

WHAT'S NEW?

Renew acquired by Hastings Direct

The Hastings Direct acquisition of Renew Insurance Services signals a number of development opportunities, according to Renew managing director Adrian Parry, who joined in January 2009. "Renew will continue to accelerate its natural growth via the web and affiliate schemes. The marriage with Hastings Direct offers a huge opportunity to expand within our Newmarket call centre. We are looking forward to building on our relations with insurers given the combined scale of the businesses."

Parry will be responsible for insurer relations across the group, supported by Russell Boneham of Renew and Andy Cook at Hastings. All the existing brands will remain independent and will be priced separately, and Renew will also become the home for all failed quotes across all products.

Commenting on the recent decision of Hastings Direct to expand its multi-channel distribution into high street branches, Parry confirms, "There is a rationale for that. There's a lot happening in distribution concerning the pricing and the marketing costs and these are among the things we are looking at."

Robertson confirm fraud trends

Following the ABI release of statistics highlighting the increased value of detected fraud through 2008 specialist fraud investigation & surveillance supplier Robertson and Co confirms the trends it is witnessing in the escalation of insurance fraud.

- In the last nine months insurance-related fraud investigation instructions increased by just over 100%. This increase has been sustained and remained constant, and applies to claims from existing clients and does not take new business into consideration
- This increase is now affecting employers and public liability personal injury claims, which have a much longer lead-in time to the point where fraud is first suspected or identified
- There has been an increase in thefts of, and/or arson to, higher value vehicles. This suggests that dishonest claimants need more money to pay off creditors, mortgages, credit card bills etc. When vehicles are leased, there is often a history of failing to keep up payments immediately prior to the loss
- In travel and household claims, there has been an increase in cases where additional items have been fraudulently added to the list of property lost or stolen
- Commercial arson cases have likewise increased
- Accident & health (mortgage protection) claims have increased. Dishonest claimants are increasingly making long-term sickness claims with backache, stress etc. There is a strong correlation between these claims and subsequent redundancies at the claimant's place of work.

N&G report fraud rise

Navigators and General report the cost of yacht and motorboat claims rising over threefold in the first three months of 2009, with fraudulent claims on the increase. Typical fraud includes theft claims; exaggeration of items stolen or gross exaggeration of values; and false claims for total loss – such claims often following a recent increase in value.

Head of N&G James Roberts says that while the vast majority of

customers are honest, increasing financial pressures brought about by the credit crunch is causing a rise in fraudulent claims. "We have a very experienced team of claims professionals who work with our fraud investigation team to ensure that these claims are easily separated from those made by honest claimants and to ensure this activity does not add any unnecessary cost to our customers' premiums."

Pleasure craft fraud - recent examples provided by N&G

- A customer claimed for £20k repairs. When N&G contacted the repairer they were accidentally sent some pre-claim invoices which revealed this was a general refurbishment. There had been no accidental damage whatsoever
- A customer bought a policy and then claimed for damage shortly afterwards. Investigation revealed the damage occurred before the policy was taken out. Both the claim and policy were immediately cancelled
- A customer reported his boat stolen but shortly after the claim was paid, the owner was found overseas with his "missing" boat

Endsleigh 6 month NCD offer

Endsleigh Insurance Services offers students taking out car insurance a No Claims Bonus accelerator scheme. Students can earn a fully transferable two year no claims discount after the policy has run for 18 months. Endsleigh spokesperson Rhiannon Harris, says, "This is a great opportunity for students of any age to quickly achieve a no claims bonus, increasing their chances of getting cheaper car insurance. We believe that our six month bonus scheme is the most competitive offer on the market and it has been specifically designed to help students early on, when it is often most difficult for them to secure cheaper car insurance." The scheme allows students who complete their education during the policy to carry the benefits on.