

Standard 9: Insurance Coverage

Insurance is an essential part of running any business. Taking out the right insurance will help protect your club and minimise its exposure to risk.

All clubs must be able to demonstrate that they have adequate insurance cover in the following areas as evidenced by a Certificate of Currency from a recognised insurer:

- Public liability insurance*;
- Accident insurance for voluntary workers*;
- Workers' compensation insurance;
- Club building and contents insurance;
- Compulsory third party vehicle insurance ('green slip'); and
- Third party property vehicle insurance.

Templates

An insurance checklist to help undertake an assessment of your insurance requirements is at **ATTACHMENT A**.

Tools and Assistance

This standard provides an overview of insurance coverage that can protect your club from various types of risk. However, because of the complexity of insurance matters, GRNSW strongly recommends that you seek assistance from an insurance expert to help determine a level of cover that suits your club's individual circumstances.

What GRNSW Requires From Your Club

On an annual basis, clubs must return a completed copy of the insurance checklist and provide GRNSW with copies of their Certificate of Currency from a recognised insurer for the following areas:

- Workers' compensation insurance; and
- Club building and contents insurance.

**This policy is organised by GRNSW on behalf of all NSW greyhound racing clubs.*



Insurance

Your insurance requirements will vary according to your club operations and size, however, you should be aware that some forms of insurance are compulsory by law, such as workers compensation and third party car insurance.

Insurance cover forms an important part of risk management. Risk is not something you can avoid, but it can be managed. Risk management through adequate insurance cover will increase the probability of business success, and reduce the probability of failure and exposure to costs resulting from unforeseen incidents such as burglary or weather damage.

Overview of Required Insurance Cover

Public Liability Cover

This insurance provides cover in respect of claims against your club for injury, illness or damage to property on your premises. Currently most clubs are covered for this risk through a group policy arranged by GRNSW. If you are arranging your own public liability insurance you should ensure that the cover is comparable to the blanket policy (i.e. a minimum of \$20 million coverage).

Accident Insurance for Voluntary Workers

Clubs that rely on voluntary workers, rather than (or as well as) paid employees, to perform club duties must provide accident cover in respect of those volunteers, to the extent that they are not covered by public liability insurance. Currently most clubs are covered for this risk through a group policy arranged by GRNSW. If you are arranging your own accident insurance for voluntary workers you should ensure that the cover is comparable to the blanket policy.

Workers' Compensation Insurance

Workers' compensation cover is compulsory under NSW legislation for organisations that have employees. Clubs should be aware that:

- Someone that the club considers to be a contractor may in fact be an employee for the purpose of workers' compensation insurance; and
- The definition of 'wages' for workers' compensation premiums now includes a number of other employment benefits such as employer and 'salary sacrifice' superannuation contributions.

Compulsory Third Party Vehicle Insurance ('green slip')

This provides cover against claims and associated legal costs arising from injury or death of any person caused by a club vehicle (other than its driver). In NSW it is not possible to register a car without this cover in place, therefore you should ensure that no club vehicle is used while unregistered.

Third Party Property Vehicle Insurance

All club vehicles should carry this relatively inexpensive cover against the risk of property damage to third party vehicles.

Club Building and Contents

All clubs should hold the following cover on club buildings, plant, equipment and contents:

- Fire and all risks (will generally cover against all risks except flooding from natural water courses); and
- Burglary (covers against theft and burglary from forcible entry, but not on-site theft by staff or members of the public).

Club assets (other than trading stock) should also be insured for their full replacement value, rather than their book value. If assets are recorded in the club's accounts at historical cost, or at cost less depreciation, insurance at book values could leave the club severally underinsured. Club trading stocks should be insured at cost.

The value of fixed assets should also be reviewed annually for insurance purposes.

Other Types of Insurance Cover Clubs Should Consider

Clubs should identify all other areas of risk exposure to loss or liability and consider the cost and benefits of insurance cover for such risks. These may include:

- Other vehicle cover, including fire and theft or comprehensive insurance;
- Fidelity guarantee insurance against theft and fraud by office bearers or employees;
- Cover for cash in transit, if substantial cash is carried other than by security personnel;
- Breakage of glass (covering club windows, counters or display cases); and
- Directors' and officers' insurance (for clubs that are constituted as companies wishing to protect their office bearers against claims of negligence or breach of duty).

Clubs should prioritise insurance needs with the assistance of expert advice. In considering whether or not certain types of insurance are justified, you should take into account:

- The degree of risk to which your club is exposed;
- The value of the insurance required;
- The cost of the insurance premiums; and
- Whether the insurance is likely to be in the best interests of the club.

Insurance Best Practice

Your club should follow these best practices for all aspects of insurance management:

- Obtain a temporary cover note from an insurance company, pending a final decision being made to finalise coverage or pending completion of the policy;
- Take care that over insurance or under insurance does not occur;
- Read all insurance policy conditions carefully to make sure all expected cover is in fact provided;
- Obtain prices or quotations from more than one insurance company to minimise costs;
- Review all insured items, risks and conditions each time a policy is renewed; and
- Maintain a register with details of all insurance policies, including renewal dates, which should also be diarised to ensure they are not overlooked.



Insurance Checklist

Insurance Type	Required / Not Required (✓ or x)	Cost For 12 Months (or for a required period)
Required / Compulsory Insurance		
Public liability insurance	✓ <i>Provided by GRNSW</i>	
Accident insurance for voluntary workers	✓ <i>Provided by GRNSW</i>	
Workers' compensation insurance		
Club building and contents insurance		
Compulsory third party vehicle insurance (green slip)		
Third party property vehicle insurance		
Optional or Voluntary Insurance		
Vehicle fire and theft		
Comprehensive vehicle insurance		
Fidelity guarantee insurance		
Cover for cash in transit		
Breakage of glass		
Directors' and officers' insurance		