challenging losses that have separately involved primary damage at the beginning, middle and end of this supply chain. In each of these situations it quickly became obvious that claims would fall on insurers from both the customers and suppliers of the policyholder involved, adding an extra dimension to the loss.

Looking at some of these cases in more detail highlights the scale of the issues involved and the need for both appropriate action and in-depth understanding of the situation if an effective solution is to be implemented.

Starting at the top of the chain, a small fire in a laying house resulted in less than 5,000 birds perishing; on the face of it this was not a significant material loss. However, due to the multiplication that takes place as the production chain progresses, these birds were potential grandparents to almost half a million oven ready chickens with a supermarket shelf value of over £1.4m.

Ultimately the final settlement to the producer of these chickens did not match the £1.4m shelf value of their future grandchildren and the

actual loss suffered was less than half of this amount.

The insurer's outlay was further reduced by the application of penalties for underinsurance. This is a stark reminder for the need to have appropriate valuations in place while the claim also highlights just how quickly relatively small losses can escalate when there is a long production chain involved.

A second loss which we were instructed on, related to a major fire in a hatchery producing chicks to be grown as broilers. On this occasion it was clear the loss was running to millions of pounds from the start.

Fire had extensively damaged the hatchery building and the specialised machinery it contained had been totally destroyed. The hatchery was of relatively modern construction and had been updated to produce 125,000 chicks a day, six days a week, all year round.

In the early stages of the claim a loss of production for an entire year was a realistic possibility, which would have entailed the loss of over six million broiler birds with a selling value in excess of £15m. Following work with the policyholder's management team and local staff, additional capacity was identified to significantly reduce the impact of the loss. To secure this extra capacity the policyholder had to call in favours from others in the industry as well as upping production from six to seven days a week at its other sites. A 'mothballed' hatchery used principally to hatch turkeys for Christmas was recommissioned and rented by the policyholder and operated by its own staff.

> "Therefore, from the original imported chick, the production line goes through four generations and stretches over a period of between 66 and 132 weeks to produce the chicken that we eat."

In addition a sheep shed at one of the policyholder's unaffected sites was adapted to be suitable for 'setting' eggs and a planned extension to a hatchery was accelerated to come on stream earlier than originally scheduled.

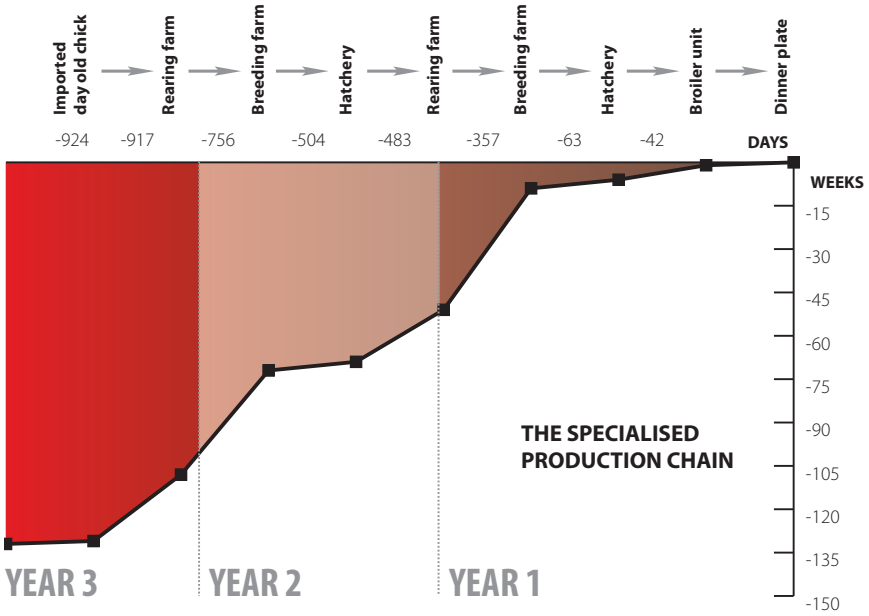
Creating extra capacity from every possible source required significant expertise and logistical effort from all associated parties, and this was one of the areas our team came into its own.

