

## BCIB BULLETIN

Newsletter Spring 2021

### Well, what a rollercoaster year! Need we say more?

We know you have all experienced the uncertainty as well, in all parts of the country and our thoughts go out to all Clubs, Managers, Staff, Committee members and Bowlers. Keep well and stay safe. First and foremost, we are here should you just want to pick up the phone and talk.

At our end, the need for insurance and risk advice has not diminished one iota! In fact, the exposures, premiums, need for advice and claims have all risen; challenges for us all.

Utilising one of the words of the year, we have also had to 'pivot' in the way we service our Clubs. Our mantra has always been to visit your club personally and since March last year this has not always been possible. We know this has not been ideal and we have, wherever possible, tried to overcome these challenges as best we can to continue to give your club the best service possible; the service BCiB clients have come to expect.

### Steve Glasson returns to BCIB

In April this year, former Bowls Australia National Coach, **Steve Glasson re-joined the BCiB Team** on a permanent basis again, taking up a role as an Account Manager. Steve, although 'in training', hit the

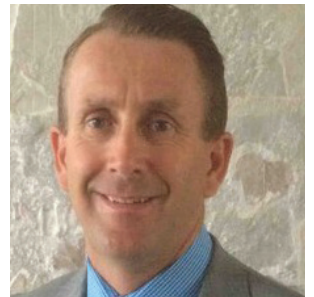


ground running immediately, head down and as dedicated as ever in his new role. Clubs visited since April, to name a few include: Moree, Melville, Port Bouvard, North Perth, Maroochydore, Kandanga, Mount Lewis, Grenfell, Collarenebri, Tamworth and Wallerawang.

Covid travel restrictions have curtailed Steve's intended visits to Western NSW, Qld and WA however he has made up for this with Zoom meetings and phone calls. Once out of lockdown he cannot wait to visit more clubs!

### Welcome Les McGregor

In July, we welcomed another new recruit in Les McGregor as our Business Development Manager. A former Allianz Executive, Les has all the experience to bolster the BCiB Team and deliver even more



to BCiB Clubs. Les is married with 2 children and lives in the Warilla area and frequents the Warilla Bowling Club, which is synonymous with bowls. Les is the Vice-President of his local Junior Rugby League Club, a passionate South Sydney Rabbitohs supporter and is also looking forward to getting out there and visiting Clubs.

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visit us online [WWW.BCIB.COM.AU](http://WWW.BCIB.COM.AU)

## 200++ days of Lockdown

Our **Southern Region Account Manager, Rhea Tan** has recently ticked over the '200 days in lockdown' with her fellow Victorians. It is an understatement that Rhea is simply 'busting' to get out and about again and visit your club 'face to face', sounds like a novel idea! That said, Rhea is available to speak with at any time and can still provide her experienced and professional advice to all clubs in Victoria, Tasmania and South Australia.

**Spotlight on Rhea Tan** Seeing as it has been some time since Rhea has been able to visit so many of her favourite clients, here are a few things you may not know about her:

## How long have you been in the Insurance Industry?

More than 25 years now - like many people in the insurance sector, I did not choose Insurance as a career but merely fell into it...but no regrets whatsoever. At the age of 17, I started off data processing for Lumley Insurance (NZ) during the school holidays and was then offered a full time role in the Personal Lines Department looking after Home & Contents and Private Motor. After a couple of years with Lumley I jumped ship and moved into the broking world. After 5 years, I decided it was time to start a family and also move from Auckland to Sydney. In 2019, I felt the urge to move again and decided to move to Melbourne and this is when I started my BCiB career and numerous lockdowns!

## What do you like best about your role with BCiB Insurance?

I thoroughly enjoy meeting my clubs face to face every year and hearing the many stories around the bowls world and wow can I say there are many interesting stories out there. I find it very satisfying and brings me joy when I can see my clubs truly appreciate the personal & professional service. The foundation set by Ian Hopper our MD over 30 years ago really

sets BCiB apart from many brokerages. My years with the Sydney broker saw me only visiting "high value" clients but at BCiB we aim to visit every club regardless of the income we earn, which was a very welcomed shift for me as it really goes to show BCiB are here to build lasting relationships with our clients.



## Latest Netflix/Stan/Binge...binge?

Today being 19/08/2021 marks 200 days of lockdown for Victoria and I think I have exhausted all of Netflix, Stan etc...it's now back to watching movies downloaded on the hard-drive.

## Lockdown tips?

You can probably say I am a bit of an expert with lockdown nowadays...it seems to be just the new norm. I am very fortunate that my three daughters keep me entertained, never a dull moment in my household. Tips... keep active, check on loved ones, hang in there it will get better.

**Working From Home (WFH)** - As in the 2020 lockdown, the majority of our team are working from home now as we battle the Delta strain and ongoing lockdowns. Some also have children learning from home with school closures. Although WFH does at times present a few challenges or hiccups, we trust our Clubs have barely noticed any change in response times from our dedicated team.

