

Please read carefully and consider the following document to be an annex to the general club rules, all points contained within must be adhered to. If you are unclear on any point please use the club contacts page or the forum to request clarity; if members of the committee are unable to help, they will enquire upon your behalf.

The Wind and Wheels Team.

Insurance Information Pack January 2007_

Written by Martin Leach BFSLYCs Insurance Officer

Introduction

The purpose of this document is to make a realistic attempt to ensure that 'every' member and official at both club and national level of the Federation understands the insurance cover provided by the 'Fed Insurance' including its limitations and the responsibilities it places upon them. It is not a one sheet summary but a detailed account.

Following a meeting on the 6th December 2006 with our Insurance Broker; Perkins Slade(PS) some important changes were made to our insurance cover and this information pack will focus on what will be in place from 1st January 2007.

All enquiries regarding insurance should be referred in the first instance to club officials who will if necessary refer it to the BFSLYCs Insurance Officer; no approach should be made direct to any of the external organisations referred to in this document.

The following is provided to enable everyone to have a clearer picture of the present situation and future actions which will be required. It is not provided as a discussion document arguing the pros and cons of various options; if discussion is required it should be raised through the normal channels at the Fed meetings in either summer or November.

This document (and updates) will be emailed to Club Secretaries to distribute to club members, posted on the BFSLYCs Website

Disclaimer

All reasonable care has been taken in putting together what is hoped to be a helpful and informative document, but the Insurance Officer is not a legal or even an insurance expert, merely an enthusiastic amateur therefore the information may lack the vigour that specialist would prefer. It is recommended that the Fed's Insurance Officer reviews this document at least annually and updated it as deemed necessary. It should also be read in conjunction with the minutes of the AGM and summer meetings which may provide extra detail such as the current fees.

Overview of the Sport

Our sport and the Fed has change considerable in recent years and is likely to remain in a developmental phase for the foreseeable future. It is organised through the various clubs, associations, national and international bodies, with officials at each level, guided by systems and documentation which is already in place. Formal yacht, board and kart classes exist alongside developmental craft and members may participate in formal racing, events and leisure sailing/karting. Our insurers are kept aware of events and procedure so everyone needs to know rules which apply to all activities undertaken.

Compulsory Insurance

The Fed insurance is compulsory for all club members, payable individually through club subscriptions or through member associations such as the PKA.

All Fed insurance is organised on an annually basis of the calendar year, therefore members pay their fees annually at the beginning of a new year, all expiring on the 31st December of that year. The Fed pays PS a deposit at the beginning of the year with a final payment at the year end when the actual membership numbers for each club have been verified. A person is not therefore insured for a particular year until they have paid their club subscriptions which will include Fed membership and insurance.

Minors and Family Membership:

Children under the age of 18 are not responsible in law for their action therefore written consent must be gained from their parents/legal guardian and kept on file at clubs if they wish to become members (even for day membership). The cost of their insurance will be exactly the same as an adult. If a family take out family membership at a club the names of every family member covered must be recorded and insurance costs will be charged on each individual within that family group.

Child Protection Policy

The Fed has a new more detailed Child Protection Policy which will be issued to all clubs when agreed with PS; previously they stating that our systems in this area were inadequate therefore last year a clause on our policy removed cover on issue of child abuse. We anticipate cover being reinstated for 2007, but all club officials must read that document and ensure that the policy is fully adopted at their club.

Individual Certificates

All club members should be issued with an Individual Certificate of Insurance acknowledging that they are a full paid up club insured member (providing of course that they are!) and signed by an appropriate club official.

Licences

All Fed members should work towards holding a Pilot's Licence as detailed in the Pilots Log Book. That book explains that 'Pilots competing in club races/events do not need a full Pilot's Licence, because new or inexperienced pilots need to gain experience in club racing before obtaining a Pilots Licence. However club racing does require a level of expertise which a novice is has not yet demonstrated, particularly in the larger clubs, therefore participants in a race must have attained a Level Three in the achievement level, and be supervised by the organisers.

Pilots Licence are compulsory for regional, national and international events whether these are races or just fun events.

The definition of a club event is where only the organising clubs' members can take part in event and not pilots from other clubs. Any event where pilots from more than the organising clubs' membership are involved is classed as a regional or national event and therefore all participants require a Pilots Licence.

Exceptions; Class 7 do not yet have a formal licensing system in place so it's presently up to local organisers to ensure events are carried out in a safe environment with formal written Risk Assessments and all participants covered by insurance.

