

FullCover



CURRENT ISSUES
AFFECTING THE INSURANCE
INDUSTRY IN NEW ZEALAND.

2020 is the year of the hacker

NEW ZEALAND had a 42 percent rise in online crime this year and more than a third of Kiwis have experienced a cyber event in the past 12 months.

Our 'she'll be right mate' attitude needs to change.

Cyber criminals are taking advantage of the Covid-19 disruption and the changes in how we're working. More than half of Kiwi SMEs (58 percent) have introduced new ways of working since the March lockdown, opening up potential security gaps.

High profile companies like Air New Zealand partner Travelex, Fisher & Paykel Appliances, Toll Group, Garmin, Canon, Honda, BlueScope Steel, Lion, transport giant Toll Group, Twitter, MetService and most recently even the NZX, are just some of the organisations to have been targeted by cyber criminals this year.

In a report issued by the Institute of Directors (IoD) on the top five issues in 2020, cyber attacks made number three on the list. Alarming though, a recent study carried out by Perceptive and Porter Novelli of 1000 small to medium sized businesses found that over half of those surveyed had no resource when it came to cyber security, and furthermore, it was low on their priority list.

When the new Privacy Act 2020 comes into effect on 1 December, it will be mandatory for all Kiwi businesses to report any data breaches to the Privacy Commissioner if you believe the breach has caused, or is likely to cause, serious harm.

This will apply to customer databases and any employee register you hold such



**Talk to your broker
about the right type
of Cyber Insurance
for your business.**

as health and salary information. If a cyber breach were to occur, you would be held liable.

There are no silver bullets when it comes to cybercrime but protecting your business with Cyber Insurance is critical.

The experts tell us "it's not if, but when, we become the target of cybercrime!".



The benefits of Cyber Insurance will depend on the type of policy you take out but can include:

- Access to a dedicated and experienced team of experts if an attack occurs
- Protection from loss where you are legally liable to others
- Cover for your financial loss if your business is interrupted due to a cyber event

Our locations and people



 <p>Rothbury Northland T: 09 438 5457 Lisa Williamson Branch Manager</p>	 <p>Rothbury Rotorua T: 07 348 2069 Todd Mountfort Branch Manager</p>	 <p>Rothbury Southern Lakes T: 03 442 6705 Guy Worsley Branch Manager</p>
 <p>Rothbury North Shore T: 09 914 9800 Garry Stewart Branch Manager</p>	 <p>Rothbury Hawke's Bay T: 06 835 2770 Kim Matthews Branch Manager</p>	 <p>Rothbury Southland T: 03 211 0360 Nathan Haywood Branch Manager</p>
 <p>Rothbury Auckland T: 09 358 4704 Richard Mitchell Branch Manager</p>	 <p>Rothbury Wellington T: 04 472 9373 Bruce Mawson Branch Manager</p>	 <p>Rothbury Group T: 09 358 4704 Brigitte Windsor National Domestic Manager</p>
 <p>Rothbury Specialty Risks T: 09 307 3374 Richard Mitchell Branch Manager</p>	 <p>Rothbury Capital City Wellington T: 04 903 4570 Conrad Shanly Branch Manager</p>	 <p>Rothbury Group T: 09 358 4704 Andrea Peters National Claims Manager</p>
 <p>Rothbury Pukekohe T: 09 237 0030 Todd Mountfort Branch Manager</p>	 <p>Rothbury Nelson T: 03 553 1170 Phil Thompson Branch Manager</p>	 <p>Rothbury Group T: 09 580 8455 Roger Abel Managing Director</p>
 <p>Rothbury Waiheke T: 09 358 4704 Richard Mitchell Branch Manager</p>	 <p>Rothbury West Coast T: 03 553 1220 Phil Thompson Branch Manager</p>	 <p>Rothbury Group T: 09 580 8444 Paul Munton Executive General Manager – Broking Branches</p>
 <p>Rothbury Asian Team T: 09 358 4704 Vincent Hsu Team Leader</p>	 <p>Rothbury Canterbury Christchurch T: 03 366 7588 Timaru T: 03 687 9972 Greg Greenwood Branch Manager</p>	 <p>Rothbury Group T: 09 355 7343 Chris Hughes Executive General Manager – Broking Services and Business Operations</p>
 <p>Rothbury Waikato Hamilton T: 07 834 6180 Te Kuiti T: 07 878 3408 Mark Sloman Branch Manager</p>	 <p>Rothbury Ashburton T: 03 308 9612 Peter McAuliffe Branch Manager</p>	
 <p>Rothbury Tauranga T: 07 929 7950 Simon Helm Branch Manager</p>	 <p>Rothbury Otago T: 03 477 8217 Ursula McEntyre Branch Manager</p>	

New Privacy Act 2020 – what you should know

THE NEW Privacy Act 2020 comes into effect on 1 December and will provide an updated framework for the protection of personal information.

The new Act will modernise our Privacy law which has largely remained unchanged since its introduction in 1993. It will now be mandatory for all Kiwi businesses to report data breaches to the Privacy Commissioner, and any affected individuals, if you believe the breach has caused, or is likely to cause, serious harm.

Serious harm will be assessed by considering the sensitivity of the breach, the actions taken by your business to reduce the risk of harm, the nature of the harm that might arise and other relevant matters.

Another key change will be the introduction of restrictions on overseas disclosure of personal information. If your business transfers personal information overseas, including to cloud based data processors, you will be responsible for ensuring the information is protected by safeguards

comparable to New Zealand’s privacy laws before transferring it offshore.