Ultimately the aspect of the claim relating to lost income was settled for just 55% of potential amount initially feared.

One of the many interesting aspects to the loss related to the 62,000 laying birds that were producing the eggs for the hatchery. They were housed on a separate site and were entirely unaffected by the incident. Consequently, they continued to efficiently lay eggs.

Had alternative hatching capacity not been found, what was to become of them? There is no great open market for large quantities of viable eggs and so numerous questions needed to be answered.

Should the layers be allowed to continue producing and the eggs destroyed? Should the flocks be slaughtered achieving significant savings in feed, heat and water?



On initial consideration, the latter option seemed to be the more commercially viable, although as it turned out, additional hatching capacity was found and the eggs produced by the laying birds could be used. But what would have happened if the birds had been slaughtered? Once new capacity had been established, where would the eggs come from to fill it?

If the flock of laying birds had been destroyed, it would not just have been the hatchery costs that had to be quantified; the losses for the flock of laying birds would also have had to be assessed, but how should this be done?

What rate of gross profit is appropriate; that earned on the eggs, the chicks or perhaps from the broiler birds that grow from them? If we are dealing with a 'gross profit' as opposed to a 'revenue' wording then there is a gap in the cover that needs to be addressed.

A loss towards the end of the production line can also have less than obvious repercussions back up the supply chain. Mature broiler birds are slaughtered and turned into over 250 different chicken products in processing factories that adhere to strict food and hygiene regulations.

There are relatively few of these factories in the country and they each have a massive throughput, often in excess of 100,000 birds per day.

Should a loss hit one of these sites causing slaughtering and processing to stop, the next 40 days of production, equating to over four million birds are already alive and strutting around broiler houses. A further two million eggs have also started an irreversible journey towards hatching.

Current legislation correctly places stringent restrictions on slaughter locations and methods. Therefore, if a processing factory were affected the bottleneck created very quickly puts their suppliers and their suppliers' suppliers, in great financial difficulties.

We have developed considerable experience in claims relating not just to poultry production, but also to all aspects of the food chain. As a business we have been involved in many complex claims and the greatest challenges have often revolved around a lack of understanding about the insurance needed to cover the inter-linked and sophisticated risks carried by food producers.

Other than in the smallest and simplest of businesses, standard wordings are rarely appropriate within the food industry and the average 12 month maximum indemnity periods used are regularly too short.

Another common pitfall is that a simple suppliers' extension is too limiting and frequently it is the material damage suffered by the supplier of a supplier that is the cause of the most significant financial loss.

So while people carving up their roast chickens on a Sunday are busy worrying about who will have the leg, wing or breast meat, the insurance industry's considerations go way beyond that when they look at what still remains the country's favourite roast.

Dave Walker is our Product Improvement Manager based in Newcastle-upon-Tyne, UK.
Email: dave.walker@cl-uk.com
or Tel: +44 191 2690957

Recently we were called in to handle a serious claim at the top end of the chicken supply chain. A major supermarket supplier suffered a serious fire, which effectively destroyed one of its manufacturing plants for finished chicken products.

Rather than let customers down, production was relocated to their other sites where they rose magnificently to the challenge. Inevitably this caused local capacity issues and disruption to other customers whose product lines had not been directly affected by the fire.

The insured closely managed its customers' expectations while we closely managed the claim and brought in project managers to aid recovery of essential equipment from the fire scene. This enabled production to be quickly boosted at the other locations.