Changes as from 1st January 2007

Our old policy is defunct, it's not renewable! But it has been replaced by what PS think is a much better option.

PS & The Central Council of Physical Recreation(CCPR), a govt funded organisation to promote sport, have been instrumental in creating a new 'mutual' organisation which will provide 'cover' to amateur sport in a low cost way which will enable sports to keep more of their own funds which they should use to make their sports safer. So they have formed 'Insuresport Mutual Ltd(IM), you can check it out on their website: www.insuresport.com for more detail about the organisation and its aims.

It commenced trading 1st December 2006 and immediately signed up several important sports associations. It is run independently of PS although they do supply it with two directors as do the previous underwriters; Royal & Sun Alliance(R&SA) who are also underwriting 50% of the business, as IM builds up a safety reserves of funds R&SA will reduce their share of the operation. Although because of their expertise in the insurance market R&SA are likely to always play a role within IM.

The rational behind the venture is that R&SA have operated on a commercial basis effectively profiting from amateurs sports; PS's have specialised in this market and have a group of clients, who have an excellent record of not making claiming against their policies; including ourselves.

This new organisation will operate in a 'mutual' way ie for the benefit of its members (note that the language used and status in law is very difference to when an insurance company is offering a contract for insurance). Our transition from the present system to the new one will be seamless without jeopardising our 'claim made status'.

From 1st January 2007 our cover will be provided 50% by R&SA and 50% by Insuresport Mutual Ltd; these proportions will change in years to come as IM build up reserves and take a larger percentage of the cover. IM will endeavour to permanently limit increases in fees to a minimum, possibly even reducing premiums for organisations who maintained a good no claims records, have robust systems and adopt a culture of continuous safety improvements.

Policy Cover

Our cover is for landyachting and associated sports ie parakarting or speed sailing etc.

The Civil Liability policy provides cover for legal liability under the civil law to the general public and members of the insured for personal injury or damages to property. This includes liability arising out of advice, (eg unpaid tuition and coaching) libel and slander and member to member cover. Our policy automatically cover unpaid employees and voluntary helpers even if they are not actually members themselves, such as the partners or friends of members who may have come to an event to help the organisers.

This effectively means that we have 'Third Party Cover' for £5m.

Eg

If a claim was made against any member or members the insurers would investigate the situation, pay damages if necessary, pay our legal fees if a civil action was taken out against any member(s) and those of the claimant if we lost the case. Up to a total of £5m.

But

If a member or an official was considered to be grossly negligent and criminal proceedings would be taken against the individual(s). We would not be covered by this (or any other) insurance.

So

If the club officials allow activity to take place which ignores present Procedures or Risk Assessments the individual member causing damage, the club officials and the Fed officers could all face civil and/or criminal charges and be personally responsible for all costs involved and at worst face imprisonment.

Therefore the importance of having robust procedures which everyone understands and follows cannot be overemphasised. Club officials and the Fed officers cannot be content knowing that rules exist; they also have a 'duty of care' to ensure that they monitor the situation.

Consider:

Participants in sports activities often concentrated exclusively on the actual sport ie the sailing activities, ignoring the potential risks of associated activities such as the potential for:

- An outbreak of food poisoning following a regatta
- An allegation of child abuse whilst instructing a minor at a training session
- A complaint that a person had got head lice following a, come and try it day, because helmets are not clean adequately as they were being transferred between trainees.

Therefore club officers should consider these ancillary activities when planning events and procedures; if all reasonable steps have been taken to cover these eventualities they would be deemed to be covered by our insurance policy. If our procedures are inadequate they may not be covered. So does your Risk Assessment cover catering at events, does the person preparing food have a Food Hygiene Certificate? No then your club need to rethink health and safety on a much more comprehensive perspective.

A culture of continuous improvements must be in place, where officials at club and national levels review and update risk assessments including the introduction of post event risk management review. ie formal written reviews of events/regattas which have just happened and plan improvements for future ones. This strategy will be rewarded by lower insurance fees in future years, if we are complacent and ignore the messages we will face higher fees, with an ultimate penalty of not being able to source any insurance for our sport.

As stated previously the policy is for third party cover so if an accident occurred where a member of the public's car was damaged compensation may be available; depending on the circumstances. Members may not realise that a member could also be considered to be a third party so if a incident occurred where your craft was 'written off' by another member you may be able to make a valid claim for compensation. But care needs to be taken not to open the flood gates of too many petty claims which would have an adverse effect of our future premiums it would be more cost effective on the members if minor claims like this were kept to a minimum.

