



**NCASS**<sup>TM</sup>  
NATIONWIDE  
CATERERS  
ASSOCIATION

# THE PITFALLS OF BUYING INSURANCE ONLINE

[www.ncass.org.uk](http://www.ncass.org.uk)



**As customers we are inundated with advertising, it can be quick, easy and in the moment to buy online, however, when it comes to insuring your business, online is not necessarily the right way.**

Are you 100% confident that the insurance you have purchased online insures protects your business sufficiently? Not the correct insurance cover in place could have a devastating effect on your business.

We work in partnership with Neil Giles t/a Giles Insurance Consultants, who are an Insurance Brokers providing independent advice for over 30 years.

We spoke to Neil Giles at Giles Insurance Consultants and asked him, what questions to ask when arranging your insurance cover to protect your business.

We know you are busy and it can appear easy just to click a few buttons online but taking the time to have a conversation and answering questions from a knowledgeable adviser could be invaluable to you and your business in the long term.

Neil's team will happily talk you through your requirements.

Some of the types of questions they may ask you to give full consideration to your insurance needs are:

- What exactly do you do? The standard online option is 'Catering'. As we know, a caterer can offer a wide variety of services that are not always insured under the standard business description of 'Catering'. You could be mobile, manufacturing, fast food delivery, location catering, online food sales or something else that is not on any online list.
- What is your annual turnover? This can be an important question, as it indicates the size of your business. It will help an insurance adviser identify the type of insurance policy that is best for you.
- How many employees do you have? In the catering trade we understand the number of employees can fluctuate e.g. seasonal, volunteers, temps. Having the correct Employers Liability is a legal requirement and it is important to consider if it can be tailored to fit your business better taking into account times when you may have more or less employees.
- Where do you store your business equipment? This is important to ensure that your storage facilities meet minimum-security requirements. A broker can help you use their understanding of the market to let you know how small changes can affect how an insurer will view any potential insurance risk.

These types of questions are to make you explore and even question your insurance needs and ensure that you are purchasing the right product, for the cover you need and at a fair price.

"We want you to be secure in the knowledge that you're correctly insured" says Neil.

"A customer recently asked me to review their restaurant insurance renewal, they had bought online the previous year. They thought they had purchased the correct policy and were fully covered, until I started asking some pertinent questions. Do you really operate the restaurant just by yourself? And the answer I got, was 'Of course not'. As you would expect. We know it would be highly unusual for a restaurant to be operated by one person. I then asked how many employees do you have? Three was the reply. I then referred them back to their existing insurance policy, showing the section that clearly stated



**Employers' Liability was not included.** A legal requirement if you have employees. "Naturally, the customer was shocked and concerned, as they thought they had bought the right cover online".

When you are faced with online options, often your choices are limited or you may not have a full understanding of the importance of the questions that are being asked. When you do not have a two-way conversation, to understand your own insurance requirements fully, there is a potential risk, that you could miss something or purchase cover that is not required. The responsibility lies with you, the customer, to input the information correctly online with no support from a professional.

Neil added that "you may wonder why we ask so many questions. Providing the correct information not only ensures that the policy is valid but in the unfortunate event of having to make a claim you are confident with the accuracy of the information you provided."

Not all insurance policies are equal: Giles Insurance Consultants have new customers share their current policy documents with them on a regular basis, when they are looking to find an alternative quotation. In reference to an NCASS member's Café Insurance renewal, Neil told us "one individual who came to me had paid over £500 for what they thought was a package insurance policy insuring; tenants improvements, contents, stock, money, business interruption and liability. On reviewing the online renewal quotation, the only cover provided was liability. All the over cover options clearly stated 'Not Insured'. The customer did not realise". This is why it is so important to check and read your insurance documents before you buy.

In comparison, Giles Insurance Consultants used their expertise and knowledge of this specialised insurance market to offer offered the same NCASS member a Café Insurance package policy which provided the NCASS member with the correct insurance cover to meet their needs for almost the same price as they paid the previous year for a policy which didn't meet their needs.

Another common situation where professional assistance can be very useful could be when clients change from being mobile traders and move into fixed sites (bricks and mortar). Often these business owners fall into the trap of thinking that both mobile trading and fixed sites are automatically insured under the same type of policy.

A package insurance policy for e.g. Restaurant, Café, Takeaway etc. does not always extend your business liability for 'work away from the premises.' A few package policies will allow up to 10% of your annual revenue for work away e.g. mobile catering, subject to the insurer understanding exactly what work away you are going to be doing.

Example questions a professional broker will ask you to consider are:

- How many times a year will you be trading away from your premises?
- Will you be frying away from the premises?
- How many staff will be working away?
- What level of liability will you be needing?

Giles Insurance Consultants have a wealth of knowledge in the catering industry and relationships with insurers who understand your business. This allows Giles Insurance Consultants to find the right insurance policy for your unique and individual business. Taking the time to have a quick chat with a professional could save you time as they will do the hard work for you ensuring that you have the right type of insurance policy and explain to you what you are insured for, and what you may not be covered for.