## Building Costs, Trade and Material Shortages – Impact on Insurance for your Club

It has been widely reported by Quantity Surveyors, Builders and the Media that construction costs and delivery times have been greatly affected by COVID-19 and all the natural disasters and recoveries across the Country.

The increased demand on Trades, shortages in materials, delays in the supply chain as well as Building sector stimulus policies are all impacting property owners who are now experiencing increased build times, commencement delays and rising costs. It has been reported costs have increased 10%-15% in the past 6 months alone!

How does this affect my Club? This in turn can expose your Club to 'uninsured losses' if not reviewed appropriately or insured correctly. Your exposure increases if your club:

- Is undergoing renovations, additions and re-construction
- Has not had a recent (within the last 2 years) **Valuation** of all property for **Insurable Replacement Cost Purposes** (*not the valuation with market values*)
- Does not have adequate levels of cover for the **Replacement Cost** of Buildings, Plant, Machinery, Contents and Stock **including Professional Fees of architects, design and construct consultants and DA submissions**
- Does not have adequate levels of cover for **Business Interruption** losses as a result of a claim
- Does not have adequate **Indemnity Periods** within their Insurance program (the length of time it would take to re-build your Club in the event of a catastrophe, including investigation time, design, consulting and DA lodgement and other regulatory lodgements)

Our experience, as specialists in the Club sector, enables us to appropriately seek the right answers and advise you on all these aspects in order to provide 'good advice' that protects your Club, you and other Directors and Officers of the club. Should you need further advice please contact your Account Manager.



## Be Cyber-Aware

Do not think that Cyber threats are something for your IT people to worry about. Whilst good IT security is essential (firewalls, virus protection), human error is the most common opening for cyber criminals to gain access to your computer system. Once inside, cyber criminals will either lock down your access until you pay a ransom or the more common method now is to amend the bank account details on invoices, so you end up paying a bill to the criminal instead of the supplier. A "hacker" behind a keyboard is more than happy to receive a few thousand dollars with less risk involved compared to robbing a bank.



There are a number of simple ways to keep reduce cyber threats:

- Screen emails for suspicious links or attachments, unfamiliar greetings, spelling errors or improper grammar. Be especially cautious of emails that ask for personal info or a payment
- Phone suppliers to confirm bank account details prior to payment
- Back up your data
- Run system updates when prompted
- Change passwords every 90 days (or more often if you desire)
- Include cyber threat training in your regular staff training sessions or meetings

## Business Interruption Claims for 2020 Shutdown – Update

We know clubs are waiting to lodge claims for Business Interruption as a result of the lockdowns last year. In a nutshell, a final Court decision will not be determined until late 2021; if the Court rules in favour of policyholders, eligible claims will start being paid February or March 2022. The Insurance Council of Australia provides the best summary of the situation so far:

Source: [www.insurancecouncil.com.au](http://www.insurancecouncil.com.au)

**What has happened so far?** *The insurance industry has long maintained that pandemics are not intended to be covered under most business interruption policies. Premiums were not collected by insurers to reflect the cost of cover for pandemics, reinsurance was generally not available for pandemic cover, nor were reserves established for pandemic-related claims.*

*Many business interruption policies in Australia sought to exclude cover for pandemics through a reference to the Quarantine Act, however the Quarantine Act was repealed in 2015 and replaced by the Biosecurity Act. A test case on this issue was heard in 2020 in the NSW Court of Appeal, which ruled in favour of policyholders. This judgment was upheld in June 2021 when the High Court denied insurers' application for special leave to appeal. Although the first test case was decided by the NSW Court of Appeal the decision is relevant to all Australian claims regardless of location.*

**What happens next?** *Because of the High Court's decision insurers cannot rely on references to the Quarantine Act to deny liability in policies written in the same terms as the policies considered in the first test case. However, there are further interpretations of aspects of business interruption policies that need to be resolved to establish whether policyholders will ultimately be covered. That is why insurers and AFCA agreed to a second test case in the Federal Court of Australia, which has commenced and will be heard from late August 2021.*

*This second test case will determine the meaning of policy wordings around disease definition, COVID outbreak proximity, the impact of government mandates, and other*

*policy wording matters. The vast majority of BI claims will not be able to be finalised until further clarity is provided by the second test case. The industry will meet the costs of policyholders in the second test case, as it did in the first test case.*

**Why does this require further court determination?** *While the insurance industry understands the frustration of policyholders who may be waiting for a determination of their claim or resolution of a dispute, these matters are not clear cut and there is a need to clarify the legal principles used to resolve any disputes. The way in which the COVID-19 pandemic has impacted most businesses in Australia has not been direct, but has been largely because of secondary actions such as those taken by government authorities.*

### BI Claims for Subsequent Shutdowns

All States & Territories have been affected by ongoing lockdowns since the initial March 2020 nationwide shutdown. Insurers amended their policy wordings last year when the potential for claims to be paid became apparent. It is highly unlikely that claims for BI as a result of lockdowns over the past 12 months would be successful.

### How to Contact the BCIB Team

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