

Construction

Managing your risks, protecting your interests



LUCAS FETTES
& PARTNERS



Crown
Commercial
Service
Supplier

Risk management

Insurance

Employee benefits

Investment management

Mind the gap

Risk management – on and off-site – can be a minefield. How do you operate an agile, efficient and profitable business when complexities seem to surround every process? How do you manage risk effectively when new risks present themselves so frequently that you can't possibly recognise them all?

The answer is to work with partners who understand your business and the risks inherent in what you do – not just the obvious fire, slips, trips and fall risks, critical though they are; regulatory, financial, contract and project management risks are just as important to understand and manage if you're to ensure you're not left exposed.

The partners you engage have a mutual responsibility to help protect your business and its reputation. They have to be able to meet the challenges of a constantly changing landscape, identify and pre-empt new challenges that are likely to affect you, and think laterally to solve your problems.

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A complex industry with complicated challenges

Economic slowdown and a need to deliver new solutions to meet your clients' goals, at the same time as cutting fees without sacrificing quality; stricter corporate governance requirements and legislative change; HSE demands; environmental considerations; sustainability; technological change; EU competition; skills shortages; credit problems; supply chain management and contractual risk issues. All of these factors contribute to making a difficult job more difficult – notwithstanding the basic challenges presented by the building project itself.

We know the construction industry and understand the hierarchy of the construction chain and the complex risks faced at each stage and by each party involved.



We work with all manner of organisations who operate within this diverse industry, including:

- house builders;
- commercial property developers;
- civil engineers;
- contractors and tradesmen at all stages of the build;
- specialist contractors, such as timber frame and groundworks;
- self builders and self build suppliers; and
- industry bodies and associations such as Constructing Excellence, Structural Timber Association, National Custom & Self Build Association, and Crown Commercial Service.

We can help you with:

- **risk management;**
- **insurance placement;**
- **employee benefits; and**
- **investment management**

Whatever your particular challenges, we can help you find a solution

As trusted advisers we often identify issues that require additional specialist help. We have a network of professional partners, so even if we can't provide a service ourselves, we can provide access to a trusted partner who can.

In 2014 the construction industry in the UK contributed **£103 billion** in economic output



which equals **6.5% of the total.**

(Construction Industry Statistics and Policy: Briefing Paper, House of Commons, 2015)

Our differences

- Able to provide risk management, insurance placement, employee benefits and investment management.
- Independently owned, so our solutions are dictated entirely by our clients' needs, not those of an external investor or those providing us with the most commission.
- Access to over 300 insurers, including specialist markets for civil engineering and timber frame, and we develop new products and bespoke wordings to meet our clients' needs.
- Our own structural warranty product range.
- Proud to be the official and approved insurance broker to the Structural Timber Association (STA) and members of Constructing Excellence.
- A network of offices across the UK – you benefit from a relationship with a dedicated account manager or adviser, in an office local to you.

For more information, please get in touch. We would welcome the opportunity to offer you our expert advice with a **FREE, no obligation consultation.**

Call us on **0330 660 0401** or email us at **construction@lucasfettes.co.uk**

It's our business to know your business

Of course, the specific challenges you face are unique to your business, but many of our clients and prospective clients are affected by a similar range of issues, some of which are outlined below. We are conversant with and able to help with all of these challenges.

Challenge	Issues
Corporate governance requirements and regulation	<ul style="list-style-type: none"> Regulatory legislation – HSE regulations and workplace health and safety, local authority requirements, employment law and pension automatic enrolment. Industry sector standards – CDM 2015 and BIM. Design regulations and requirements, including disability access, fire protection, and the associated professional indemnity risks. Site requirements, including rights of way, erection and dismantling of plant and machinery, fire protection and control of vehicles on site.
Solvency risks	<ul style="list-style-type: none"> The need for cost efficiencies. EU competition – including the EU tendering process and how to gain and maintain competitive advantage. Removal of funding and grants through changes in government. Credit – contractor security and contractual risk issues. The impact of delayed starts. Threat to return on investment – building rights and permissions, risk of inability to sell or rent. Latent defects. Counterfeiting and theft of plant and equipment.
Innovation	<ul style="list-style-type: none"> The need to change culture and processes in response to regulatory change, such as CDM 2015, and the potential insurance implications. Skills shortages. Technological changes creating new design and build processes and materials. The need to keep up with new innovations and run an agile business.