That means, if you’re engaging with a service provider like a cloud-based CRM system to hold your customers’ personal data, your business will be responsible for the security and use of that personal information and if any breach occurs.

It not only applies to customer databases but also to any employee register you hold such as health and salary information.

The Act will also make it an offence for any business to destroy personal information, knowing that a request has been made to access it. Breaches will incur a fine of up to \$10,000.

Under the new Act the existing information privacy principles setting out how businesses should deal with personal information including its collection, storage, use and disclosure, remain unchanged. The existing principles also include rights of access to, and correction of, personal information.

An online privacy breach notification tool has been launched by the Office of the Privacy Commissioner along with updated guidelines to help you meet this new requirement.

Guidance for handling privacy breaches can be found here: <https://www.privacy.org.nz/privacy-for-agencies/privacy-breaches/responding-to-privacy-breaches/>



We're always moving and improving

WE'RE ALWAYS trying to find ways to make it easier for you to do business with us. Now if want to appoint us as your broker or provide you with an insurance quote at any time, you can do so online.

Our **Letter of Appointment** and **Authority to Quote** are both now available on our website as online forms. You can fill the form in online and submit it to us in one easy step.

- > <https://www.rothbury.co.nz/letter-of-appointment>
- > <https://www.rothbury.co.nz/authority-to-provide-quotations>

Climate Change Risk



CLIMATE CHANGE has become a top priority for governments and insurers all around the world.

With New Zealand ranked the second riskiest country in the world in the last major 2018 international study carried out by Lloyd's, it is critical that as a country we remain well insured.

For the first time, the Ministry of the Environment has released a climate risk assessment of New Zealand, setting a clear pathway ahead for reducing climate change risks.

The report reconfirmed that already warming temperatures would intensify and magnify our country's catastrophe risk. We can expect more frequent and extreme weather events like storms, heatwaves and heavy rainfall. This means the price



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of our insurance and excesses will continue to reflect the increased risks.

If you're looking to buy property it may be a good idea to talk to your insurance broker first. They can help you evaluate your risk particularly if you're considering buying and living in higher risk areas.

Events that have taken a toll on our country recently include:

- The Timaru hailstorm late last year at a cost of \$130 million.
- The Southland floods in February at a cost of over \$174 million.
- The June Upper North Island tornado and storm which lead to widespread damage throughout the greater Northern region at a preliminary cost of \$10.8 million.
- The Northland once-in-500-year storm in July, resulting in 220mm of rain beating down on the region in just a few hours, with \$37 million paid out to date.

Get in shape advice

INSURANCE IS more accessible than ever. Today you can buy almost any policy at the click of a button. Whether or not that cover is suitable for your own unique circumstances is another story.

Here's what 900 business owners say about getting in shape with the right advice.



94% say their broker "Finds policies that are best value."

85% say their broker "Assesses the risk profile of the business and recommends appropriate policies and coverage."

78% say their broker "Provides general info on insurance that may affect them in the future."



Vero Research undertaken in December 2019 of 900 business owners and decision makers from around New Zealand.

Health & Safety – just how big is your risk gap?



One of the guiding principles of the Health and Safety Regulations is that both workers and others must be given the highest level of protection that is reasonable.

NEW ZEALAND'S highly regulated environment can make running a business complicated and any accidental breaches of the law can result in serious consequences for you and your business.

If you're running a business today you must comply with Acts of Parliament like the Consumer Guarantees Act, Fair Trading Act and the Health and Safety at Work Act.

Amendments to the Health and Safety at Work Act 2015 has impacted on all Kiwi businesses and have had a big influence on the types of liability insurance you need if you're running a business today.

As a business owner you must look after the health and safety of your workers and any other workers your business influences or directs in the course of carrying out business. You must also look after others who could be at risk by the work your business is carrying

out, for example customers, visitors and even the general public.

Increased responsibilities mean it's becoming more common for business owners, directors and senior managers to be held personally liable, so talk to your broker about the right type of liability cover for your business.

Data released by ACC in June last year showed 80,000 work-related claims from SMEs in 2018 alone.

We're here to support you

WE KNOW Covid-19 is having a huge impact on businesses and people throughout the country and we're here to help and support you during these difficult and changing times.

Almost two thirds of Kiwi businesses say they want insurance advice as a result of the Covid-19 crisis according to research undertaken by Vero earlier this year.

Eighty percent feel it's important for brokers to assess their risk profile and recommend the right insurance cover for them; and 79 percent have reported making changes to their business as a result of the pandemic.

We're offering a range of services that may be helpful at this time, so please talk to your broker.



Rothbury becomes part of the West Coast community

WE'RE VERY excited to announce the opening of our new West Coast office located at 12 Boundary Street, Greymouth.

We're now on the ground in 21 locations around the country providing personal service and quality advice.

West Coast & Nelson Branch Manager, Phil Thompson says, "As NZ's Local Insurance Brokers it's important to us that we do business locally. Our new West Coast office will service the Buller, Grey and Westland communities that all have their own unique needs."

"Being local means we'll be able to provide an even higher level of service to our West Coast clients. We're thrilled to have local Kirstie Barlow join our team. Kirstie is well known on the Coast, lives in the local community and will be serving the needs of our West Coast clients with the support of our Nelson team."



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My Rothbury is free and easy to use. You can start a claim, and check your sums insured and excesses at any time; receive claim notifications to get instant updates on how your claim is progressing; and even pay your insurance through the App.

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www.rothbury.co.nz/my-rothbury-app

