
RE: Club insurance advise

1 message

Russell Godfrey <r.godfrey01@outlook.com>
To: Kev Pay <kevpeas78@gmail.com>
Cc: Kev England <englandkev@gmail.com>

6 June 2020 at 10:47

Hi Kev

First off thank you so much for the time and effort you and others have put in to providing this very helpful information. It certainly shows that this is a common problem with smaller clubs / non profit organisation. I guess its a sign of the times these days with smaller clubs / less active members and rising costs, it makes it tough keeping clubs viable.

Since the last email I have talked to two insurance brokers, The problem as I see it is they treat clubs/non profit orgainisation as companies thus the insurance cover is excessive for a small clubs needs. It seems crazy that you can obtain full insurance for your house or a rental property for far less than it costs to ensure a concrete block storage shed that is worth far less than the average house, which in my view carries higher risk.

As for liablilty insurance all the brokers say you need it but I think more than anything that is just a way of increasing sales. From what I can pick out of it the biggest risk is that of fire in the outdoors. These days if they can point the finger at anyone they will in an effort to recoupe costs. I see this as the biggest risk / need for liablilty insurance, Im not sure how you avoid it. There are a few paddling destination that mutiple groups camp at and an evening camp fire is often lit. It's a scary tought if it gets out of control, even if your club members did not lite it you may be assoicated with it if they where to chase for fire fighting costs? I do know that the risk of fire is why a number of outdoor clubs (not just kayak clubs) do carry liablilty insurance.

At this stage it looks like we will go with just covering the club building, we dropped the contents insurace a number of years ago as it was more expensive than it was worth. We plan to reassess the building and liablilty insurance for the next renewal period.

Once again thank you for your efforts it has helped us to have a better understanding of the difficulties faced by other similair clubs, I guess were not in this boat alone (excuse the pun)

Perhaps see you on the water some day

Kind regards

Russell Godfrey

C/o OCKC

From: Kev Pay
Sent: Wednesday, 3 June 2020 10:59 PM
To: Russell Godfrey
Cc: Kev England
Subject: Re: Club insurance advise

Hi Russell,

Well I have finally got some advice for you regarding the insurance subject. Rather than just tell you what I think on the matter, I figured it would be best if I ask a couple of other kayak clubs what they had insurance wise and their thoughts on your (OCKC) club situation.

My Question to them was: *Can you help me with a bit of info. I am helping a guy with some advice regarding kayak club insurance. Like if it is worth having etc. Its for the Otago Canoe and Kayak Club. They do have an insurance in place but are questioning if its really need as its very expensive for their small club. Do you know off hand what Ruahine (& Hutt Valley) has / does regarding this issue. Also they do have their own club building which would need insuring*

Ruahine WW Club (which I am a member of) has no insurance of any sort and from what I know never have in the past. They are a relatively good size club usually holding around 30 to 40 members and have quite a bit of gear (WW kayaks, inflatables, 6 man raft & Safety equipment etc)

Here's what Greg Sawyer (RWWC) had to say on the subject: *Hi Kev. Ruahine does not have insurance. Our club boats and gear are kept at Ian's house and we don't have club insurance. One boat was stolen a few years ago (left in front of his house?) but no other losses. We haven't talked about insurance in years, maybe we should since I don't think the gear will be covered by his personal insurance. However we have so little loss it's probably not worth insurance. I think our club should be covered for general liability because we are an incorporated society. Let me know if you have more questions. Oh, our kiwi canoe polo club has bought insurance for the trailer for about \$300 per year, but that's more likely to get stolen. None of our 30+ polo boats and other gear (\$30K) are covered by insurance. It's hard to justify the annual insurance expense if there is little fire or theft risk that can't be covered by club funds. I remember Max saying that he never wanted a building for the kayak club because I'd the hassle of taking care of it. Very wise.*

Hutt Valley Canoe Club is a good example of a club not too different to that of yours (OCKC) as they too have a club house which they own.

Here's what Ray Beentjes (HVCC) had to say on the subject: *Hi Kev, sorry for slow reply. Yeah HVCC is boned on the insurance front too. We have a really old policy that insures the clubhouse and a bit of gear too, but not enough to replace it under modern insurance terms ie: complete modern replacement. Dean B has just spent ages sorting this out only to go back to the old poilcy. If we re-do the policy to modern terms then we are up for thousands in commercial rates, if we stay as we are we could replace the clubrooms with a relocated building plus heaps of fundraising to sort out the reconnection of services and stuff. It's like we are stuck between a rock and a hard place. Dean revalued the rooms for a rebuild at 340K which is realistic. So if we had a fire and lost the lot, we'd probably replace it with a Britten's relocate prefab or something. We cannot afford to go up to new terms, we'd spend most of our yearly subs insuring. It sucks. We just hope that no a'hole burns the joint down.....*

I just spent 3 years sorting the place out and fixing it up from falling to bits. I don't want it to fail if we lose it cos it's in such a cool spot. Dean doesn't want to pay insurance but we lose everything if it goes up in smoke and we don't really have club anymore. But I'm not Prez anymore, I'e done my 3 years and it's over to other souls to carry on!

HVCC cannot specify a swap-out of the old clubrooms for a relocated building as was how the bloody old building actually arrived in the first place! It was an old building from a Petone depot, moved to Upper Hutt and sorted out by the Vlaar family of kayakers. State insurance ONLY allow us to re-insure for a new build (and we'd have to pay 3-4K insurance per year for the privilege).