NB

Powered vehicles for beach crew are not covered by our policy, either are premises nor personal accidents, it is therefore advisable for clubs and individuals to ensure that they are adequate covered on these issues on separate insurance policies.

Basis of Cover

Reference was made earlier to cover being provided on a 'claims made' basis; unlike other forms of insurance, there has to be a policy in force at the time at which the claim is made against us not necessarily at the time of an incident; once a policy is cancelled, no cover would be provided. A claimant can claim up to 3 years (possible longer in the case of a minor) after an incident so we need to observe the following rules:

- If an incident happens which might lead to a claim it should be recorded at club level in an official HSE Accident Book and a copy sent to the Insurance Officer who will inform PS.
- If non Fed insured people participate in a Fed event the rules listed below must be followed.
- If a club cease to operate it should be classified as dormant and the appropriate fee paid to PS for 3 years or until the Fed is confident that no claim will be made for a past incident.

Accepting non-Fed competitors at events

Organisers of Fed events ie PKA, Supercup etc can accept competitors who are not Fed members providing that they can provide proof that they are currently covered by an equivalent insurance policy offered by an alternative organisation ie the PKSF and they have an appropriate sailing/karting licence.

This new ruling passed at the 2006 agm does not undermine the principle that all Fed members must have Fed insurance.

Overseas pilots

Pilots from outside the UK must provide evidence of insurance from their home country to the same level of cover as Fed members before they can sail in this country. They are not allowed to participant in the Fed insurance scheme; the only exception this has been agreed with the broker is a limited number of Irish pilots have been able to join a UK club and benefit from the insurance offered to club members. If in doubt please seek guidance as the insurance broker's agreement is necessary in advance.

Fees and Duration of the Policy

Our policy operational on an annual basis; based on a calendar year. It has been agreed at previous AGMs that the fairest way to levy the insurance fee is on a per person basis which is equal to everyone know matter what size their club or status ie junior or family member as everyone enjoys the same benefits. The only exceptions being:

- 1 New members joining on or after 1 July will pay 50% of fee.
NB this favourable rate does not apply to previous members would are joining late in the year.
- 2 Day member who pay a daily rate at a 'come and try it event'.
New rule from 1.1.2007, a person may only be a day member on two occasions.
NB again favourable rate does not apply to previous members sailing occasionally or to visitor wishing to race at an event, they are only to be used for taster sessions.

Health and Safety and Risk Assessments

Clubs must have regularly assessed the risk associated with the activities in their clubs and document these in formal Risk Assessments which must be lodged with the Fed Secretary.

We should be confident that all new members including day members are fit to participate in the activity. They should sign a form to that effect, although we could still be at risk if they injury themselves, other people and in the case on a pregnant women an unborn child.

Regarding existing members and officials, we should all be aware that individuals who were once competent may for a variety of reasons become a liability to the sport if not offered adequate training or support. Risk assessments should therefore consider how we monitor members behave/competence without discriminating against those individuals.

New rates of insurance fees

If the new costs have been agreed with the broker prior to AGM in November it will be presented to that meeting by the Insurance Officer for consideration. If not the Insurance Officer will endeavour to negotiate with the broker to agree the fees prior to the start of the New Year. Our arrangement with the broker is that if fees are not agreed by the 1st January the Fed's previous year's cover will be extended until negotiations are successfully concluded, although individual members will need to pay their membership fee prior to sailing for the first time in the new year.

Clubs requiring a copy of the new Certificate of Insurance should inform the Insurance Officer of the postal address to which it needs sending and it will be send at the first available opportunity.

Payment Details to the Brokers

The fee paid by the Fed to the broker is based on the 'size' of each club; 4 categories dormant clubs, up to 25 members, between 26 and 75 members and over 75 members. An initial deposit invoice will be sent to the Fed at the beginning of the year and an adjustment either up or down will be made at the end of the year taking into account actual membership in each club. An average fee per person will be estimated for each year and that is what each individual member will be asked to pay, irrespective of the size of the club to which that person joins.

Sailing Sites covered by the Fed Scheme:

- There is no definitive list of Fed approved sailing sites
- Every club has at least 1 site which is readily known and easily identified; this is obviously covered
- Some clubs sail occasionally at other locations these would be covered if the dates appears on the club's programme for the year
- If the Fed or a club with the Fed's approval arrange an 'event' which could be a regatta or simply a days sailing at any location in England, Scotland, Wales or Northern Ireland the event would be covered by the Fed's insurance.
- Sailing overseas (with some exceptions namely North America and Canada) is covered providing it is with the knowledge and approval of the Fed and the recognised national body in the host country.

