



# Guideline: Insurance for Scout Groups

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## 1. INTRODUCTION

It is probably correct to say that every Group, whether a complete Group consisting of a Cub Pack, Scout Troop, Rover Crew and Parents Committee, owns or utilises property and equipment for the running of the sections of the group.

It would be almost impossible to think of a Pack, Troop or Crew that did not meet in some building, whether it is the Group hall which is owned in the name of Scouts South Africa ("SSA") or some other premises either used for no cost such as the local church or school hall or perhaps that the Group leases or pays a monthly fee.

It is probably impossible for any of the Groups branches to run with any degree of success unless it has equipment. This may be as simple as the Pack having a totem pole and a Pack Box in which Akela keeps paper, pencils, tennis balls and all the other bits and pieces that are used during a Pack meeting.

The Patrols in the Troop probably have a Patrol Box for each patrol which is filled with items such as hanks of rope, a compass, a first aid practice kit and the proverbial paper and pencils. Let us not forget the camping paraphernalia. The tents, cooking pots and gas equipment on which meals will be prepared and so much more.

Last but not least, there will be the cups and saucers plus probably an urn and the wherewithal for making tea and coffee which the parents will utilise when the Committee meets or when parents of Scouts are invited to visit the hall or attend their child's investiture, certainly a red letter event and one that every parent will want to be part of.

The meeting place and all the equipment has probably been acquired by the hard working Parents Committee. It matters not that the items have been donated to the Group or bought with hard cash. Every single piece of equipment and often the hall in which the Group branches meet are assets not only of the Group that use them but of the entire National Association and of which the Group acts as the custodians.

Let us also not forget the "specialist" Groups such as Sea Scouts. Such Groups probably own boats of many kinds. A gig is not something that grows on a tree and any Sea Scout group that owns a gig will have worked hard to get it and will be even more protective to make sure nothing happens to it. We must also not forget the other "water craft" that there may be, from the simple dabchick to possibly even windsurfers or other more sophisticated craft, probably stored in a boathouse on the shores of the local lake utilised by the Troop.

How do we then go about protecting all these assets? We can keep them under lock and key or behind barred gates with alarm systems and watchmen, we can even have them stored at the garage of parents, but we will never be able to prevent such assets from being stolen or destroyed in a fire or even being damaged severely by a storm or lightning, fondly described as "natural disasters"!

Such eventualities regrettably will occur in today's modern lifestyle, however cautious or careful we are in protecting these assets.

If the equipment or assets are lost, they can only be replaced with funds accumulated in the Parents Committee bank account and which has probably taken years of hard work in running all manner of fundraising events to collect those funds.

More often than not everything that may be lost, destroyed or damaged will not be capable of replacement or repair immediately and it could take a considerable time for this to happen. During the time there is no camping equipment, the Troop and Patrols will not be able to go to camp or attend District or even Regional events.

This is certainly not what we want as it deprives the Cub, Scout or even Rover of a place to meet and the materials needed to ensure every member can enjoy Scouting to its fullest extent.

We must also not forget that some Groups are fortunate enough to own or have the use of vehicles with which to transport Cubs or Scouts to and from gatherings or outdoor activities. In many instances however, such fetching and carrying is done by kind hearted parents in their own privately owned vehicles and trailers.

How then do we take that extra precaution to guard our assets?

## **2. WHAT IS INSURANCE ALL ABOUT**

Insurance plays its part in the grand scheme of things by taking over some of the Group's responsibility to protect its assets. Insurance is a term used when the owner of tangible property (property you can touch and/or see) transfers that risk they carry in the safety of those assets to another party called the insurance company.

In effect the insurance company carries the burden or risk in the safety of the assets and will compensate the Group in the event of such assets being damaged or destroyed or lost completely such as when they are stolen.

This act of "insuring" the assets is all described in a document called a policy which the insurance company will issue to you. Be alert to the fact that a policy is in truth a contract between the Group and the insurance company (called the insurer).

Like in any other contract, the precise perils or insurable events, what must happen to trigger the contract to operate, are spelt out in detail. If the policy says that the insurer will compensate the Group when certain events occur, such events must actually happen and be the direct cause of the loss or damage to the property.

The perils or insurable events may be theft or fire or storm (we will look at these insurable events in more detail later) and are listed very clearly in the policy contract..

