

# Colleges Insurance Focus

<b>CLIENT</b>	Gloucestershire College
<b>SECTOR</b>	Education
<b>COST CATEGORIES</b>	Insurance Cost Management

## INSURANCE CHALLENGES

A major challenge for colleges is the limited number of insurers interested in providing cover for education risks. Because of the restrictive market, there are limited options available making it more a sellers' market.

Expense Reduction Analysts has been very successful in redressing the balance for other sectors facing similar market conditions. This has been achieved by:

1. Repositioning a client's risk profile to emphasise good risk features such as risk management practices.
2. Opening up new markets to create increased competition.
3. Involving specific and special risks so they can be properly understood.
4. Ensuring that the brokers deliver service which supports the objectives of both the college and insurer.

Increasing demands of legislation and the so called 'compensation culture' mean that adequate insurance protection is essential. However, effective demonstration of good risk management practice will provide differentiation to realise the best potential from the insurance market.

## THE PROJECT

Following three successive cost reduction projects with Gloucestershire College, Vice Principal, Jeremy Williamson has given his view on the project, "The benefits for Gloucestershire College in engaging ERA were so significant that we have engaged them for each of the last three years. In the first two years we even retained our incumbent broker, changing only in year three. On each occasion ERA were able to not only reduce our insurance premium costs but also facilitated important value add ons. One of the most significant of these is their ability to attract insurers to the table who have never previously been interested in the college sector to our knowledge.



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**JEREMY WILLIAMSON,**  
VICE PRINCIPAL, GLOUCESTERSHIRE COLLEGE

We appreciated their impartial and independent focus which gave us not only peace of mind but also, we believe, enabled fair and robust negotiation with suppliers, both brokers and insurance companies. In particular, they demonstrated great expertise in presenting our high quality risk management to the insurance market which we are convinced has led to lower premiums. In addition, what has always pleasantly surprised us is their unobtrusive approach.

The time spent by us on each of the last three renewals has been minimal whilst the benefits have been very worthwhile indeed. I would have no hesitation in recommending their services.”

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## Q&A

**Q. We are happy with our own broker and do not wish to change.**

That's not a problem. ERA will work with your incumbent broker to achieve an enhanced offering.

**Q. Why should we pay you 50% of savings we might have achieved ourselves?**

You're not. ERA only negotiates forward the terms of the programme, once clients have carried out negotiations themselves and have obtained the best combination of cover, service and cost which they can, meaning the benchmark for calculating these savings are the terms you would otherwise, have actually paid. Therefore there is no risk in this for you.

**Q. How can ERA succeed better than a broker in reducing costs?**

ERA is independent and objective and not being tied to any broker or insurer means that the best deal can be secured for the client without vested interests being involved. All ERA reviews are managed by specialists who understand the markets and how to maximise the entire insurance buying process.

**Q. Will we be charged a fee if ERA do not identify any savings?**

No, ERA will only charge a fee for meeting a pre-agreed success criteria.

**Q. The insurance programme is of vital importance to us as a company.**

All our projects have to deliver results which either match or improve upon the quality of cover, service and security. Our projects are only judged as being successful if we either match or improve upon the quality of cover, service and security at a lower cost.

**Q. We're a unique risk with very few markets available?**

Our key strength is in ensuring that an increased level of insurer appetite is generated. ERA have worked on many projects where the clients risks are unique and who believed no greater interest could be achieved, but this was realised.

**Q. It is vital that we work with quality brokers and insurers.**

ERA only introduces reputable major national brokers and insurers that can demonstrate not only a sound financial rating but also relevant business sector experience and service standards.

**Q. We are part of a multinational programme.**

ERA have managed reviews for many UK operations of multinationals and worked to deliver projects which have resulted in reduced costs. ERA's team has extensive knowledge and experience of multinational programmes and how to deliver results within this environment.

## WHY USE ERA?

Expense Reduction Analysts is the largest expense reduction consultancy in the world.

ERA is not a broker or insurer and does not handle or transact insurance, giving significant advantage of independence in supplier negotiations. Unlike brokers, we will carry out our work under a no-saving, no-fee arrangement, as with all other ERA assignments. This means that if we are unable to obtain a saving on an equivalent basis we will not charge you a fee, but will still be giving you peace of mind that you are not being overcharged for your insurances.

There is absolutely no risk in this for you. You obtain the best renewal terms from your incumbent broker that you can. These will then be used as a benchmark against which we will work to secure further savings. Our success rate is over 90% with average savings of 15% being achieved for our clients.

ERA has undertaken various educational institutions both private and public across the UK, including Langside College and Gloucestershire College. Why not give the ERA approach a try? You have nothing to lose – literally!