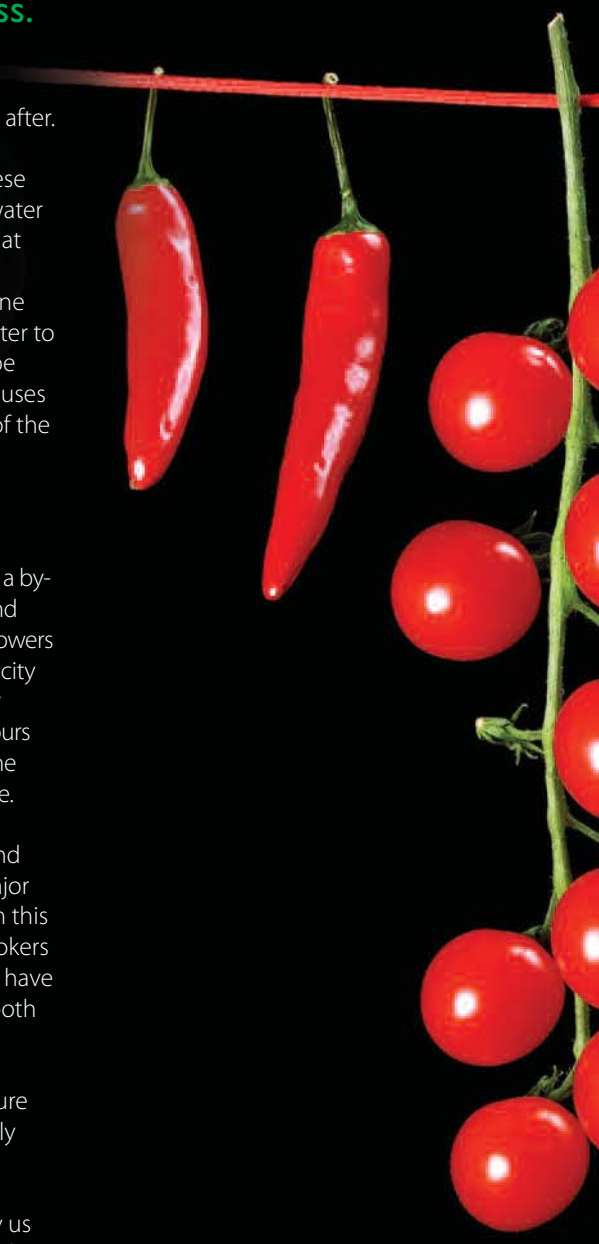
Ultimately the claim, which had the potential to exceed £20m, was settled early on a partial cash basis. This released resources enabling the insured to focus on managing the recovery of its business.

The facilities were reinstated by expanding capacity at other locations rather than rebuilding on the original site.

Early teamwork with the broker and the insured to value the potential loss and agree an effective mitigation strategy enabled both insurers and the insured to minimise the impact of the event and move on to achieve the best outcome for them all.

[illegible] with issues in the [illegible] horticultural sector

The use of combined cycle techni, ues in the horticultural world often lead to more than bumper crops. David Gibson examines the complexities the techni, ue can introduce to a claim and particularly around the business interruption aspect of the loss.



Electricity is the cornerstone of our modern world and so normally it is the star attraction rather than the by-product of commercial activity.

This is not always the case and particularly in the horticultural world, which regularly uses combined heat and power or combined cycle techniques that were originally designed for deployment in the energy sector.

Combined cycle is a well-known concept whereby a fuel is burnt in an engine to generate electricity and the exhaust gasses are passed through a heat exchanger to generate steam or hot water.

On a large scale, combined cycle power stations burn oil or natural gas in gas turbines, which drive generators and the exhaust gasses, at a temperature of over 500° C, are passed through a heat exchanger to form superheated steam, which drives a secondary steam turbine powered generator.

This creates significant improvements in performance and as a rule, two gas turbines of similar output, will power a steam turbine of the same output, increasing productivity by 50%.

On a smaller scale, reciprocating engines function in the same way, although in the horticultural world it is not the electricity that commercial growers and producers are after.

Instead, growers use these engines to generate hot water to heat their greenhouses at night. They also pipe the exhaust gas from the engine through a catalytic converter to create CO^2 that can then be pumped into the greenhouses to increase the fruit yield of the plants by up to 10%.

In these commercial operations, the electricity produced by the engines is a by-product to the hot water and CO^2 and something that growers can then sell into the electricity grid. Further, the CO^2 is only required during daylight hours for photosynthesis – thus the electricity is sold at peak rate.

