



PROTECTING YOUR BUSINESS

By Ken Watson, Business Development Executive, at Marsh

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For those that operate licensed premises, be it a club or a pub, is risk management top of your list?

When I speak to those that run a club they will cite their members and customers as their biggest concern. But legally there are far more important matters relating to customers than making sure that they have a drink in their hand.

The operators of licensed premises like any other employer have a legal duty to their staff and customers to provide a safe and secure environment in which to work or socialise. The provision of a risk management programme is not just a 'nice to have', it is a must to have if you are to avoid blighting your business with a series of lengthy and expensive claims from staff and clients over injury and accidents while in your premises.

The fact remains that as society has become far more litigious, the number of compensation claims for seemingly minor slips and trips are increasing. Sadly it means that not only do you have to ensure that the premises is free from broken glasses and spilt fluids but also ensure that you have a record of when and how you check the premises for potential risks.

If a claim is made against you for a person slipping over and injuring themselves say in your toilets, the first thing the claimant's solicitor will ask for is the record on when the toilets were last checked and any water or other potential hazards cleared. The major chains do not put records of their toilet cleaning schedules on the walls just to provide a handy guide for customers. They are part of the risk management process which can be used to help your insurers to fight bogus claims.

In some ways just a record that shows that you examine major items such as furniture once a week and can prove you check the premises regularly during opening hours is a significant start. Put into simple terms in your approach to risk management it is best to break it down into specific areas.

In my view the key areas for risk management are, in no particular order:

- ✎ The toilets
- ✎ The dance floor (if you have one)
- ✎ The bar area
- ✎ The stairs
- ✎ The cellar

The issues over smoking and potential liabilities look set to be resolved following the decision to ban smoking in licensed premises by Summer 2007, but for staff you have a basic duty of care to ensure they are not put in a position where their health and welfare is placed in danger. Risk management has to be carried out on both sides of the bar. Insurers appreciate that the vast majority of the committees which run the various clubs and associations do so on a voluntary basis. These are in effect small businesses which need to be run as such and the complex areas of risk management and health and safety may well be seen as another unwanted burden.

However, as I have said, it is a legal requirement and a good claims record coupled with a sound risk management programme will see your insurance premiums reduced. Proper risk management is not a simple task but help is at hand. Many insurers who specialise in the provision of cover for pubs and clubs will offer help and advice on risk management. After all it is in their interests to reduce the potential for claims.

As a broker which has been a leader in the sector for many years, Marsh offers support and advice to our clients on risk management and work with both the client and the insurers to reduce the risk and with it the premiums. With our experience in pubs and clubs, we are aware of the challenges you face and while risk management might seem to be another potential hurdle, there is help at hand.

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