

INSURANCE

Frequently Asked Questions - December 2014

Over the years a number of queries have arisen about the insurance cover the BBKA has arranged for its Members. The following information provided by the BBKA is designed to help Members understand the cover they have.

As with all insurance, these FAQs should be taken as indicative answers only – the final wording is that contained in the policy and the interpretation rests with the insurance company.

Any questions not answered here should be addressed to the NBC office at bbka@bbka.org.uk.

1. What are the various Insurance schemes which relate to my BBKA Membership and what benefits do they carry?

There are three insurance schemes:

Third Party Public and Products Liability insurance from the BBKA

The Third Party Public and Products Liability insurance policy automatically covers all registered, partner, UK-resident Individual Members and constituent associations (referred to collectively as “Members”) against any financial loss caused by a successful claim against them by a third party for injury or other loss deemed to have been caused by the Member, or their bees, whilst undertaking beekeeping activities or through the normal use of their hive products. The limit of this cover is presently £10,000,000 with each new claim carrying an excess of £250 for third party property damage claims that is payable by the Member.

“All Risks” Insurance for Associations from the BBKA

The “All Risks” Insurance policy is available on request for Associations and Members to cover loss or damage to beekeeping property or equipment. The terms of the policy are flexible to suit the needs of each Association or Member by direct negotiation with Towergate. Cover under this facility is not automatic; for further information or a quote, please contact bbka@towergate.co.uk.

Bee Diseases Insurance (BDI) from Bee Diseases Insurance Limited

Bee Diseases Insurance (BDI) offers financial compensation for the replacement cost of hive parts destroyed on the instructions of an authorized FERA Bee Inspector should he decide, on the discovery of a notifiable disease, that this is the appropriate course of action (see BDI Q&A).

2. I’ve heard something about an excess; am I going to be charged for notifying a claim?

The Liability policy's £250 excess is a market-standard feature in the UK. It exists to impose an element of responsibility on the insured person so as to minimise recklessness.

The excess is limited in scope as it only applies to allegations of property damage. Claims alleging an injury are never subject to an excess.

Additionally, the excess is not payable during the defence phase of the claim. Insurers will provide full assistance and defend against the claim as robustly as possible. The excess is only payable when the decision is taken to make a payment to the third party. If the claim is successfully defended, no excess is payable.

Towergate review the level of excess regularly in conjunction with the BBKA, but this must be balanced with premium considerations, as insurers require higher premiums for lower excess levels.

3. Are all Membership categories covered for insurance automatically?

All categories of Members registered with the BBKA are covered by the policy, apart from Country Members and individual Members who are not UK resident. If you are in any doubt as to whether you personally are registered with the BBKA, you should consult with your association's Membership secretary.

4. Is it the bees or the beekeeper that is covered?

Bees obviously cannot be sued, so it is the beekeeper who is covered.

If a claim is made against BBKA Member John for a loss he caused while looking after Mary's bees during her holiday, then John is covered even though the bees aren't his. Even if Mary isn't a Member, as long as John is a Member he will be covered if he is named in the action.

If it becomes apparent that it was actually Mary who was responsible for the loss and she is named in the action, the policy will only protect her if she is a Member.

5. I am called by a member of the public to collect bees that have swarmed – am I covered? What happens if I charge for my services?

You are covered provided it is part of your normal beekeeping activities. If you charge reasonable expenses then this will not affect your cover. However, if you make a business out of swarm collection this would be viewed differently. You would need normal Commercial Insurance for this business activity which is not covered by the BBKA policy.

Please refer to the Swarm Collection guidance on the BBKA website.

6. Is there any restriction on working at height?

Previously the policy included a working limit of 3 metres (applying to the beekeeper, not the swarm). This is no longer the case, replaced instead by the need to consult BBKA guidelines on swarm collection and height, which are available on the website.

Broadly speaking, you should not attempt any work for which you do not have adequate equipment, training or experience. The policy does not cover reckless acts, so if you are in doubt seek guidance from someone with the relevant experience or training, or preferably use an alternate method that would avoid you having to climb to height.

7. I sell honey and wax products at farmers' markets and local shows and they need proof of Third Party Public Liability and Product Insurance.

