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**Will agents see an increase in professional indemnity insurance?**

  In an economic downturn, there is always more professional indemnity (PI) claims brought against professionals coinciding with rises in premiums and new legislation – all of this alongside a drop in income.  Prior to the COVID-19 outbreak, many estate agents would have already experienced a rise in PI Insurance premiums with insurers reacting to events such as the Grenfell tragedy and the fire at Bolton University, for example. It seems reasonable to conclude that property professionals could expect more hikes in the near future due to COVID-19.

Paul Offley, the In-House Compliance Officer for epropservices, the parent company of The Guild and Fine & Country, says that while PI Insurance is included in their membership, for most other estate and letting agents, professional indemnity insurance typically ranges between 0.15% and 0.5% of turnover, which depends on risk factors and market competition. He adds that estate agents can mitigate possible increases to premiums by adhering to a robust risk management strategy, which will effectively reduce the possibility of a PI Insurance claim.

“Now, more than ever it is important that agents keep focused on their legislative requirements and even in the ‘stay at home’ environment we are currently in, are able to demonstrate due diligence across all aspects of legislation. “While we are in difficult and unusual times, and authorities are being asked to take a pragmatic approach to enforcement - legislation is legislation. There will also be some people who use this to their advantage thinking that an agents’ ‘guard may be down’ and there will be people who, once life returns to normal, suddenly decide they wish to bring a claim for one reason or another,” he warns.

According to Offley, The Guild and Fine & Country are taking proactive steps to ensure its Members and Licensees are well informed and protected. “We have launched a virtual compliance assessment programme which is run over 12 months and designed to educate and test on all existing and new legislation – in short, it offers a firm a strategy for compliance. Take up has been excellent with 56% of Membership already signed up within the first few weeks of launch,” says Offley.

He continues that the organisation is also using this time to offer virtual branch training courses with Microsoft Teams, which can be accessed from anyway. They are being taken up by teams who have been furloughed to keep their knowledge up to date. The courses are interactive and the best alternative to being in a formal classroom training environment. “While furloughed staff are not able to work, they can still partake in training sessions to ensure that, once this crisis is behind us and they are reinstated, they will be fully up to speed with any policy or legislative that seems to change daily,” says Offley.

He advises that doing the right thing and treating all customers fairly and with respect is paramount in raising standards in our industry.  “Legislation is not about preventing business activities but about making sure business is completed in the correct way and that you are able to demonstrate the actions you take,” Offley concludes.

**ENDS**

**Editors’ Notes**

**epropservices PLC**

epropservices PLC provides brands, technology services and additional revenue streams to property professionals. epropservices PLC is the parent company to The Guild of Property Professionals, Fine & Country and gogetdigital.