

NEWSLETTER – SPECIAL EDITION – FEBRUARY 2004

In the last Newsletter I advised you all that the BCRA, who provided the Insurance to the Trust and most caving and mining clubs in the country had been unable to secure suitable insurance cover.

The BCRA, which has now changed its name to the BCA (British Caving Association), has now managed to obtain insurance cover from a new provider “GE Frankona”. However the cost of this insurance is almost four times as much as we previously paid.

The Trust Directors met in Birmingham on Sunday 1st February to consider how the Trust will react to this increase. It was decided that the Trust would defer making a decision until the Welsh Mines Society winter meeting at George Hall’s home in Ludlow on Sunday March 14th. During the day a Special General Meeting will be held at which all members will be able to take part in the debate and vote on how the Trust insures its activities in the future.

In 2002, the cost of BCRA insurance was £1.40 per head and the Trust membership fees were £3.50. Last year the cost of insurance rose to £5.00 per head, the Trust directors were reluctant to increase the cost of membership anymore than was absolutely necessary, because of the risk of losing members. So last years membership fees were set at £5.00, which only paid the cost of the insurance.

This year the cost of BCA insurance has risen to £6 per head for surface only cover and £18 per head for surface and underground cover of £2m Public Liability. To allow for running expenses and a small profit to Trust funds this would mean membership fees rising to £9 and £21 respectively. There is also a massive sting in the tail with this new BCA insurance cover, the Trust would have to pay £2,500 excess in the event of a claim, and £10,000 excess for any subsequent claim. The BCRA tell me that there has never been a claim in twenty years, and we do not have to show an ability to pay this excess. The total assets of the Trust at this present time are £1,694.08. So in the event of a claim we would be faced with bankruptcy and its implications for the Directors.

What are the alternatives ?

- (i) We increase the membership fees over and above the amounts quoted above to build up a reserve to meet the £2,500 in the event of a claim. If a claim was made and we were faced with £10,000 excess in the event of another claim, we would have no option but to close the Trust down.
- (ii) We explore other means of insurance.

We also need to consider what we could require insurance cover for.

Working Parties at mine sites, surface and underground,
Field Meetings at mine sites, surface and underground,
Surveying and Research work at mine sites, surface and underground,
Cover for the Trust as a body,
Cover for the Trust’s Officers, Meet & Working Party Leaders.

(cont)

I have made various inquiries, and I have found two other insurance providers that will cover most of the Trust's activities. During these inquiries I have also become aware of another insurance problem that will affect the Trust, that is the change in the Employer's Liability (Compulsory Insurance) Act "any one who carries out voluntary work for a society/association is an employee within the meaning of the act". So if you attend a working group/weekend you are deemed to be employed by the Trust and we require to have Employer's Liability Insurance. This is not provided under the BCA policy.

The first is the British Trust for Conservation Volunteers, which will provide us with Public Liability cover up to £5m, with no excess. It is not priced on a per head basis as with the BCA, but is priced on the number of man(woman) project days per year. The minimum is 500 days per year, which is more than enough to cover the Trust's activities. But it will only cover us for surface activities not underground. With membership and affiliation fees added this will cost the Trust £192.25. This cover would result in membership fees rising to £7.50. They do not at present provide Employer's Liability Insurance, which we would need to purchase separately.

The second is through the British Council for Archaeology, which will provide us with Public Liability cover of up to £2m, with an excess of £250, for up to 100 members for £88.70, including affiliation fee. They also provide Employer's Liability Insurance. This is priced by the maximum number of volunteers on site at any one time. For up to 20 people is £50 per year with £10m cover and no excess. Again with no underground cover. This cover would mean the membership fees rising to £7.00. Please note that their insurance year runs from April to April, so it would not be worth joining their scheme until April, it would be a waste to join this years scheme for just a few weeks. But bear in mind their prices could go up in April, meaning a possible increase above the £7 membership fee quoted.

The two options above do not provide any underground cover, so unless we accept the BCA underground package with its cost and severe excess implications, there will not be any underground activities at any Trust event.

I wanted the membership to be fully aware of the situation the Trust finds itself in, and to have the various options explained to them. The subject of Insurance is very complex and I have done my best to explain it as simply as possible. I also wanted the members to have their say in how the Trust deals with its future insurance and the resulting cost of membership fees. There are two ways you can have an input into the decision making process; one come to the meeting in Ludlow on March 14th (details below) or send me a letter or email. If you have any questions please write or email, you can also phone me but please bear in mind I work shifts and I am not always available, and I will do my best to answer any questions.

Meeting at George Hall's Home. Sunday 14th March 2004, will be held during Welsh Mines Society winter get together which is from 1030 onwards. Buffet Lunch available £6 (pay on the day), please phone George before 6th March to book (01584 877 521).

George's address is "Abilene", Sheet Road, Ludlow, Shropshire.

Directions:- Sheet Road goes into Ludlow from the southern of the two roundabouts on the Ludlow bypass (A49), "Abilene" is about 200 yds down on the right, the third house beyond the N F U Mutual Office.

*Graham Levins
Secretary
Welsh Mine Preservation Trust
3rd February 2004*