Most of the tomatoes and peppers sold by all the major supermarkets are grown in this way. However, insurers, brokers and loss adjusters need to have a clear understanding of both the technique and its implications on business interruption claims to ensure they are handled accurately and effectively.

In one claim handled by us for a major supplier of salads, the greenhouses and generators were undamaged, but the failure of the transformer connecting the generators to the Grid, resulted in a loss with a consideration of £500,000.

Not only did the producer have to continue paying for the hire of the generation equipment, which was unable to function due to the failed transformer, but it also had no revenue from electricity sales and suffered a significant drop in the yield of its plants because no CO^2 was being pumped into the greenhouses.

Since the transformer was inoperative, no electricity could be supplied from the Grid. This meant standby generators had to be hired and the oil fired boilers had to be run to provide heat at night, adding further costs.

> "☒ost of the tomatoes and peppers sold by all of the ma☒r supermarkets are grown in this way."

Whilst insurers were able to compensate for some of these losses, the insured had no 'suppliers extension' to cover its inability to supply the Grid.

On top of these issues, there were also 'take or pay' contracts in place controlling the purchase of gas, and being unable to fulfill them generated significant costs.

Under these contracts a company is obliged to take an agreed volume of gas. If it is unable to meet this commitment there are penalties to pay.

The contracts also stipulate how much electricity a company will consume in the course of a year and sets a flat rate for this electricity. Where the company under or overshoots these values, it has to buy electricity at the spot rate and pay additional levies for its unexpected consumption levels.

Significant business interruption implications arise following the failure of a combined cycle unit. Not only the direct implications of the failure, but also those associated with the 'take or pay' contracts surrounding the purchase of gas and also the sale of by-products or the electricity generated.

We have launched a special practice group to deal with major losses in this area and its details are listed along with all of the other special practice groups on p42.

David Gibson is our Chartered Engineer based in Bristol UK.
Email: david.gibson@cl-uk.com
or Tel: +44 1300 345893

A greener shade of gre

Inconsistent and often poorly understood legislation around sustainability presents significant difficulties when it comes to the environmental aspect of many reinstatements. Roger Palmer looks at some of the issues.

Over the past few years it has become impossible to pick up a newspaper, listen to the radio or watch the television without being bombarded by references to sustainability. Indeed, bandied around like confetti the term is often used inappropriately and has become a source of confusion for many people.

Given the role that sustainability holds in government thinking and the part it now plays in driving new legislation, it is a term that the insurance industry has had to tussle with in recent years and it has significant implications in many major loses

Whether it is the use of energy, transport or land, or the production and disposal of waste, the government is looking at how everything can be done on a more sustainable basis. But just what does this mean in practice and how does it affect the insurance industry and its clients?

Sustainability has come to mean slightly different things in different sectors, but focusing on the construction industry, sustainability revolves around:

- PUsing a design that maximises energy and water efficiency during both construction and occupation
- PHaving a design that is flexible enough to accommodate a future change in use
- PUsing processes in design and construction that are robust, durable and lean
- PUsing materials whose manufacture, procurement and delivery have a limited environmental impact
- PIncorporating, where appropriate, renewable energy systems such as photovoltaic panels and combined heat and power systems

Adhering to these principles of sustainability in a major construction can create significant issues for all interested parties and make a major difference to the time and cost that a particular project will take to complete.

The issue that currently faces many building and reinstatement projects across the UK is that there is no consistent standard applied and while guidelines and provisional targets have been set out by Central Government, they have not percolated down to a standard framework at a local level.

In practice, therefore, there is still a disparity in the stipulated building regulations required in different areas by different local authorities and although everyone may be moving in the same direction, they are all travelling at different speeds.

Outlined below is just a flavour of some of the national and international regulations that are having an effect on sustainable construction in the UK and that the insurance industry needs to be mindful of when working on reinstatement projects.

PART L IMPROVEMENTS:

Part L of the building regulations says that reasonable provision will be made for the conservation of fuel and power in dwellings by limiting heat loss, providing heating and hot water systems which are energy efficient, providing energy efficient lighting systems and by giving building users sufficient information to enable them to use energy in the property efficiently. From October 2010 new legislation will help distinguish the lines between guidance and regulatory requirements and help standardise things on a national basis.

