

## **BIBA reaffirms support for ELTO and calls for more support from business**

The British Insurance Brokers Association (BIBA)'s Chief Executive, Eric Galbraith, has reaffirmed his organisation's commitment to The Employers' Liability Tracing Office (ELTO) but has also called on other organisations to help make the solution work for brokers, insurers and claimants.

Speaking at the annual BIBA conference in Manchester, Galbraith said:

"ELTO will help claimants in the future to trace their former employers' EL insurer but insurance brokers face real problems with SME's and vSMES in the requirement to collect the Employers' reference number (ERN).

"The insurance broking sector as a whole has a responsibility to its clients to provide assistance when they need it and the inclusion of ERN's is key to making ELTO work.

"Many small businesses may not know what the information is, where to find it, why it is important or perhaps even be suspicious of why it is now being collected.

"I am calling on other professional bodies, such as accountants and lawyers to help small businesses understand what information insurance brokers and insurers will be asking for, where to find it and why it is important. Other trade bodies such as the Federation of Small Businesses can also be of considerable help in informing its members.

"HMRC can also play its part by highlighting the Employer Reference Numbers (ERNs) on the communications it sends out and by raising awareness to employers."

Adrian Brown, Provisional Chair of ELTO and UK Chief Executive of RSA added:

"ELTO recognises the challenge that the industry faces, particularly in collecting the additional information, however it is crucial that we continue to do so.

"The FSA have introduced an additional transitional period until 1 April 2013 in which to capture the additional information under their regulations, but only where insurers can demonstrate 'best endeavours' in attempting to do so. The advice to insurers and brokers is clear; this information is still mandatory and putting off the collection will only store problems up for later.

"As the FSA have given the industry extra time to put processes in to place, we can expect a period of rigorous enforcement to follow. It is essential that we work together and take this opportunity that we have been given.

To support brokers and insurers, ELTO have launched a communications campaign, targeting employers directly through trade press in various sectors, as well as through trade bodies. This aims to explain to employers what the additional information is, where to find it, and the importance of collecting it in advance of being contacted by their insurer or broker. To support this, there is a section for employers on the ELTO website and a downloadable guide which can also be used as a tool for the industry to use when engaging with their clients.

**ENDS**

For further information, please contact Andy Thornley, Communications Controller, on 01908 832157; [athornley@mib.org.uk](mailto:athornley@mib.org.uk)

For out of hours enquiries, please call 07595 551607.

The Employers' Liability Tracing Office (ELTO) is a not-for-profit organisation and has been set up to provide claimants and their representatives with quick and easy access to a central database of Employers' Liability (EL) policies through an online enquiry facility, helping them to find their employer's EL insurer. The purpose of ELTO is to help claimants trace and identify the insurer to enable them to pursue compensation directly with them. ELTO is not a compensatory body.

ELTO has replaced the previous voluntary Employers' Liability Code of Practice (ELCOP) tracing service, which was in place since 1999 and helped around many thousands of claimants trace the EL insurer to pursue a claim."

The EL database (ELD) launched in April 2011 and contains all new and renewed EL insurance policies, policies from before April 2011 which have new claims made against them and policies that have been and will continue to be identified through the tracing service. The ELD will also capture additional information such as Employer Reference Numbers (ERNs) for employers, which should make search results more thorough.