



# The CORE360<sup>®</sup> risk and insurance audit

Strengthen your risk strategy.

Improve cost certainty.

Grow with confidence.



**Gallagher**

Insurance | Risk Management | Consulting



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## Introduction to the CORE360® risk and insurance audit

The commercial landscape has changed irrevocably. The disruption caused by the global pandemic has had long-lasting effects on supply chains. The restrictions brought about by COVID-19 have resulted in remote and hybrid working practices for businesses in all sectors. And the political landscape is still severely impacted by the UK's exit from the European Union.

Certainties are now uncertain with new and emerging risks potentially leaving many businesses exposed. More than ever, the long-term success of your business rests on the ability to identify, understand and manage your risk. Because, chances are, it's changed.





With insurance markets hardening and many premiums rising, now is the time to carry out a deep dive assessment of your organisation's risk. You need to ensure your cover remains fit for purpose and that, in the event of a claim, it will respond in the way you expect it to. Impacts including reduced market capacity for risk, wider policy exclusions and more stringent underwriting requirements are all critical considerations in building a programme that works for you.

Gallagher's CORE360® risk and insurance audit focuses not just on all the historic, predictable costs you are used to paying, but also on the additional costs that are likely be incurred if the detail is not explored.

Our audit helps identify your vulnerabilities today and your potential exposures tomorrow, giving you back control, giving your organisation the confidence to make the right decisions, and putting risk management and cost certainty at the heart of your strategic growth.

## The CORE360® methodology

CORE360® is a methodology that proactively identifies and reduces your total cost of risk. Whilst many people talk conceptually about understanding and reducing risk, Gallagher has taken this further by creating a **proven process that comprehensively evaluates the six key cost drivers** that underpin any effective risk management programme.

Our methodology calls on 90 years of industry expertise, innovative tools and data analytics to provide an in-depth audit that informs your risk strategy, provides cost certainty and boosts your protection – giving your business the freedom it needs to grow with confidence.

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“Gallagher used their unique ‘Core 360’ presentation to give us a clear outline of how their methodology could improve our existing arrangements by looking at all aspects of our risk profile. Their professional explanation gave us confidence that a fresh approach would position us better for the forthcoming renewal process.”

**Laurence Healy, Commercial Director, L Healy Ltd, 2022**

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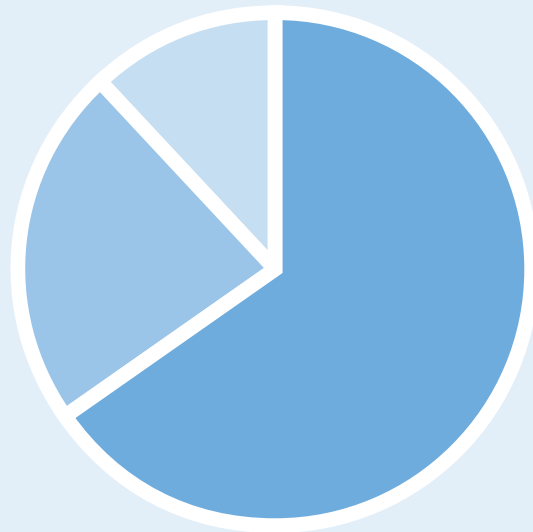




We assess your current situation and the future requirements for your business based on the following cost drivers:

1	<b>Insurance Premiums</b>	Costs for all your existing insurance policies, including how your broker is remunerated.
2	<b>Programme structure</b>	Costs arising from the individual elements of your programme not working together correctly.
3	<b>Coverage gaps</b>	Costs arising from gaps in your existing policies, such as sublimits, removable exclusions and extensions of coverage.
4	<b>Uninsured and Uninsurable Losses</b>	Costs of any risks you knowingly, or unknowingly, leave uninsured.
5	<b>Loss Prevention &amp; Claims</b>	Costs incurred by inappropriate loss prevention programmes and ineffective claims management processes.
6	<b>Contractual liability</b>	Costs resulting from the unsuccessful transfer of risk to a third party.

**Traditional total cost of risk  
ACTUAL COST**



- Retained Losses
- Premiums
- Administration

**CORE360® approach  
ACTUAL AND POTENTIAL COSTS**



Insurers are becoming more selective in the risks they choose to cover, as a result they want to understand more about the risk culture inside each business. Our approach builds a clear picture of your business to help insurers fill in any blanks and build trust. The CORE360® methodology helps to quickly understand and communicate a proactive approach to risk management which is looked upon favourably by insurers.