THE MERTON RULE:

The 'Merton Rule' was developed by Merton Council and requires the use of on-site renewable energy to reduce annual carbon dioxide (CO^2) emissions in the built environment. Merton developed the rule and adopted it in 2003 and it has now become part of national planning guidance.

CARBON REDUCTION COMMITMENT ENERGY EFFICIENCY SCHEME (CRCEES):

The Carbon Reduction Commitment Energy Efficiency Scheme is the UK's mandatory climate change and energy saving scheme. The scheme started in April 2010 and is administered by the Environment Agency. It is central to the UK's strategy for improving energy efficiency and reducing carbon dioxide (CO^2) emissions, as set out in the Climate Change Act 2008.

ENERGY PERFORMANCE CERTIFICATES:

These have been introduced to assess a building's energy efficiency and improve the basic threshold that new buildings have to meet going forward.

BRE ENVIRONMENTAL ASSESSMENT METHOD (BREEAM):

BREEAM is a voluntary measurement rating for green buildings that was established in the UK by the Building Research Establishment (BRE).

These are just some of the myriad schemes and changing rules that have an impact on insurance claims in terms of both reinstatement time periods and costs when it comes to sustainability.

In recent years we have seen these issues crop up increasingly and nowhere were they more pertinent than after the fire at a large packing warehouse in the Midlands.

The fire destroyed the warehouse and in total the claim carried a multimillion pound settlement value. But

just where does sustainability come into this? In light of the Local Authority Planning Regulations (and particularly the Merton Rule) it was necessary to generate 10% of the new building's future energy requirements from onsite renewable sources.

In practice this required the use of photovoltaic panels, which are essentially very sophisticated solar panels. Other options were considered such as biomass heating systems, wind generators and ground source heat pumps, but once all aspects of the situation had been considered, the photovoltaic panels presented the most practical solution and in total 550 square metres were installed on the roof of the new building.

Within the adjusted value of this claim the photovoltaic panels accounted for more than £500,000 and so their financial impact on the reinstatement is plainly evident. This expenditure was adjusted following negotiations with the insured's advisors and the local authority to ensure it represented the minimum requirement. These negotiations ultimately identified savings of over £250, 000 against the original plans.

Although local authority clauses in policies will ensure that companies are covered for the cost of adhering to changes in building regulations in regards to sustainability, the sum insured has to be high enough to cover this additional expense.

Although it is difficult to put a precise figure on the extra costs that meeting sustainable regulations will entail, it is reasonable to assume that they could add 5% to the average reinstatement and as such it is worth brokers and insurers investigating that there is scope to cater for this in the existing sums insured.

What is clear is that as sustainability becomes a more important priority for the government, the landscape around mandatory construction requirements will change significantly.

While there are currently specific building regulations in place, many sustainable requirements will be incorporated into future planning guidance and ultimately become part of the planning conditions.

Such imposed conditions on the reinstatement process will continue to differ from authority to authority and may be influenced by location, size and use of the property.

Given this moving feast of sustainability, insurers and brokers need to accept the likelihood of delays in the planning process and extensions to the reinstatement timeline which will, in turn, impact on the out turn value of the building reinstatement and potentially challenge the declared sum insured.

Sustainability may well be a philosophy that enjoys a high profile and significant media coverage, but it is more involved than many people realise and its implications need to be thoroughly investigated at a practical level if insureds are to prevent it tripping them up following a major loss.

We would like to acknowledge the assistance provided by Paul Crossley – Sustainability Manager at Robinson Low Francis in researching the background to this article.

Roger Palmer is our Associate Director/Chartered Surveyor based in London, UK.
Email: roger.palmer@cl-uk.com
or Tel: +44 20 7530 0663

A US perspective on green issues in construction

While there are many high level discussions on the legislation surrounding environmental issues, more education needs to take place to help insurance professionals working with green technologies in the field.