It thus goes without having to be a rocket scientist that if the assets insured are damaged or destroyed by an event which is not an insured peril, the insurers will not be liable to make any compensation to the Group.

It is thus important to make sure that we insure specific assets against the perils we intend and foresee can happen and not be caught with our trousers hanging around our ankles after a disaster has happened and only then to discover there is no cover or compensation payable.

Different assets require different considerations to safeguard them. Generally speaking, the Scout hall cannot be stolen but it can most certainly be damaged by a host of perils. Camping equipment on the other hand can be easily stolen and carried away.

There will also be "conditions" detailed in the policy contract. You will be expected to do certain things such as keeping camping equipment under lock and key or having an alarm fitted to the Scout hall or ensuring claims are reported within very specific timeframes. If you do not follow and comply with such conditions, a breach of such conditions will occur and the insurers will be well within their rights to reject any claim.

There are also very specific clauses that may detail how the insurer will deal with any claim and the payment of compensation.

These points are usually overlooked (on purpose) as they are not nice to read, but they are important and could cost you dearly if not adhered to or obeyed, thus we have included a section at the end of this guide that deals with the "exceptions, conditions and provisions" and recommend you do read this in detail and seek advice if you do not understand anything contained here.

It is thus important that every Group understands what they are insuring, against what perils or risks and what duties they must comply with to ensure the policy will respond and you will receive compensation when a disaster strikes.

These proverbial "small print" items are in every contract and the Group will be well advised to read its policy contract carefully and seek advice if there is anything they do not understand. Remember the insurance company will be willing to explain clauses or words or intentions with you and there are also Brokers who are independent service providers licenced to assist you in taking out the policy in the first instance (and explaining and advising you on all the points we have already made) through to other experts who are available and need only be asked for help when needed.

It may sound daunting, but with a little sense and taking the time to make sure you know what you are insuring and for what, and what you must do before and after a disaster strikes is extremely important and well worth the time it takes to read the policy contract.

Having an expert available to explain matters is nice and certainly recommended, but is no excuse for not reading the policy and understanding its implications, after all, the Group will be paying good hard earned money (premium) to the insurance company to carry the risks they have insured or transferred to the insurer and only a fool will be parted from his money without compensation occurring later merely because nobody took the time to first read the "paperwork".

Beware you are not caught between the Council Rock and a very hard place, as pleading ignorance of what you should have done and did not do or did when you should not have, is not an excuse that will prevent a claim being rejected.

A point that must be stressed is that you do not under insure. This is where you place a value on your insurance that is less than what the policy covers and which is usually based on replacement values.

Why do we say this you may ask? Well it is because it will cost you dearly if you do not insure for full replacement values. Most policies are subject to a condition called "average". This condition says that if you insured for less than replacement values, you as the insured (the person or Group taking out the insurance) will become your own insurer for the rateable amount (percent or ratio of the amount) by which you underinsure.

In simple language, so you can understand and if you are not good at mathematics. If you underinsure by 20%, you will be liable to carry 20% of the claim or loss you suffer. How do we arrive at this percentage or figure? Easy really, it is a rateable amount so take the amount you have insured for and compare that to the replacement value, which, if less than the replacement value, will allow you to calculate the "ratio" of underinsurance between the two figures.

Need your hand held? OK here is the calculation you must do. Obtain the correct replacement value (the value at risk). Now have a look at the sum you have insured and if less than the replacement value + any additional cover you have, do the following: -

Calculate  $\frac{\text{sum insured}}{\text{value at risk}} \times \text{amount claimed} = \text{what you will be paid by the insurer}$

If your sum insured is 500 000 but the actual replacement value or value at risk is 690 000 and your property is damaged to the tune of 600 000 (the loss), you are underinsured and will only be paid out the following amount:-

$$\frac{500\,000}{690\,000} \times 600\,000 = 434\,782,60$$

Your cost? That will be the R434 782,60 which is what the insurer will pay and you will carry the difference between that and your claim or loss i.e. 165 217,40.

The moral of the storey is DO NOT UNDERINSURE it will cost you dearly.

Overinsurance

### **3. WHAT INSURANCE SHOULD A SCOUT GROUP HAVE**

#### **3.1. Immovable property: Scout Hall**

The first and possibly most obvious, is the Scout hall. This is the property often referred to as immovable property as it cannot just be picked up and taken elsewhere and is usually constructed of bricks and mortar on a permanent foundation.