## The CORE360<sup>®</sup> process

We consult with you to understand your goals and provide data driven insights across the six key cost drivers, giving you a holistic view of risk and the ability to make more informed decisions.

Our unique audit process is completely confidential, meaning that no insurers are approached during the process therefore not disrupting any existing insurer or broker relationships.

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“The Gallagher team provided us with a clear plan as to how we could draw on their expertise, ranging from validation of our new COVID-19 H&S risk assessments to developing a cyber training regime to protect us from attacks.”

**John Parsons, Financial Director, Bolt & Nut Manufacturing Ltd, 2022**

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The review process is carefully structured to limit the impact on your time and resources – it typically includes:

- ✓ Providing us with current insurance policy documents and customer contracts, terms and conditions.
- ✓ Business risk review, our team spends time with your key personnel, on site to develop a deep understanding of your business – engaging with ALL key internal and external stakeholders is a critical element of the CORE360® process.
- ✓ Site tour, including details of production processes and quality control.
- ✓ Claims review, including claims investigation, reporting and MI.
- ✓ A fact-find and review of workplace safety policies and procedures.
- ✓ Final presentation of the findings and recommendations.

Historically it has been complex and time consuming to analyse the hidden exposures and weaknesses of a risk and insurance programme, but our approach develops a detailed knowledge of your organisation and your unique challenges during the audit process.

To build this all-encompassing view we rely on an extensive range of dedicated tools and resources, including:



## The CORE360<sup>®</sup> output

Our review benchmarks your business against industry best practice, taking into account overall price competitiveness, recommendations for your future programme and a view of current and future risk.

We will provide an in-depth analysis of your current covers and highlight concerns which could lead to a significant uninsured loss or a material impact to the balance sheet.

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“The decision to move to Gallagher was made easy as a result of their silent review. The entire process gave us the confidence we needed to work with a new insurance broker and a real insight into how Gallagher work with their clients.”

**Mike Swinburne, Finance Director, Cambridge Nutritional Foods Limited, 2022**

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You will receive a comprehensive report – presented by our team – on the key issues, potential impacts and actions for each of the six cost drivers, along with scorecards and a cover audit heat map outlining your critical exposures and the areas where improvements are required.

We will also provide new programme structure options to mitigate identified risk, as well as advice on how uninsured covers can be incorporated into your programme without incurring significant cost increases.

