

Navigation Committee

05 September 2019

Agenda item number 11

Insurance audit 2020

Report by Head of Safety Management

Purpose

This report seeks member's views on the proposal to cancel the audit of compliance with the boat insurance requirement and devote the resources to other more pressing safety matters.

1. Introduction

- 1.1. In 2010 the Broads Authority, after consultation with the Navigation Committee, set a requirement for boat owners to have compulsory third-party liability insurance in place to a value of £2,000,000.
- 1.2. This requirement is applicable to all vessels on the navigation and adjacent waters although the following exemptions were agreed.
 - Any unpowered vessels in the navigation or adjacent waters which are less than 6m² in block area
 - Any unpowered visiting vessel in the navigation area or adjacent waters 4m or less in length
- 1.3. To satisfy this provision, the Authority requires boat owners to make a declaration that they have the relevant insurance in place when paying their toll. This applies to annual and short visit tolls.
- 1.4. The method of self-declaration was agreed during the development of the Broads Authority Act 2009 and forms part of the legal agreement between the Broads Authority, the Royal Yachting Association and British Marine.
- 1.5. An audit of insurance was carried out in 2015, which sampled 100 private boat owners to validate the effectiveness of the self-declaration process and whether the correct insurance was in place at the time of declaration. The audit exercise was repeated in 2017, when 300 boats were audited to obtain a statistically reliable result. Both audits reported good compliance rates (2015 - 87% and 2017 over 90%).
- 1.6. Following the 2017 audit, the Navigation Committee requested that a subsequent audit be completed in 3 years' time.

2. Financial implications

- 2.1. The audit in 2017 took approximately 80 hours of officer time at an approximate cost of £2,500 including postage and consumables.
- 2.2. It is assumed that the forthcoming audit in 2020 would have the same sample size as the last audit (300) and projected costs therefore remain the same as the 2017 audit at £2,500.

3. Conclusion

- 3.1. Given the significant effort and time these audits take, the results from the previous audits and the likelihood that a repeat audit would deliver similar results, it is proposed that the audit in 2020 is cancelled and the exercise is considered complete as the effectiveness of self-declaration has been proven. This will allow for officer time to be focused on delivering other safety related projects –e.g.
 - How technology might be used to benefit the safety
 - Implementation of the Hire Boat Code

Author: Steve Birtles

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Background papers: [Boat Insurance Audit Navigation Committee 14 December 2017](#), [Boat Insurance Audit Navigation Committee 3 September 2015](#)

[Broads Plan](#) objectives: 4.3