

Showman Equipment and Liability insurance February 2021

How we see the market and what you can do to secure your cover

Brief Summary February 2021

Everyone had a tough year in 2020 not only from the pandemic but the number of insurers for this sector of insurance reduced dramatically as Leisureinsure with their policy underwritten by AXA left the market and then Towergate with their RSA policy also lost their facility.

This has currently left 2 markets only that we are aware of for the new season 2021-2022

- Park insurance with their binder underwritten by 3 insurers
- David Oliver Associates with their binder underwritten by China Taiping UK Ltd available only via several independent brokers

A brief explanation of the different "types" of policy currently being available to Showman for 2021-2022

- Park Insurance can sell a standalone Liability policy for Public and or Employers liability **AND OR** an additional policy to cover the actual ride/equipment for Material damage "All risks" or just Fire cover only.
- David Oliver Associates underwritten by China Taiping UK Ltd available via their panel of brokers can sell only a "Commercial Combined Business" policy. (You cannot buy JUST liability cover from them so as a Minimum you will be covered for Fire and Liability cover from the outset. For this reason, you will need to disclose a value to replace each piece of your equipment **and** the average turnover of each ride for the policy to be rated and a quote given. (**This is the same data any non-fairground business would disclose to their insurer annually for a business insurance although you may not be accustomed to providing it)
- Broker2u Ltd underwritten by Nelson Policies at Lloyds. This policy is exclusive to us. The policy is for Liability only at a fixed price and **EXCLUDES all mechanical rides and Inflatables.**

With little or no choice this year how can you save time and secure cover in 2021. Here are some tips?

- Make a list now of your equipment /the value including pay boxes and music /you will also need to list the average turnover of each piece of equipment this year – consider using an average of previous years takings.
- Know the height of platforms on slides/manufacturer name etc.
- Have your ADIPS certificates ready especially if you have had a claim as you will need to provide a copy of this to the insurer if there has been a claim and details of any improvements you have made to stop the same type of incident happening again.
- Keep a **written** record of any repairs done/ improvements made Take photo's and make sure your testing engineer signs them off in a written document that they have been checked and approved.
- If you are a sole trader with a small amount of equipment maybe consider forming a legal partnership with family to pool your equipment and avoid the insurer Minimum premiums. **Remember you will also take on their claims experience (Please also seek your Accountants advice first as this may have tax implications for you)
- Get a copy of your confirmed claims experience from your existing broker /insurer if you are not already insured with China Taiping UK and one of their brokers * **Claims history – you will need a record of this for the insurer.** Unfortunately, as policyholders you are seldom issued with a copy of your claims record annually unless you are being told to find cover elsewhere, but you can always ask for it. Insurers will need to know about any claims made on current or previous equipment usually for a period of 3 or 5 years. Your current broker/insurer should be able to supply this to you on request. **Anyone with a claim recorded against them and or any of their businesses /trading styles will need this information in writing to get a quote from China Taiping UK and the rate will be slower coming through to your chosen broker as the claim will initiate an automatic "REFER" to the underwriter once disclosed so please allow plenty of time.
- It would appear for 2021 -2022 that you will be best advised to choose a single broker that you trust, they could be local to you or they may have been recommended to you There will be very little point in ringing around this year given the market constraints this year as you should/will get the same quote from each broker if the data you have given is the same The key differentials between the brokers will be their fees and their service to you as far as we can see.
- Everyone will probably be trying to secure cover possibly at the same time if the lockdowns are released and so you need to be organised in advance in our view and or be patient as there will be an orderly queue.

In Conclusion

We are sure that brokers/insurers are working to secure new markets for the Showman insurance, but we are currently unsure that anything will happen in time to assist at the start of the season. We will keep you posted as soon as we know/hear anything. Claims have still been rolling in despite rides being closed and claims costs are rising considerably especially for those claims involving minors where a very rigid system is now in place via the Ministry of Justice. Timetables to supply claims data and paperwork from you the policyholder are now very short and rigid, and we must all work within these boundaries to try and reduce claims costs to attract some new insurers, so please ensure you report any potential incident immediately and call your broker any concerns

PLEASE NOTE **

- **Premiums:** Please note that the China Taiping UK Ltd Showman policies and our own policy with Nelson at Lloyds are "**MINIMUM AND DEPOSIT**" premiums. This means that if you cancel the policy outside of the 14-day initial cooling off period **there will be no refund from the insurer.** (This clause is now appearing on many insurance policies)
- **Places to obtain a quote with China Taiping UK (this list is not exhaustive)** Listed below are some of the brokers we know of where you can access and buy a David Oliver Associates /China Taiping UK Ltd policy
- Broker2u Ltd via [Insurelink](#): 01245 226318
- Insurelink: 01502 537773
- Jackaman Insurance via Insurance Expert: 01474 557427