

AGENDA ITEM 10

Insurance Liaison Officer's Report to the BAB Exec – 11 March 2017

1. Annual Renewal Statement

I met with the Insurance Brokers (Endsleigh) in January and can report that the only changes this year to our annual premium will be the government's regulatory increase in IPT from 9.5% to 10%. All other policy details are the same.

The 1 March 2017 insurance certificates and policy schedules have now been received and were uploaded to the website by 1 March, for which many thanks to the webmaster. Endsleigh will send separate invoices and D/Ds to the Secretary BAB for payment of the premiums.

2. One-off Free Taster (Training) Sessions

In response to an enquiry from Lancashire Aikikai, in December 2016, I sought clarification from Endsleigh on whether Clubs could offer free 'taster' sessions to prospective members without them having to formally register as members of an Association. Endsleigh confirmed that cover for taster sessions is included in the policy schedules. However, to avoid abuse of the system (that is, practitioners continually having "free" insurance cover, I agreed some parameters with the Insurance brokers (confirmed by email), viz:

- All the clubs need to do is record the name, address and the date of those attending and keep it on file so there is a record.
- Taster sessions will be limited to "3" after which the practitioner should hold formal Association membership.
- In the event of an accident/incident claim, clubs need to follow the normal claim notification procedures under the policy regardless of whether someone is a full member or attending a free taster session.

This makes it very easy for Clubs and Associations to hold open days or provide for 'displays' at village fetes, etc. and meets one of the aims of the BAB to 'promote' aikido across the UK.

3. Cyber and DP Cover

At the annual renewal meeting, Endsleigh offered over-arching Cyber and DP cover of £500,000 for a premium of £200 p.a. I passed this to the webmaster for an opinion. He replied that the only bits worth having are:

- Content on your website has accidentally libelled a third party and they are suing you. The insurers will respond to any claims which arise.
- Liability protection if you mistakenly infringe someone's copyright by using a picture online for example, or inadvertently libel a third party in an email or other electronic communication.

The rest we can do ourselves. I believe the Exec should consider the options and either support the webmaster or spend the £200 with Endsleigh for absolute piece of mind, that is, not having to consider fighting a claim against a "hacker" or maligned individual bearing in mind our limited financial resources.

3. Insurance for non-members at BAB/Association events

Early this year it was reported to me that an Association's "Course/Seminar" advertising flyer specifically mentioned that non-BAB members would be charged £5 to cover insurance at the event. I cannot emphasise enough that this sort of statement is construed by the FSA as "selling" insurance. **We can't do that!**

The message must be got out to all Associations and Clubs that we sell **MEMBERSHIP**. Course flyers should therefore state that non-members will be charged a fee for **temporary** BAB membership – to cover the duration of the course/seminar – and then it is legal to state the fee will be £5, or whatever cost the operator wants to charge.

Can the webmaster please get this message out to all Clubs and Associations. And could the Aikido Times editor vet all course flyers before publishing them in the online magazine. Thank you.

4. 'Abuse' Cover under the BAB civil liability insurance policy

As a direct result of one of our Coach/Instructors being prosecuted for alleged child abuse, I asked the Insurance Brokers – once again – for clarification on when, and when not, the alleged perpetrator would be covered under the civil liability element of the BAB insurance policy.

Insofar as the BAB, Association and Clubs are concerned, they are covered for claims of compensation where they are/have been vicariously liable for the actions of others – so an example would be that the Club/Association/BAB failed to do the correct DBS check. The allegation would be that had this been done properly, the instructor would not have been in a position to commit this act and therefore the club's oversight / negligence allowed the abuse to occur. Therefore, it would be liable, as it is fair to say when instructor(s) have conduct with children the club / association owes the children a duty of care and this duty should include reasonable checks to ensure the instructor is fit to be involved. Our insurance policy covers the BAB (The Board), the Executive Committee Officers, Associations and Clubs and their officers/volunteers against this liability.

It does not cover the individual members or instructors against whom the allegation is made as it wouldn't be manageable. You would end up paying for an individual's defence through to prosecution. There would also be difficulty in establishing negligence and endless arguments about how much the abuse/molestation was connected to Aikido.

That said, for that **individual**, the policy will also pay **defence costs** incurred – **but only with the insurers prior written consent** to defend such an action against the BAB member/employee/volunteer worker, **AND only up until the point someone is criminally charged - and on civil cases, up until judgement is given.** Where and if the individual is found **NOT GUILTY**, reimbursement of defence costs is only considered if it has been agreed with the insurer as part of their meeting any defence costs up to the point of being criminally charged.

For claims arising from abuse or molestation, the most the insurer will pay is £2.5m for the total of all such claims and their defence costs, including any claims forming part of a series of other claims regarded as one claim.

Vincent Sumpter (BAB Insurance Liaison Officer)

1 March 2017