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From permits to protection – a guide to motor club insurance

As the national governing body for four-wheel motorsport in the UK, Motorsport UK offers a host of benefits to competitors, volunteers and clubs. For member clubs specifically, the Motorsport UK insurance policy offers a comprehensive safety net, ensuring that you can focus on what you love – motorsport – while protecting your club against potential liabilities. Here we explore what is covered under this policy, the associated benefits of the cover, and opportunities to enhance your protection based on your club's needs.

What insurance cover is provided?

The Motorsport UK policy extends its coverage to member clubs and organisation's operating within the United Kingdom, provided they are operating in accordance with the National Competition Rules and that a Motorsport UK permit or certificate of exemption is issued. The coverage period lasts for 12 months, starting from 1st January each year, and includes £100,000,000 public and products liability, £15,000,000 medical malpractice, and £10,000,000 professional indemnity insurance. It is important to note that a policy excess applies to each claim, except for claims related to third-party injuries.

Benefits of the cover

Motorsport UK registered clubs can take advantage of this insurance by applying for permits for their competitive motorsport events. These permits are valid for the event date and generally for seven days before and after, allowing for appropriate pre-event preparations and post-event cleanup.

In addition to competitive events, Motorsport UK also provides insurance cover for club social activities. This is particularly beneficial for clubs that do not engage in commercial activities for financial gain but may still carry out other non-motorsport social activities not requiring a Motorsport UK permit. However, there are limitations and exclusions to be aware of. Further information can be found on the Motorsport UK insurance microsite HERE

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The following non-motorsport social activities are included under the Motorsport UK insurance cover:

- **Presentation and award nights**
- **Annual dinners, anniversary dinners**
- **Fundraising events, attendance at exhibitions and conferences, administrative duties, and static displays.**

Important exclusions

Given the breadth and diversity of member clubs activities it is difficult to accommodate all requirements in a master insurance policy, so understandably there are notable policy exclusions that clubs should be aware of, including:

Employers' liability insurance: This is not included in the Motorsport UK insurance offering. All volunteers, committee members, or working club members could be considered employees of the motor club they volunteer for, from a legal liability perspective regardless of whether they are paid. If any club members are injured while working on behalf of the club (outside of a permitted event), the club may be liable for any claims arising from negligence.

Property and money insurance: Club property and money are not insured under this policy. This means that any assets owned by the club, such as trailers, radio equipment, trophies, and event furniture, are not covered against theft, fire, flood, or accidental damage.

Participation in non-permit motorsport: Clubs organising test days or track days must carefully consider their own insurance requirements for these events, as Motorsport UK's policy does not cover participation in non-permitted motorsport activities. Clubs should consider taking out their own Public Liability policy to protect against risks associated with non-permitted activity. For example, Clubs competitors under permit are covered by the Motorsport UK Public Liability arrangement, but wider club activities not under permit are not covered. For example, a club preparing for an event are loading and unloading supplies from their premises and damage third party property or injure a third party while doing so. Such an incident would generally call for the clubs own public liability cover.

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Enhancing your insurance cover

To ensure comprehensive protection, clubs should carefully review their individual insurance requirements to confirm that their coverage adequately meets their needs. Consulting an experienced insurance broker is advised to help you determine potential coverage gaps and secure proper protection.

One option available to enhance your coverage is an exclusive package for Motorsport UK motor clubs that includes equipment / property cover on a UK basis, money cover, and employers' liability cover for activities outside of the permit. This package is offered through Marsh Sport, the appointed insurance broker to Motorsport UK. For events involving non-competitive vehicles, such as track or test days, clubs can also add public liability cover on an ad hoc basis for an additional premium, with a limit of indemnity set at £5,000,000. For clubs requiring bespoke quotations, these can be arranged following a full review of the club's needs.

Prioritising proactivity

Understanding the extent of the insurance cover provided by Motorsport UK is crucial for all member clubs. While the policy offers substantial protection, it's important to be aware of the exclusions and consider additional coverage options to ensure your club is fully protected. By taking proactive steps to enhance your insurance cover, you can focus on delivering exciting motorsport experiences while safeguarding your club's interests.

For further information or to discuss your insurance needs, please contact Marsh Sport at **www.marshsport.co.uk/motorsportuk**