These professionals need to understand which installations can create underinsurance issues and how solar panels, wind generators, geothermal systems and other expensive components, will impact on the time and cost of any green building reinstatement project. Insurers must also understand how green rating programs like Leadership in Energy and Environmental Design (LEED) can present challenges for adjusters if a LEED building suffers damage in an insurance claim.

In practice, green buildings may pose 'like, kind, construction' (LKC) problems for insurance professionals. Following a claim, insurers owe for LKC on damaged items and green buildings present several issues here.

One quick example of a major LKC issue is certified wood, which has nothing to do with the quality of lumber in a building, but it can cost more. An insured with certified lumber damage will insist on using it again, and an insurer will probably baulk at this unless a green endorsement was purchased by that insured.

If the claim involves a LEED building, there may be certified lumber present.

There are other examples as well, such as locally extracted and manufactured components. These components are often present in green buildings, but may have nothing to do with quality. If an insurer can get the same LKC component produced elsewhere for less, that insurer will probably pay the lesser amount. A LEED building may also have regional materials installed.

Even if there is not an LKC issue on a claim, it is likely there is going to be an education gap. At the moment some US insurers are selling green endorsements and the industry's commitment to education on things like green buildings, LEED, underwriting and claims implications is in question.

Following a claim on a green building it may not be uncommon for insurers' representatives to be unfamiliar with the green components installed, LEED impacts, green rating checklists and so on. These education gaps can complicate and delay the handling of those claims.

However, green buildings only account for a very minor percentage of the nearly 80 million owner-occupied residential properties in the US and so there is significant opportunity for 'green upgrade' endorsements to thrive.

Most claims to traditional buildings will not be financial launching pads to turn them into green buildings. Why? Well, the average homeowner claim is only $7,400 and the most frequent type of claim relates to wind and hail.

One cannot turn a traditional building into a green risk following repairs for a minor or partial loss. Unless the risk is a near total loss, there will not be enough damage to qualify the home as a green home following improvement.

But it is possible to environmentally upgrade individual spaces such as kitchens, bathrooms and roofs, and this is the real benefit generated by these upgrade endorsements.

As more green upgrade endorsements are sold and insurers and industry practitioners better understand how to apply them, it will become possible to make a significant difference to the environmental performance of housing stock in the US via the insurance claim process.

Trent Massey is our Corporate Social Responsibility Practitioner and Property Programs Instructor at Vale Training Solutions based in Texas, USA. Email: tmassey@vale-ts.com or Tel: +1 817 633 4800

GREEN CONSTRUCTION

Pro7iding real solutions to real I ro□lems

We offer domestic and commercial loss adjusting, catastrophe or major loss claims handling and claims management assistance on a global basis.

Additionally, throughout our specialist teams we provide a range of services in a number of niche sectors including:

THIRD PART, ADMINISTRATION

Our Global Third Party Administration (TPA) Solutions is a market leading product, designed to provide our multinational clients with a co-ordinated, global claims management service.
Julien Hampson:
E: jhampson@tpa-cl.com
T: +44 20 7530 0644

CONSTRUCTION

We can handle any construction claim, from small building developments, oil refineries, bridges, tunnels, railways and other critical infrastructure projects to the construction of iconic buildings and landmarks.
Rupert Travis:
E: rtravis@construction-cl.com
T: +44 20 7816 1814

DISTRIBUTION

Our network provides the ideal partner for worldwide distribution organisations, with experience in retailing, wholesaling, storage and logistics organisation throughout the world.
Yves Legoux:
E: ylegoux@distribution-cl.com
T: +33 1 4022 8117

ENERG,Y

We are experienced in onshore and offshore losses both operational and construction involving exploration, production, refining and the distribution of oil and gas. We also handle a wide range of petrochemical risks.
David Hall:
E: dhall@energy-cl.com
T: +44 20 7816 1815

ENVIRONMENTAL

Our highly skilled environmental claims services team can handle any environmental/pollution related losses including emergency spills and contaminant releases.
Mark Luehrs:
E: mluehrs@environmental-cl.com
T: +1 214488 6694