O & R in fact makes it compulsory that a Group who own a Scout hall insures it. This is not a nice to have or debateable aspect. If you own a hall you must insure it.

Should you not own your own hall, take care that the meeting place your Pack, Troop or Crew and even the Parents Committee may use to hold meetings, and which is the property of someone else, possibly the church, or local school or even a community centre is insured.

Groups often forget that there is a little legal point fondly known as tenants liability, where the "tenant" (occupant, occupier, renter, or user) of such property can be held legally liable or responsible for any loss or damage to such fixed property that may arise from the negligence of the user. In our situation the user may be one or all of the Group's units (taking the group to be the Pack, Troop, Rover Crew, Parents Committee and of course their members i.e. the Cubs, Scouts, Rovers, Scouters and other people who are "members" of the Group.

So even if you do not own the property you use, it may well be prudent to insure your liability should loss or damage occur.

Such liability is often detailed in the contract or lease agreement the Group may have with the owners (lessor) and again this is a document you will need to read and understand before signing. Again once signed, there is no later excuse such as saying you did not see a specific clause or requirement you were obliged to comply with. This onus on you is legally known as caveat subscriptor, defined in a Supreme Court of Appeal judgement to mean "the rule which is of course that a person who signs a document is taken to have assented (agreed) to what appears above his signature" or "let he who signs beware", so do just that, beware when signing a contract.

### **3.2. Movable property**

Then there is the contents of the Scout hall.

One immediately thinks of chairs, tables, cups and saucers, a refrigerator and stove, gas cylinders where the stove or fridge may be powered by such fuel and not electricity, pictures and decorations, in fact as a "good rule of thumb", it is everything the Group own and would move out of the hall were they to dispose or sell the property.

### **3.3. Camping equipment**

One category of contents we need to look at in more detail is the store where the Scout equipment such as tents, canoes, cooking equipment, ropes, blocks and tackle, and all the other paraphernalia that a Scout store contains.

Such equipment is essential to the good operation of a Group and by its very nature is "movable" and can easily be carried away by thieves or other persons.

Remember that such contents will only be insured as contents when it is safely kept in the locked store of the Scout hall or at such other place as will be specified in the policy. "Other places" could be a standalone store, container outside the hall or even in a secure storage place such as a garage belonging to a parent of the Group.

The key is to make sure that the place where the contents are stored are clearly detailed in the policy contract.

We will also look at the ways in which contents that are not in the usual storage place, such as when the Troop or a Patrol is out on camp or on a hike, may be insured and thus protected.

### **3.4. Vehicles and trailers**

Some Groups are fortunate to be the owners of a vehicle and/or trailer and such an asset can and should be insured in terms of a motor type policy, not only to protect the loss or damage to the vehicle or trailer that it may sustain if involved in an accident (which can include an accidental occurrence or if involved in a collision with another vehicle) but also for damages that may arise to third party property.

It is wise to understand precisely what is meant by a "third party" as this term is often used in legal parlance and by insurance companies.

The Group which in legal parlance is a "juristic person" together with the members of the Group (whether Scouts, Scouters or Parents) known as natural persons, sit on one side of the line and are the first or second parties.

The third party is someone (a natural – living person - or juristic person – such as a company or association. In effect your Group is such a juristic person) other than the principals directly involved in a transaction or agreement or is a person who has no attachment or connection to the Group and who owns property that may become damaged or suffers a loss for which he may claim compensation against the “other” party i.e. the Group or its members in general.

More on this later when we look at the specifics of such insurance.

Then there is liability insurance. Such insurance often raises the most concern and is there to protect the Groups members (every Cub, Scout and lay member) for all sums the Group may become legally liable to pay a third party.

This is a very simple sentence but has many ramifications as we will see as the subject unfolds later.

It is enough to say at this point that a Group or lets be more specific and look at a Scout in the Troop, could negligently although accidentally, start a fire whilst on a hike or at camp, where the fire spreads and destroys half the Province in which it first occurred or started.

It takes no special skill to realise that such an occurrence could result in damages that could encompass billions of rand, for which the Group and/or Scout and/or Scouter who was in charge of the camp, or even the Chief Scout as the legal “head honcho” of the National Scout body could legally become liable to compensate the third parties (those who have suffered damage caused by the fire and who may have been many kilometres away at the time).

The mind boggles when we think of a farm with its equipment, buildings, irrigation equipment, livestock or even a small village that lies in the path of the fire or a bridge and much more, being destroyed by the conflagration (a big word just like marmalade and meaning a fire).