In all cases the “Principal’s” consent eg the landowner must have been gained in writing and the Risk Assessment must be followed to the letter, which means that everyone associated with the club needs to be aware of its content.

If sailing takes place at a venue which is not a club’s normal venue a ‘Risk Assessment’ must be done which take account of weather and tide conditions etc. for that specific day and that must be kept on record with the club secretary.

VERY IMPORTANT; Casual sailing/karting

Any individuals sailing at any location which has not been pre arranged or approved by the Fed or a club would **not** be covered by the Fed insurance. If it is not an official event it is not covered.

Our policy is not a sail anywhere anytime policy. Other organisations do claim to offer such policies but it is not the Fed’s responsibility to recommend such policies as the validity of such policies may be challenged if an incident were to occur.

Sailing Programme and Events

A condition of our insurance is that the Insurance Officer informs the insurers of any events which are taking place, therefore club officials and organisers have a responsibility to inform the Insurance Officer of all planned events in plenty of time so that the insurers can be informed. It would be sensible to send a calendar of events at the start of the year and give notice of any changes to it during the year.

An ‘event’ is a race, a fun event, or a promotional activity.

The broker has been provided with the following statement:

a) Clubs using on their main site; sailing/training/practicing/racing/associated activities could take place anytime for members and visiting members from other clubs with permission from host club and presumed it was unnecessary to send a detailed programme. We consider it unreasonable to specify every actual date of practice/race at every club, but your cooperation would be appreciated in keeping the insurer informed so that they understand the level of activity which is taking place.

b) Sailing at a non regular site eg. York club occasionally sail at Bridlington; clubs must inform Insurance Officer prior to the event so that PS can be informed.

c) National events; ie regattas are usually recorded on the Feds website, (the Insurance Officer will inform PS of these) for special events such as instructors weekends and promotions would club officers inform the Insurance Officer so that details can be forwarded to the brokers.

d) International regattas ie New Zealand, Krabrally etc these are usually recorded on the Fed’s website or the websites of overseas organisations, for special events such as the World Championship in Patagonia the Insurance Officer will forwarded details to the brokers. But if any individual members are planning to sail at an international event would they inform the Insurance Officer so that it is not missed off the list of events sent to PS.

e) Class 7&8; The Insurance Officer would appreciate details of events so that it is not missed off the list of events sent to PS.

Monitoring of Accidents and Incidents:

All clubs must use the new style; HSE Accident Books BI 510 (cost approximately £5). From 31 December 2003 this was compulsory for businesses and recommended for organisations such as ours, the main change was that it complies with Data Protection legislation.

Actual accidents are self explanatory and we should use the same rigor as we would in a working environment, but incidents are more wide ranging than we might have realised and could include issues as:

- An allegation of child abuse whilst instructing a minor at a training session
- A near miss where a member or the public complains that a yacht almost ran over them or another person
- A past member claiming that they have a back problem because they were instructed on a craft which was not appropriate for them

We 'should' record all incidents which 'could' lead to potential future claims and inform PS via the Insurance Officer as soon as is reasonably possible ie virtually immediately as this could affect how they will react to the claim.

This is also a control measure to enable us to identify potential problem areas which need to be addressed and enable the underwriter to assess the level of risk more accurately (which could affect future premiums). On the one hand we need to accurately record genuine issues whilst on the other hand we don't want to tie ourselves up recording normal activities and make it appear that there are incidents on a continual basis.

Documentation and System for sending individuals fees to the Fed Treasurer

Clubs Officers are responsible for making sure that everyone involved with the sport at their club are members and have paid their club fees prior to commencing activities for the year. Individuals are covered by insurance as soon as they pay their club fees.

Club Secretaries or Treasurers must send the Fed Treasurer the completed membership return form attached at the end of this document which identifies the member's names and details of what fees are being paid. To simplify the system these forms should be sent periodically rather than individual forms and fees whenever a new member joins.

Evolution and Development

PS have been very cooperative in adding new craft ie.Kitewing or activities ie freestyling to our cover providing we can supply them with adequate information about our activities and show them that risk assessment have been written (and are being followed) to minimise risk.

Final comment:

This has been planned as a transparent information document which should be accessible by every Fed member so they are confident about what is and is not covered.

I hope you have found it informative.

Martin Leach
Insurance Officer