FINANCIAL AND SPECIAL RISKS

We deliver an immediate response to complex financial institution and commercial organisation claims.
Our financial institution, cash-in-transit and commercial crime adjusters use our local resource to provide immediate support.
Roger Kemp:
E: rkemp@financial-cl.com
T: +44 20 7816 1880

MARINE

We provide supply chain risk management and loss control programs, marine casualty/catastrophe response and investigations and claims management on a global basis.
Ton Schox:
E: tschox@marine-cl.com
T: +31 88 286 6400

MINING

Our energy and mining adjusters are world leaders, and are highly experienced in providing strategies that manages expectations and ensures that your claims management needs are met.
Denis Smith:
E: dsmith@mining-cl.com
T: +1 604 632 9903

POWER

Regardless of whether the risk is using gas, steam, combined cycle, nuclear, geothermal, wind, solar or wave technology, our dedicated power team will use their industry knowledge and harness our enviable global network to bring you a resolution to any insurance loss.
Stuart Devine:
E: sdevine@power-cl.com
T: +662 236 9785

PRODUCT LIABILITY

We understand that product liability claims need immediate investigation to secure evidence, to ensure that the customer's liabilities are quickly determined. We use our experienced, liability adjusters to gather all the necessary information in a prompt efficient manner.
Jonathan Clark:
E: jclark@product-cl.com
T: +44 7789 940941

Earthquake tests New Zealand's resilience to the limit

Just as this year's Major Loss Review went to press, reports of a massive earthquake in Christchurch, New Zealand hit the front pages of the world's media.

The earthquake measured 7.1 on the Richter Scale and struck early on the morning of 4th September. In the following ten days there were more that 200 aftershocks, measuring up to 5.1 on the Richter Scale and while there were miraculously no fatalities, damage to private and commercial property has been extensive.

We have prepared technical bulletins for the industry discussing matters that underwriters need to consider. These discuss whether the earthquake and its aftershocks are viewed as a single event or whether in some instances the 72 hour clause applies (which may result in aftershocks being treated as a separate event), depopulation and the requirement to strengthen damaged buildings to comply with current building codes.

Legislation in New Zealand means that the country's Earthquake Commission provides insurance cover for personal lines claims up to a limit of NZ$115,000, which has greatly reduced the number of personal lines claims being handled by the insurance market.

The main challenges have therefore emanated from the commercial lines market and we already have over 100 people dedicated to working on the disaster, working closely with large teams of engineers, chartered surveyors, quantity surveyors, building consultants and tradesmen.

A catastrophe office was immediately set up in a hotel in Christchurch and we have endeavoured to get adjusters on site to every notified loss as soon as possible. The curfews that were in place and the initial closure of the Central Business District did not make our job any easier, but we have been able to secure excellent levels of access from the off and get things moving forward for many clients.

It is clearly very early days but we will share the lessons learned from this event with our readers in next year's edition of the Major Loss Review.

Cunningham Lindsey in New Zealand
Email: aucklandclaims@cl-nz.com
or Tel: +64 9 520 4444

CONTACT US

If you would like to speak to a member of our major loss team about any of the subjects considered in this publication, or about a claim you are handling then please contact one of the individuals listed below. Alternatively, please visit our website www.cunninghamlindsey.com to find a major loss expert near you.

Birmingham Team

Tel: **0121 233 6740**
Fax: 0121 233 6741
4060 Lakeside,
Birmingham Business Park,
Solihull B37 7YN

Peter Cragg: **07880 780578**
Bobby Campbell: **07729 441151**
Keith Drury: **07880 780520**
Conrad Hak: **07920 871065**
Mike McLean: **07880 780533**
Michael Roberts: **07880 780525**
Richard Gough: **07768 630125**
Emma Green: **07824 351569**
Bob Bbring: **07836 797965**
Mark Raisin: **07825 753651**

Bristol Team

Tel: **0117 981 1070**
Fax: 0117 981 1081
Brunel House,
1600 Bristol Parkway North,
Newbrick Road, Bristol BS34 8YU