Another example may be that the Troop becomes involved in a community project where they build the biggest signalling tower they have ever built, in the parking area of the local Mall. It will certainly attract attention and make everyone who sees it or even a picture of it or the Scout atop the tower who now looks like a dwarf as he is so high up, to become very aware that there are Scouts “out and about” in the community.

What we do not want but could conceivably happen, is that the tower fails and falls to the ground but not before it lands on top of three Ferrari’s and a Porsche or two. Now that will certainly attract attention although not the type we would want. The damage caused to the vehicles or goodness forbid, a member of the public who happened to be walking past at the time and sustains severe or even fatal injuries is all damage to third parties and would attract legal liability against the Group to compensate the damages.

This is where the Public Liability policy will be looked at to pay for such claims and “transfer the liability of the Group to the insurer” as we said right at the beginning of this storey.

We must not forget the Scout who was standing on top of the tower. That he or she will inevitably be injured. Will that Scout be able to recover damages, via a parent or guardian if a minor, from the Group or Troop who built the tower?



This is where Scouts try to “contract out” of such liability by having the Scout’s parent or guardian sign an annual and/or event consent form which tries to absolve the Group or Scouts in general from any and all liability they may normally or “legally” accrue in situations of this nature. Will the consent form actually absolve or release the Group or people who built the tower? The answer is unclear and as an attorney will tell you, it all depends on the facts of that specific matter and what a court may decide.

What can be said with some certainty is that the injured Scout is not insured in any way and there is no path for the recovery of his damages, whether in the form of bodily injury or for tangible property.

There is insurance available for such contingencies (another word like marmalade meaning events) but it is extremely expensive and not really an affordable option for the National body. That an independent group may be able to afford such insurance or whether another plan can be made, is briefly debated later.

The time has now arrived where we can look at the details against each of the types or classes of insurance policies that are referred to above.

#### **4. IMMOVABLE OR FIXED PROPERTY**

Insurance for this type of property or asset usually a hall or some other structure (e.g. boathouse, aircraft hanger or Church / School hall etc) often described as the “buildings of bricks and mortar” used and controlled by a Scout Group for the purpose of conducting meetings and allowing Scouts a base to use for their activities, is compulsory.

What type of risk should be insured against? The insurance policy involved is usually a fire policy.

#### **5. THE FIRE POLICY**

The policy will commonly protect the Group against damage to fixed asset against fire, lightning (including thunderbolt – another big word used in insurance contracts and meaning a flash of lightning with a crash of thunder happening together, sometimes accompanied by crackling noises and other bad things!!) and explosion risks.

The policy can commonly be extended to additionally cover what is often referred to as “special or additional perils” which include storm, wind, water, hail or snow. This extension will however not cover damage caused by tidal waves, or by earthquakes or volcanic eruptions – such as we have seen recently in the Far East and referred to as a tsunami and the “Earthquake” in Gauteng in August of 2014.

Additional perils insured against will include aircraft or other aerial devices or articles dropped from an aircraft, impact by animals, trees, aerials (or antennas if you are posh), satellite dishes or vehicles. Be aware that it is the damage to the insured property i.e. the fixed property we have insured that is covered and not to satellite dish or animal or vehicle that causes the damage.

Obviously wear and tear, leakage of water from a sprinkler system or other fire prevention installation, subsidence and malicious damage are NOT insured as a general rule. If such cover is required it can be added to the policy but will come at an increased cost.

Also beware that property in the open, and not designed to be in the open, or not completely roofed, may also be excluded.

Nice things such as architects and other professional fees, the demolition and removal of debris, fire brigade charges, public authority requirements (where an old hall is damaged and the law now requires it must be fitted with an earth leakage system in the electrical wiring or where the law now requires "safety" glass in door panels which may be more expensive than the simple glass that was in the door before) are usually included in the cover provided but are often limited to a percentage of the amount insured.

An important point to remember is to insure your property for its replacement value. Check, but most policies give you cover based on this condition.

Replacement value is what it will cost you to replace the property as new following a claim. How do you arrive at this value? Well there are several ways you can establish a fixed assets replacement value.