The Verification of Insurance document available for download and printing from the BBKA website is sufficient to satisfy this requirement. You will need to log-in with your membership number and password to access the file, which can be found at http://www.bbka.org.uk/members/insurance/public_liability_insurance.

8. I make a range of skin care products that I sell at markets and via retail outlets – am I covered for Product Liability if anyone makes a claim against me?

The BBKA policy only covers primary hive products – defined as wax, honey and propolis with no other added ingredients. Some examples of covered products are pure honey, lip balms consisting of honey and beeswax with no extra ingredients, and candles with no perfumes or colourings.

The restriction applies because if a product with added ingredients proves to be faulty, it is difficult and sometimes impossible to prove whether it was the hive ingredient or additive at fault.

For instance, if cakes were covered, the insurance company would require lists of all products made and ingredients used by each and every member, and every product would need to comply with food hygiene and production standards. Premiums would be payable on an individual basis and therefore prohibitively high.

9. The number of my hives has grown over the years and I now supplement my income from beekeeping – am I covered?

The policy is designed for hobbyist BBKA Members, not commercial ventures or bee farmers. With 40 colonies or more you would be eligible for Membership of the Bee Farmers' Association (BFA).

As such, cover is provided up to a limit of 40 hives per person. If you tend more than 40 hives by yourself you should apply for membership of the BFA.

If you share responsibility for the hives with another member, then the hives can be treated as shared between you for insurance purposes. Cover will not be invalidated as long as there are not more than 40 hives per person.

Additionally, insurers view any operation with any direct employees as a commercial venture, which cannot be covered by the policy.

10. I pay a small extra premium with my subscription to my local branch each year for insurance. What is this for?

This is a separate premium for Bee Diseases Insurance (BDI). In the event of your bees and equipment having to be destroyed due to foul brood, then this policy will pay out a fixed amount to help you replace your equipment. This is administered totally separately by BDI. The costs of this policy are part of your main subscription to your local association, or to the BBKA if you are a direct individual Member.

11. I joined my local association in January, but did not get my welcome pack from the BBKA until February. When did my cover start?

As a registered or partner Member, your cover started the day you paid your local association subscription and received a receipt, provided your association registered your Membership with the BBKA within that financial year. However, if a claim arose between the time of your payment and your registration with the BBKA by your association, you would need to provide definitive proof that payment was made before the incident arose for a claim to be accepted.

12. I am a new direct UK Individual Member of the BBKA; when does my insurance cover begin?

The insurance cover for a new individual Member of the BBKA begins six weeks after he/she is accepted for Membership. When you renew your Membership, cover will start from the date you pay your renewal subscription to the BBKA.

13. As Membership Secretary, each March and July I receive a copy of the BBKA Members' Register for my association which I have to compare to my local register, agree/update the Membership and send the resultant capitation payment to the BBKA. If some of the names on the list have lapsed or have not paid me at the time, are they still covered?

Technically they are in default and would not be covered. However, if a claim arose, each case would be investigated and resolved on an individual basis. In order to avoid this potential exposure, it is imperative that all associations ensure that their Members understand this exposure and are encouraged to pay all dues promptly.

14. I am a Treasurer of my local branch, am I covered for any claims against me as a branch official as opposed to in my beekeeping activities?

The BBKA policy includes what is commonly referred to as 'Trustees Liability' cover for all officials of the BBKA, associations and branches affiliated to the BBKA. It does not matter whether your organisation is a charity or not for this cover. The amount covered is £10,000,000, with no applicable excess.

This insurance covers the activities of a BBKA trustee acting to advance the charitable aims of the BBKA. Where an association is a charity in its own right, activities concerned solely with the administration of that charity are not covered by

the BBKA's policy. Please contact BBKA@towergate.co.uk to discuss a quote to cover these activities.

15. Does this policy cover my equipment against all risks including theft?

No. The BBKA has however negotiated special rates for beekeeping organisations to cover their equipment. Please contact the NBC office for further details or email Towergate on BBKA@towergate.co.uk.

16. Who are the BBKA's insurance advisers?

The BBKA have appointed Towergate as their Insurance Brokers. They provide the personal service and benefits of a local insurance broker with the strength and buying power of a large corporate organisation. You may visit their website <http://www.towergateinsurance.co.uk/> for more information.