### OUR REVIEW WILL PROVIDE – A COVER AUDIT OVERVIEW...



## Summary

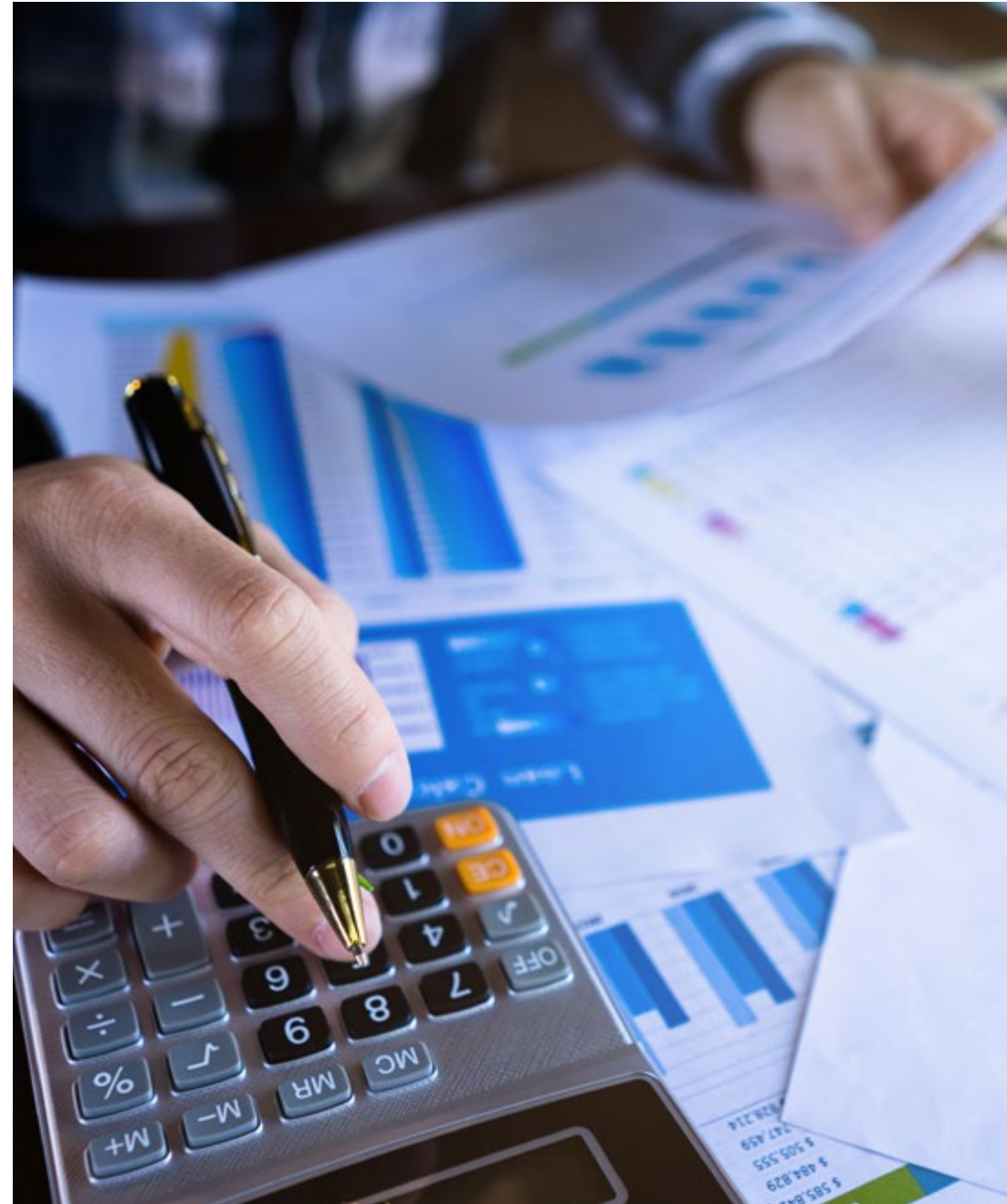
In today's challenging insurance environment, a close partnership with your insurance broker and insurers is more important than ever. As insurers place increased scrutiny on renewal discussions, early planning and preparation can make a significant difference – providing reassurance and peace of mind that you will avoid renewal time chaos.

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“It quickly became apparent that Gallagher were able to offer us a different core approach to the client – broker relationship. Particularly refreshing for me was their attention to areas of ‘uninsured covers’ where they were able to offer advice as to how these could be incorporated within our programme without incurring significant cost increases.”

**John Parsons, Financial Director, Bolt & Nut Manufacturing Ltd, 2022**

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Most brokers will talk about total cost of risk, but what they won't talk about are the constituent components or the methodology they use to truly explore this in detail. We believe our examination of your business is the most comprehensive on the market today. As we have mentioned, it's not just about the predictable costs, rather the hidden exposure and the costs that might arise if you do not interrogate the detail. Taking the time to scrutinise every aspect of your programme is an integral part of protecting your business.

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"I wanted to be sure that from an underwriting perspective we had a broker on our side with the necessary experience and knowledge to achieve cover that was able to meet our requirements. Gallagher was able to do this for us and the overall result was a slight reduction in our insurance costs which, in the current climate, is a massive win."

**Dr Bill Peacock, Managing Director, GRM Development Solutions, 2022**

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For instance, many organisations experience challenges when it comes to managing issues around contractual liability. We see this as a key differentiator in the CORE360® process as it illustrates areas where one party has limited their exposure to a claim through wording and clauses or, conversely, another party has tried to extend their liability and responsibility to others.

Our process gives you unrivalled insight into your risk profile but understanding the cost drivers is one thing. Providing businesses with access to the right specialist tools and expertise to tangibly reduce this risk is quite another, and it is in this regard where CORE360® truly begins to add significant and quantifiable value.

**Let Gallagher support you, so you can face your future with confidence.**



**Talk to us today to arrange your confidential CORE360<sup>®</sup> review and conduct a strategic audit of your risk and benchmark the cost of your insurance programme.**

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Founded by Arthur J. Gallagher in 1927, Gallagher has since grown to become one of the leading insurance brokerage, risk management, and human capital consultant companies in the world. With significant reach internationally, our organisation employs over 32,000 people and our global network provides services in 150 countries. We continue to build on 90 plus years of expertise that spans global industries. No matter the size of the organisation we partner with and the challenges presented by the industry, we work tirelessly to provide solutions that maximise value for our clients.

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