

INSURANCE FOR YOUR CRICKET CLUB



April 2020

The Coronavirus outbreak is affecting all of us in our working and personal lives and we are all living with a degree of uncertainty, including when can Cricket be played again!

Perhaps not surprisingly, we have had many queries regarding coverage and premiums and I note below some general thoughts, which I hope will be of assistance as you consider your specific requirements.

Insurance Cover for Coronavirus

You may have seen any number of announcements from various bodies suggesting that cover may apply under a Business Interruption Insurance cover, however I would advise that this is very unlikely to be the case. The principal aim of Property and Business Interruption Insurance is to provide cover in the event of “Physical Damage”. Many policies contain additional extensions with inner limits and some policies may contain a “Notifiable Disease” clause. However these will tend to list the notifiable diseases that will be covered and as Coronavirus is new, it will not be listed and no cover will apply. Even where the wording of the extension may be on a slightly broader basis, so that “notifiable diseases” are not actually listed, the disease may have to have been present at the premises for cover to be considered. Like all of the Cricket Club Insurance schemes that we have come across, our insurance scheme does not include cover in the event of Coronavirus.

Insurance Cover where no Cricket is being played

The need for insurance cover will depend upon individual circumstances. Employers Liability Insurance is a legal requirement and other insurances may be required contractually. I have outlined below three “categories” of cricket club to help with consideration of the need for cover in the short term.

“Floating” Clubs

These may be “pub teams” or similar but is intended to reflect cricket clubs who have no cricket ground of their own.

As these clubs are not responsible for any ground, if they are not playing or training, there is arguably no risk exposure and they may have no short term requirement for Liability Insurance. Once training or playing resumes, there would be a requirement to effect Liability Insurance again.

If the team owns equipment, they have the option to continue to insure this.

“Small Clubs”

These clubs may be responsible for a ground under a lease or licence from the Council or Local Authority. Even though they are not training or playing on the ground, they retain a responsibility for it and the general public may be using the ground for walking the dog, exercise etc.

The lease or licence may require the Club to maintain insurance and certainly in view of the above, there is a continuing exposure for Liability claims and a need for appropriate insurance cover.

These clubs may own groundsmen’s equipment that is stored in a secure shed on site and whilst insurance is not compulsory, it is strongly advised.

Larger Clubs

These will be clubs with their own grounds and clubhouses and generally larger facilities.

In many respects the same arguments apply as for “smaller clubs” and the same exposures exist, albeit possibly on a larger scale.

Other insurances

Whilst it is important for the club’s Assets and Liabilities to be protected, there is one area of insurance that may be considered unnecessary, until playing and training resumes and this is Personal Accident Insurance. This cover tends to apply during

playing or training and possibly whilst travelling to or from training/playing sessions.

This may not be a significant saving, but any saving may be worthwhile and the cover can be reinstated once playing and training resumes.

Premium Levels

The fact that no playing or training is taking place may slightly reduce the Liability exposure for all clubs, however for many clubs who own their ground & clubhouse or are responsible for it under a lease or licence, a Liability exposure remains. At the same time, insurers regard unoccupied/unused premises as a higher risk and the current circumstances therefore present an increased exposure, beyond the “expected” winter months, for the Property element of the cover. Unfortunately, insurers do see more Property claims than Liability claims and in considering this, whilst no additional premium would be charged for the potentially extended unoccupancy period, no reduction in Liability premium would be permitted either.

I hope this gives a little background to some areas of concern that we have become aware of.

I would take this opportunity to remind you that your insurance cover falls due for renewal on the 20th April and we look forward to receiving your renewal instructions as soon as possible. We will be happy to help you with any specific queries you may have and our contact details are noted below.

We are very conscious that club funds are under pressure and we would remind you that it is possible to spread the premium over 10 monthly direct debit payments with Close Premium Finance. If this may be of interest, please contact us for further details.

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