Challenge	Issues
The supply chain Project management responsibility under CDM 2015 places additional pressures on the supply chain.	<ul style="list-style-type: none"> Co-ordination of the project, effective communication and collaboration. Conducting due diligence and selecting the right supplier partners. Customer and supplier dependencies, including raw material supply. Movement and breakdown of plant and machinery. Procurement and storage arrangements.
Sustainability and the environment	<ul style="list-style-type: none"> Meeting ecological and sustainability demands – both governmental and consumer. Complex legislation regarding environmental and waste management. Effective deployment of Site Waste Management Plans (SWMPs). Performance standards, for example energy certificates, latent defects and carbon footprint. Pollution, seepage and contamination risks.
Emerging risks	<ul style="list-style-type: none"> Skills shortages – attracting, training and retaining the right staff. Management of risks relating to work related illness and injury. Leadership accountability – increasing public scrutiny and accountability of decision making. Cyber exposures. Reputational risks.

If there's a risk *you* could be exposed to, you can trust us to identify it

Engaging an expert broker means having someone you can trust to ensure you're not unduly exposed to risk. Our job is to help to identify all of your risks and take responsibility for ensuring your risk management programme is appropriate. We know the questions to ask – and we'll take the time to ask them – to ensure that every eventuality is considered.

Our aim is to enable you to focus on running a profitable business with peace of mind that you're not unduly exposed.

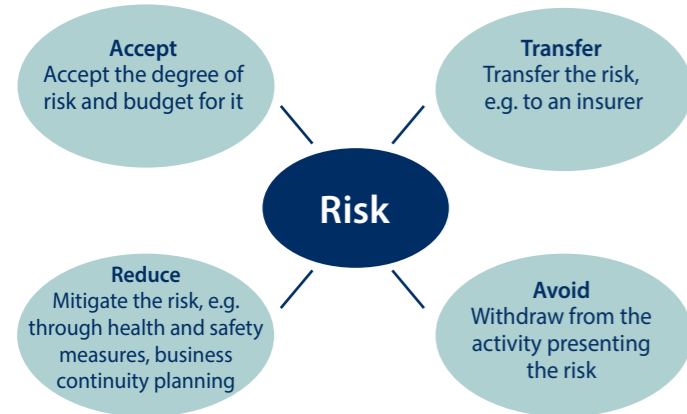
One team, working for you

Advice, solutions and services that reflect your individual needs – now and in the future.

Your business is unique. By building an in depth understanding of what it looks like now and in the future, we're able to put together a bespoke programme focused on managing your particular risks. It's an ongoing process – we'll help you to continuously review your risks and adapt your programme, when needed, to ensure nothing slips through the net.

More than just insurance

Insurance is just a part of the risk management equation: many of the risks you face will not be insurable, or insurance won't necessarily be the most effective measure. We can help you manage your risk in the following ways:



“ Insurance is just a part of the equation: many of the risks you face will not be insurable, or insurance won't necessarily be the most effective way to manage the risk. ”

...but we can arrange insurance for even the trickiest risks

Where insurance *is* the right solution, we can take on risks that are often difficult to place. As a Lloyd's accredited broker we provide access to a broad range of insurance markets and we have relationships with over 300 insurers, including specialist markets for the civil engineering and timber frame sectors.

Our reputation in insurance markets is largely due to our in-depth understanding of the industry sectors in which we work. It in turn means we're able to present an accurate picture of your business and your risk management measures to market, and this will be faithfully received. We frequently place cover for other brokers who are not able to offer their clients what we can.

We also develop new products and wordings where we identify a need or a benefit to our clients.

“ Lucas Fettes have taken the time to understand our sector and made the effort to understand the risk management measures we have in place to try to mitigate our losses. They have shown the insurance market that construction firms are not the risk we have been perceived to be, improved our cover, and we can show savings on our premiums. ”

James Sinclair, Dancourt

Greater cost certainty and long-term business continuity

We'll conduct a **FREE, no obligation** review of your existing risk management and insurance programme, to identify any gaps or areas of underinsurance – or over insurance – and then recommend a programme to ensure that your budget is utilised where you need it. More critically, we can help you avoid the risk of an uninsured loss that could threaten your ability to trade.

Insurers recognise when measures are put in place to proactively mitigate risks and aim to reflect this in both premiums and terms. So when we can demonstrate that you have a robust risk management programme, it can pay dividends.

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Helping you attract, retain and motivate the right people to take your business forward

The success of any business is largely down to its people, but the skills shortage across the construction sector is well publicised. The sector as a whole must increase its investment in promoting construction as a career; individual businesses need to ensure they have the right organisational culture and the right people on board to help them succeed, that their employees feel protected from risk, valued and rewarded, and are motivated to help them meet their objectives.

We can help you ensure that your employee benefits provision delivers value, encourages staff retention and helps attract talented people.

In 2015, it was identified that at least **224,000 workers** will need to have been added to the total construction employee numbers by 2019...

and a **further 700,000** to replace retirees.

People and Money, EC Harris, 2015