The Question of Liability Insurance:

I can not really think of a situation where a kayak club would ever get in situation whereby they were glad (or wished they had) some kind of liability insurance. Most of the time your on a river which belongs to no one and all non profit clubs / organisations are exempt from any health & safety issues. Also all clubs should have a club policy (clause) stating that individuals take responsibility for their own welfare & agree to participate in club activities at their own risk etc. The only chance of a liability issue that could transpire would be if something happened on private land. But that is why it is important to always get permission from landowners etc.

Ray Beentjes (HVCC) summed it up quite well with this comment: *In my humble opinion liability is a commercial thing. I've had it for cover when I've been a sound recordist travelling to people's houses, cover for damage on other people's places that I've been in. Also things like fire cuased by my equipment in a leased building as protection in case an insurance company came after me for negligence etc. I think a general disclaimer on club trips ought to provide cover like you mentioned. It's bloody hard being a club these days in an increasingly USA style suing world.*

Conclusion:

Well Russell, I hope this waffle helps you and your fellow club members make an informed decision regarding insurance for OCKC.

My advice is to, insure your club building (& equipment if you think it's worth it) but forget about the liability insurance, its a waste of money.

Kind Regards

Kevin Payne

On Mon, 18 May 2020 at 09:45, Russell Godfrey <r.godfrey01@outlook.com> wrote:

Hi Kev

No problem, I fully understand so no rush.

Cheers

Russell

Sent from [Mail](#) for Windows 10

From: [Kev Pay](#)
Sent: Sunday, 17 May 2020 9:02 AM
To: [Russell Godfrey](#)
Subject: Re: Club insurance advise

Hi Russell,

Sorry for the late reply. I'm trying to stay off the computer when I can. My job see's me spend 10 hrs a day at my workstation as a mechanical designer.

I will write up my thoughts on the club insurance subject and get back to you soon.

Regards Kevin Payne.

On Tue, 12 May 2020 at 17:34, Russell Godfrey <r.godfrey01@outlook.com> wrote:

Hi Kev

Thanks for the advice to discuss with Kev Payne

Hi Key Payne

Sounds like you may have more knowledge on insurance for kayaks clubs, If you read the orginal email below it should outline what I trying to understand. Any advise will be greatly appreciated.

Thanks in advance for your help

Regards

Russell

Sent from [Mail](#) for Windows 10

From: [Kev England](#)
Sent: Tuesday, 12 May 2020 5:10 PM
To: [Russell Godfrey](#)
Cc: [Kev Pay](#)
Subject: Re: Club insurance advise

Hi Russell,

Sorry for the delay in getting back to you.

I think you might be better to ask advice from Kev Payne (CC'd). He's more in touch with club activities.

Cheers

Kev.

Kev England.

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president@whitewater.nz

On 6/05/2020, at 1:16 PM, Russell Godfrey <r.godfrey01@outlook.com> wrote:

Awesome, thankyou

Sent from [Mail](#) for Windows 10

From: Whitewater NZ <president@rivers.org.nz>
Sent: Wednesday, May 6, 2020 1:14:07 PM
To: Russell Godfrey <r.godfrey01@outlook.com>
Subject: Re: Club insurance advise

Hi Russell,

I will look into this and get back to you.

Cheers.

Kev England.

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Sent from my mobile so please excuse any typos!

On Wed, 6 May 2020, 1:06 PM Russell Godfrey, <r.godfrey01@outlook.com> wrote:

Hi Kev

Thanks for all the very useful updates regarding WW activities during the COVID19 period. Hoping we can get back to doing a few trips before winter really sets in.

But in the mean time I hoping you may be able to give some advise around club insurance.

Background

I am an active member of the Otago Canoe and Kayak Club (OCKC) with most of my kayaking these days being WW and leading club river trips and pool training sessions (rolling etc). We are based in Dunedin and cover a number kayaking activities, mainly WW, Sea kayaking, Canoe Polo with some members active in kayaking racing and multi sport. Our club is small with less than 20 members, however this is boosted during winter when we run canoe polo games in a council operated pool. Polo brings in approximately another 50 members per year. We own a club storage shed on council land situated near the harbour. We affiliate approximately 50 members to WWNZ via a yearly payment, this is way more than what actually paddle WW, but I figure that club members should be contributing to protect our water ways. With the COVID19 problem we may not get to run canoe polo this season? Thus our membership will be well down from past years. So unfortunately as a club we may have to revisit this.

As for WW we only run a few official club trips each year, typically a small group of say 4 to 10 paddlers. These are often used more as training for less experienced paddlers, so usually G2 to a max of G3 for the more experienced.

However my real reason for the email is to seek some advise on insurance. We currently have insurance to cover the club building (but it is under insured) and liability insurance to about 2 million. Equipment is not insured. Every year when its time to renew the insurance we question if we need cover to this level as its very expensive for a small club. So was wondering what WWNZ recommends for liability insurance or what other clubs do.

Do they all carry liability insurance?

Any idea who they insure with and costs?

As always we aim to keep our members safe during any club activity but If something was to go wrong on a WW trip or other activity could the club / club member or trip leader be held liable? If so is there any WWNZ support available?

Would appreciate any advise you may have, happy to call you at some stage if that is easier?

Kind regards

Russell Godfrey (OCKC)

027 487 7179