



Huts & Equipment Insurance Policy

Background

At the Group Exec meeting on 07/11/11, the Exec discussed the cost of insuring the huts and the equipment contained within. The quote from the current insurers Unity was considered to be excessive and the quote from Bluefin, the Group's previous insurers, was £739 for a year for buildings plus contents insurance, and £421 for a year for buildings only insurance.

It was estimated that the huts would incur a rebuild cost of approximately £2,500 each, and that total contents were in the order of £10,000 – £12,000, although in practice the Group would not replace everything and an estimate of £8,000 was therefore considered reasonable.

It was felt that the level of the insurance premium was becoming very high relative to the risk that this was covering. There was no recollection of any equipment claims having been made over the past 10 years and it was felt that the likelihood of both huts being simultaneously impacted was very low.

Decision

It was proposed that, due to the above, the Group made a conscious decision NOT to insure the huts and equipment and instead created a separate contingency fund, putting money into this fund each year. After considerable discussion, during which the principle of not having insurance in place was discussed at length, this proposal was unanimously agreed by all present.

Arrangements

The following arrangements were agreed:

- A separate account, paying the most favourable rate of interest, would be set up for this contingency fund.
- An initial £1,500 would be transferred into the contingency fund (representing £750 for 2011 plus £750 saved from not insuring the huts and equipment during 2010).
- The annual amount to be paid into this fund was initially set at £750.
- The maximum balance of the fund (the "cap") was initially set at £10,000.
- Each year, the annual amount will be paid into the contingency fund unless:
 - the fund balance is already greater or equal to the cap, in which case no further money will be paid into the fund
 - or
 - the difference between the fund balance and the cap is less than the annual amount, in which case just this difference will be paid into the fund.

Policy:	Huts & Equipment Insurance	Exec Approved:	16/01/12
Written By:	Richard Clark (Secretary)	Next Review Date:	01/19