Remember:

- Read all your insurance documents including the small print before you commit to it.
- Make sure you give accurate details about your business and how you operate.
- Tell your insurer about the types of events and where you trade.
- Do not underestimate your annual turnover.
- Stop and think. If your policy seems cheap, you should be asking yourself why? There is no point in paying for an insurance policy that you are not able to make a claim against.
- You cannot always get an accurate online quotation in 5 minutes. Take the time to speak to someone about your needs.
- Double check the details and make sure your insurer understands how your business works.

- Peace of mind and protection for your business is what you are buying with your insurance policy, do not assume anything. If it is not written down, it never happened.
- Look for insurance brokers or companies that specialise and have experience in your type of business or trade.

Giles Insurance Consultants offer an exclusive insurance product named 'Cater Protect' which is underwritten by Aviva Insurance. The Cater Protect policy was originally developed as a specialist insurance policy for Mobile Traders and Mobile Catering Trailers. Due to rapid changes and diversity in the catering industry the product has expanded over the years to offer insurance cover for a much wider selection of trades that are not available online or in drop-down options.

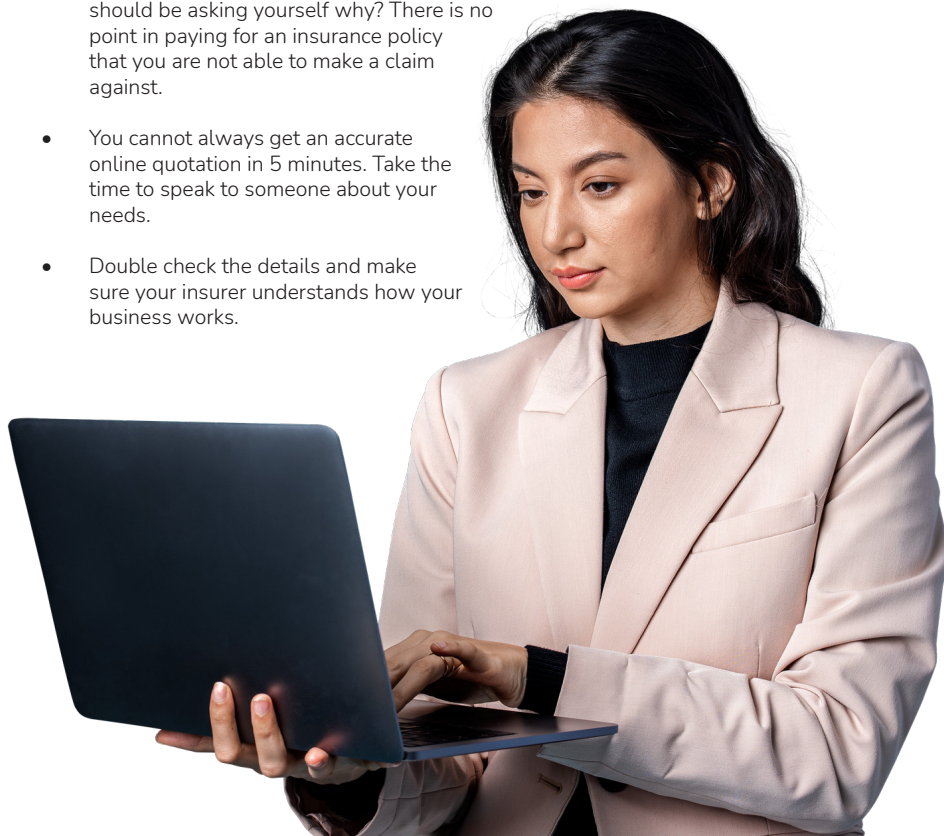
We are pleased to announce that Giles Insurance Consultants have kept their exclusive Cater Protect Insurance premiums unchanged for yet another year (subject to no claims or policy adjustments).

If you are an NCASS member and the Cater Protect policy is right for you, Giles Insurance Consultants are confident that they won't be beaten just on price. If you receive a lower quotation elsewhere and you can evidence the premium and the cover offer matches the Cater Protect policy, the team are authorised to price match or better the premium (subject to it being an acceptable risk).

We would encourage members to speak to the experts and that is why we work with Giles Insurance Consultants – they know our members; they know our industry and they know insurance.

"We pride ourselves in being accessible and easy to talk too," says Neil. "We are a knowledgeable team of insurance advisors. We do not want you buy an insurance policy that is not fit for purpose. If you are unfortunate and have to use your insurance policy for a claim, we want you to be safe in the knowledge that you are insured correctly. Whether you are a new or established business, need an insurance adjustment or just want advice, we are here to help.

**To speak to the team at Giles Insurance Consultants, call 01628 667707 or visit [www.gilesinsurance.net](http://www.gilesinsurance.net) for a quote.**



Get in touch with our team and we'd love to have a chat.

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