You can measure the square meters of your asset, such as a hall (or if you have the buildings plans, such measurement will be shown on those plans), and then multiply that by a factor per square meter. As we speak and accepting the Scout hall is not built with gold taps and carpeted with Persian carpets, but is almost the same as a commercial property, the factor will be in the vicinity of R5 000/m<sup>2</sup>. This factor will vary year on year and even from place to place so be careful to review the factor and what you insure for EVERY YEAR.

A point to remember is that if the values are corrected on buildings, contents or anything you are insuring, it is good to do so at every policy renewal to ensure the sum insured is correct.

Now we can project that a Scout hall measuring 10 x 30 metres is = to 300m<sup>2</sup> and at R5 000/pm will cost in the region of R1 500 000 to replace.

A word of caution or as they say in the adverts "but that's not all". All those nice "additional" items such as having an architect redraw plans (which the local authority may require if the destruction to the hall is more than a certain percentage, or that account you may get from the fire services or the cost of removing the debris from site, all costs a wheelbarrow full of money and provision for this should be ADDED to the value of the structure you are insuring.

Some of these additions are automatically granted so you do not ask for them and because of this are often forgotten.

Again as rule of thumb, add 20% to the value you have calculated based on the square meters of the building. So now the value to insure for that hall is no longer R1 500 000 but R1 800 000 !!!

The second method is more accurate and may incur some costs, but then you get what you pay for as is the general principal in life, and that is to ask a quantity surveyor or structural engineer to look at your hall and give you advice on the value you should insure

for. This is where knowing what parents of Scouts do for a living is so useful. There may be a quantity surveyor or civil engineer lurking amongst them or even an uncle or friend of a family member who will do the valuations for you pro bono (now we are into Latin as part of your education and this means "for free")

Many insurance companies will be happy to provide you with guidance on values but they will not visit the property and will base their advice on what you tell them. Beware there is no misunderstanding that will cost you dearly later.

Last but certainly not least and possibly one of the most accurate ways to establish values, is to ask a contractor to have a look at the hall and give you a quotation based calculation on what it will cost to rebuild the property.

Fortunately fire insurance is still one of the less expensive types so do not scrimp or underinsure.

Did I hear the word under insurance? Remember what we said a while ago? Probably not so here it comes again as it is important and bears special comment. It is said that a fool and his money are soon parted, So too is a Scout who does not insure his assets for full replacement value. Why you ask? Well if you do not insure an asset for its full replacement value, you cannot and must not expect to receive compensation if the asset is damaged or destroyed which will provide you with enough money to replace the item at no further cost to yourself.

The insurance company will look at the value of the asset AT THE TIME OF THE DAMAGE OCCURRING and then compare that value with the amount you have insured. If you have insured it for less than its replacement value, the insurer will apply the condition of "average" which has a meaning defined in the policy contract but simply put, will reduce the claim or amount payable by the ratio of the amount of under insurance.

Still confused? OK lets take that Scout hall you have just valued for R1 800 000 to replace. Because you acted in haste or were foolish, you only insured it for R1 250 000. Now the ratio of under insurance calculated as a percentage will be R1 250 000 divided by 1 800 000 expressed as a percentage =  $\frac{1\,250\,000}{1\,800\,000} \times 100 = 69.44\%$  of full value.

Getting the message? Let's say the hall will cost R750 000 to repair. As you are under insured by 69+% the insurance company will only be liable to compensate or indemnify (another "technical" word for compensating) you to the value of R520 833,34 [calculated by sum insured (1 250 000) divided by the value at risk (1 800 000) multiplied by the amount of damage or the claim (750 000)]. Now do you remember we have spoken of this before !!!

Where will the rest of the money come from? Not from heaven I assure you but it will have to be collected by the Group or taken out of funds they were going to use to replace that gig or tents or whatever other paraphernalia the Group needed and now cannot have. All that because of under insurance.

Remember, you are insured for what you ask for and such cover will be spelt out in the schedule at the beginning of the policy, so be careful to read what the insurance company sends you to make sure you are insured for what you want or need.

Do not cry over spilt milk after an event has happened and you have suffered damages to find that what has happened and what you thought was insured is in fact not insured.

TWO POINTS TO PONDER. The first is that you consider obtaining your insurance needs via a service provider such as a broker. The broker is a professional and will know what to do and what to beware of when they assist you in insuring your property.

Although they are often paid by way of a commission from the insurance company with whom the business is placed i.e. who issue you with your policy, brokers may still charge a brokerage fee which is an additional cost to you for their services.