John Firminger: **07880 780366**
Elaine Cowley: **07834 325117**
Anthony Matthews: **07825 089269**
John Badcock: **07825 753501**
Adrian George: **07771 661442**
Dave Gibson: **07880 780253**
Eddie Fitzpatrick: **07880 780887**

Glasgow Team

Tel: **0141 240 2500**
Fax: 0141 847 0481
Mitchell House, 333 Bath Street,
Glasgow G2 4ER

Clive Williamson: **07880 780064**
Alan McConkey: **07768 507170**
Bill Hyslop: **07834 325128**
David Gear: **07880 780819**
David Perry: **07825 089410**
Scott Cameron: **07768 965697**

Ipswich Team

Tel: **01473 408800**
Fax: 01473 400148
14 Museum Street, Ipswich IP1 1HT

Dickon Turner: **07880 780528**
Neil Hart: **07769 936662**

Ireland Team

Tel: **028 9038 4800**
Fax: 028 9038 4801
MacNeice House, 75 Malone Road,
Belfast BT9 6SH

Stephen Miskimmon:**07768 182368**
Isaac Busby: **07712 009660**
Lisa Marshall: **07824 623685**

Leeds Team

Tel: **01924 428699**
Fax: 01924 428761
Woodhead House,
Centre 27 Business Park,
Woodhead Road, Birstall WF17 9TD

Ian Webster: **07880 780718**
Bill Padley: **07880 780827**
Rob Jessop: **07768 965681**
Kevin Hurley: **07766 511192**
Richard Hobson: **07825 753513**
Sharon Green: **07901 515157**
Dennis Roberts: **07825 753511**

London Team

Tel: **020 7530 0607**
Fax: 020 7530 0606
60 Fenchurch Street,
London EC3M 4AD

Alister Jupp: **07900 052199**
Roger Palmer: **07880 780170**
Andy Munday: **07768 142852**
Paul Batchelor: **07768 965676**
Steve Reed: **07836 224266**
Richard Keegan: **07834 325143**
Terri Adams: **07920 871117**
Louise Butcher: **07825 089344**
Mark Maskell: **07880 780116**
Peter Boardley: **07880 780110**
Glenn Thornton: **07827 823019**
Maggie Cowing: **07770 640140**
Leigh Fordham: **07771 364902**
Rupert Travis: **07889 644795**

Manchester Team

Tel: **0161 237 7800**
Fax: 0161 910 5051
Lowry House, 17 Marble Street,
Manchester M2 3AW

Steve Williams: **07880 780534**
Phil Hill: **07880 780823**
Phil Scales: **07880 780816**
Andrew Neill: **07768 965648**
John Chaloner: **07825 753520**
Michael Ledgerton: **07879 486808**
Charles Evans: **07920 500817**
Philip Evans: **07766 133284**

Newcastle-upon-Tyne Team

Tel: **0191 269 0900**
Fax: 0191 269 0992
Cale Cross House, 156 Pilgrim Street,
Newcastle-upon-Tyne NE1 6SU

Roy Shevlin: **07831 804994**
Dave Walker: **07880 780703**
Keith Walters: **07880 780755**

Reading Team

Tel: **0118 956 7890**
Fax: 0118 958 9036
Apex Plaza, Forbury Road,
Reading RG1 1AX

Kate Charlton: **07500 835032**
Roxanne Farmer: **07500 835027**
Harry Roberts: **07880 780870**

Solent Team

Tel: **01489 567655**
Fax: 01489 565814
Solent House, 1460 Parkway,
Whiteley, Fareham PO15 7AF

Iain Campbell: **07770 221336**
John Huxham: **07880 780352**
Martin Charlick: **07769 648754**
Leo Baker: **07767 671099**

For further information

Cunningham Lindsey
Apex Plaza
Forbury Road
Reading
Berkshire RG1 1AX
Tel: **+44 (0)118 956 7890**
Fax: +44 (0)118 950 5424
Email: info@cl-uk.com
cunninghamlindsey.com