Weigh this additional cost against the fact that if the broker makes a mistake or fails to give you the services he undertakes, the broker can be held liable should you be penalised when making a claim if his negligence or unprofessional services are found wanting.

The second point is that in many Districts or Regions, there will often be a parent who is a quantity surveyor, structural engineer, architect, broker or other insurance specialist such as a Loss Adjuster and who will consider giving you advice without charge.

A prudent Regional or District Commissioner may be smart enough to identify such a parent or lay member and form an insurance committee within the District where the expert or perhaps a few experts will advise the Groups within the District and take away the pain of every Group having to do this individually on an annual basis.

It is worth including here "how a fire starts" and you can work out some safety measures you should take for yourselves.

There is a nice expression the fire boffins use and that's the fire triangle. This refers to the three factors that must be present to support combustion (damn another word like marmalade meaning something consumed by fire or for the smart Scout "help – its burning").

And they are oxygen, fire load and heat. Simple what? Try an experiment and you will see that if one of these factors is missing the fire cannot burn.

The first is obvious. No oxygen or O<sub>2</sub> or "air" and the fire will smother itself and stop burning.

The second is the fire load. That's the material available that can burn. We immediately leap to the conclusion that this is paper, wood, petrol and things that burn easily and readily, but no, almost everything can burn given the right conditions, but enough if we think of our Scout hall and its contents.

Camping goods such as tents, pioneering poles (wood), rope, furniture etc will all readily burn. One thing that burns really well are curtains especially the synthetic material type. When they are ignited, they burn quickly and as heat travels upwards (sorry you knew that – I forgot) so curtains burn rapidly upwards and as the flames billow up they often result in a concentrated heat source, burn through ceilings and into the roof spaces where all that lovely roofing wood is waiting and before you can say Baden Powell was the founder of the Scout Movement which had its origins at Mafeking ...., the entire structure is a mass of flames.

The only good thing that can then happen is that the flames shooting many metres into the air, form a beacon which will guide the fire brigade from reaching your hall a bit quicker but just not quickly enough !!

It may be a consideration that when you build a hall or store pioneering poles or other "flammable materials" that they are in a store with brick walls and a concrete roof and do not even form part of the hall. There are other things that will be better off in this type of store such as gas cylinders which do not readily burn but if they become hot enough they will explode and often create a fireball that will ignite nearby flammable materials.

Enough of the doom, such a store will also be a good place to keep equipment as it can be protected and will deter thieves – a plus factor.

Now you can see why an empty building without any fire load is a good risk!!

Lastly, there is heat or an ignition source. Every fire without exception starts from the smallest of flames or a spark.

How are they created? From many sources. That heater left on in winter when the hall is vacated by the parents of the committee who met there that evening, overloaded plug points, chemicals that can chemically combust (ha you thought I was stupid, but no I am not going to tell you how easily chemical fires can be started by mixing potassium permanganate – that pink stuff that stains brown we old folk used to use in treating snake bite when Paul Kruger was alive – and glycerine). Great for starting a campfire though without anyone seeing you actually light the fire!!).

Natural cause can be from lightning or spreading fires where the veld has caught fire or perhaps even a big tree next to the hall which was struck by lightning.

There are also instances where fires are started on purpose, fondly known as arson.

And the oldest cause of all, the carelessly dropped match when a Scout is having a quick smoke where Skip cannot see him and kick his backside or when we do not take the precautions we were taught when making a fire to cook on.

Fire knows no bounds and will devastate most things that stand in its path. The moral, prevent fires at all costs and be safe. Taking reasonable care and precautions to prevent a fire is duty you have in all insurance policies.

Prevention is better than cure. Take care and be safe. Why not even think of installing smoke detectors in the hall? They do work and every bit of extra protection is well worth the effort. The cost is also less if you take these precautions when the hall is built but it is better to install them later than never if push comes to shove.

Thought – make this into a game. Each patrol or even a Six is given 10 minutes to run around and see how many possible danger points they can find in and about the Scout hall. Then see how long it takes to get rid of these causes and prevent a fire!!

Last but not least, NEVER pour petrol onto a fire that will not burn. It will usually ignite and the vapours can cause massive personal burn injuries with a major fire starting being on the cards.

## 6. MOVABLE PROPERTY - THE THEFT POLICY

This policy covers the contents of the Scout hall or the movable property of the Group such as camping equipment etc. I do not have to spell out what can be stolen, you only have to stand and look about you when next in the Scout hall or even in your own homes.

This policy covers loss of or damage to all contents which is the property of the Group or for which they may be responsible contained in the buildings stated in the policy, as a result of theft accompanied by forcible and violent entry into or exit from such building or any attempt thereat or as a result of theft following violence or threat of violence.

The preamble above clearly shows that it is the property of the Group which is inside the hall that is at risk. It will include items for which the group is responsible and could include a resuss Annie borrowed from the first aid chaps to train the Scouts or some other item.

Such "contents" must of course be stolen. That's removing the item or contents and depriving the Group of its possession of such goods.

The real kicker is that the theft must be accompanied (caused by) forcible and violent entry. Do not expect the insurance company to pay if you do not lock the doors to the hall, as a thief who opens the door will have to use force but certainly not violence in order to get in. It is the act of entry that must be accompanied by force and violence.

**Violence is great force and accompanied by the breaking of something which should not be broken.** Easily understood when a window is left ajar, Opening the window is force but if the window glass has to be smashed before the window is opened, that will be violence followed by force.

Let's not stick on technicalities. Rather understand that if anything is just stolen it is not covered where there was no violence. Both conditions must be present in the ENTRY to the premises.

What is later carried out through the open door or broken window is still theft and will be covered.

The insurers will again expect you to take reasonable care to protect your property. As we have said not locking doors or closing windows is certainly not going to be accepted. It is also not good argument that the doors were locked where an inferior lock was used that even a Cub could open.

Today it is standard practice that the insurers will want all opening windows and the entire window if the premises are in an isolated location, to be burglar-proofed. This is not by screwing a wire mesh to the frame (where the screws can be taken out easily to remove the mesh) but rather welding or using expanding bolts with burred nuts fixed into the brickwork.

In high risk locations, burglar bars are just that, metal bars which are often quite thick, being built into the brickwork and even epoxy glued in place. Other protective devices like security gates across external (and even internal) doorways to protect entry or internally entry to a secure area such as a storeroom, will be mandatory in high risk areas.

What is high risk I hear asked. Simply put, it is where the risk of theft is greater than a reasonable person would consider satisfactory. Easier to illustrate. A jewellery store is a

higher risk than is a store selling newspapers. Contents that are attractive to thieves are a higher risk than contents which are not attractive.

The location plays a big part in risk assessment. The Scout hall in a suburban location with houses about is a more acceptable risk than a hall out in the sticks and middle of nowhere, like in a park area or riverside location i.e. there is nobody that close by who may hear the noise a thief will have to make when breaking in and thus to raise an alarm to the police.

Again it is the trio of factors known as noise, visibility and time that comes into play.

We have illustrated the noise factor already. If the thief can make lots of noise but remain undetected, that's a plus in his book.

Visibility is another. If there is a good chance a thief will be seen going about his business, the better the risk profile. Someone who sees a theft in progress will probably alert the police and make the thief's arrest far more likely, so the thief will prefer a location where he can go about the breaking in whilst out of site.

This is often where floodlights are a useful tool in creating a well lit area where a thief will easily be seen when thinking of protections. The neighbour may not like this but if they are near enough to complain, it may be that the degree of lighting can be more subdued.

Last is the factor of time. The longer it will take the thief to break into and actually enter the building being broken into, the less he will like that location. Time means more chance of being detected.

Let's reverse the process. Would you, if you were the thief, rather break into a Scout hall where there are many attractive things to steal when you can do so without being seen, quietly and quickly OR where you may well be seen, will have to make a lot of noise and it will take time to gain entry? I know which situation I would like if I was a thief.

Protecting your property is thus first and foremost making the above three factors work in your favour.

Then seriously look at jacking up locks. If you use padlocks, closed shackle locks are more secure than open shackle locks. A R10 lock is usually more vulnerable than a R500 lock. Placing a lock in an open bottom metal box cover where you can easily open it with a key but the thief cannot get to it and break it open is a good deterrent and adds time and noise to the thief's activities. Think out of the box – excuse the pun.

Doors protected with robust security gates are always a good choice. Again a massive almost impenetrable gate with a R10 lock is not a good idea!!!

Do not sell alarm systems short. If installed by a reputable service provider, they do work. Have no doubt, if your hall or building is in an isolated location or has a "blind side" away from prying eyes of where lights will not be of any use, your insurance company will probably insist that you install an alarm.

Now comes the fun part. Installing the alarm and forgetting to turn it on!! Think you will be indemnified by the insurer? Think again. That's a big NO. Where an alarm is fitted, whether voluntarily or by order of the insurer, such alarm must be kept in good working and operating order and be switched on and working at all times the building is left

unoccupied. Lastly the insurers will probably insist that the alarm is of a radio type (the old silent alarm style) but is linked to an armed response service.

The theory is that if the alarm is triggered, it will send a signal to the alarm suppliers control room and an armed officer will be dispatched without the thief being aware he has triggered the alarm, so that the armed reaction officers will catch the thief "in the act" or "red handed" or that's the theory!!.

Even if no arrest is made, the thief who realises the place he is breaking into is alarmed, will take cognisance of the time an armed officer will take to arrive and make sure he is long gone by the time of arrival. That often limits the time available (remember our three points?) and often limits the extent of the theft.

Better still, if the premises are isolated, make use of motion detectors OUTSIDE the building as well as inside. Detecting the thief and nabbing him before he is even in the building is first prize.

Last but not least, there is a plus as well for you. Akela can be given a remote panic button that can trigger the alarm automatically. Her and the safety of Cubs especially if in an isolated area is paramount. We will all feel more secure knowing that even when we are at the hall with the alarm turned off, we only have to push a button to call for help in an emergency.

Many reaction officers are also trained in first aid so even a medical emergency can be dealt with using a panic button.

Please remember that where the Scouter arrives at the hall and is waylaid by an armed thug who forces him to switch off the alarm and open the hall to allow a theft to be committed, will be an insured peril i.e. the loss or damages that result will be covered by the policy.

Replacing locks and keys broken or also stolen are usually also covered but there will be a limit on the amount that can be claimed, as can temporary repairs in making the building safe until permanent repairs can be attended to. Such permanent repairs must be done as quickly as possible. Temporary repairs are just that and will not be looked upon favourably by an insurer where repairs are only done months after an event. That will probably result in cover being suspended or declined with any later loss not being insured or covered.

Some security services will require a key to the premises or a key that is hidden in a secure metal box to which they have access and in which a key to the premises which can be changed from time to time is located. The idea is that they can access a key to get into the building to chase thieves or nab them unexpectedly or assist the legal owners if they may be injured or held hostage in the building. There are negative points associated with this however, and again every risk will have to be looked at carefully if such arrangements are to be considered.

Thought. Make a plan for the security company staff to "park off" at your hall when they are quiet or taking a break. If they are given access to hot drinks and a kettle, it works wonders. No thief will want the break into a building when right next to the entrance, 20 armed security officers are having a cup of hot coco on a winters eve. I know of one Group



who built a lapa so the officers could also stretch their legs in rainy weather without getting wet whilst drinking coffee. Can't remember them having a break-in!!

Some points to remember, Glass is usually not covered. A Scout can usually replace a glass pane themselves but if you are lazy and want it insured, it will be seen as an extra or must be covered under a glass policy.

Also excluded will be money, documents and any excess or deductible. Excesses are quite common. It is the first amount of any loss that the insured, that's you, must bear or pay if a claim is submitted. The excess acts as a deterrent against YOU to make sure you do all the things you should. It will also increase as the risk increases. A deductible is another word used by some insurers to mean an excess.

Excesses can be nominal at say R500 but can go up using a percentage basis i.e. 10% of the amount claimed to a fixed amount of say R5 000 in really bad risk locations. It also disallows small "nuisance" type claims being intimated or claimed for every few months. Most excesses can be negotiated so talk to your insurer if you think it necessary. It will not get rid of them but by taking some additional precautions it could reduce the amount of the excess.

## 7. ALL RISKS POLICIES

Whilst reading the theft policy data, you will have woken up to the fact that it is the contents of the insured building (which building and its address is recorded in the schedule of the policy) that is insured.

Goods taken out of the hall unless temporarily stored elsewhere and with you having told your insurers of this situation and protections available, will not be insured. That includes the tents and camping equipment taken to camp or an event such as Kon Tiki .

If you want your property insured whilst out of the premises or Scout hall, this can be done against fire, theft and even accidental loss or breakage, under an All Risks policy.

This type of insurance is expensive so think twice before rushing into it or at least insuring selectively. You need not worry about under insurance as everything you insured under this type of policy will be recorded in a schedule, item for item, together with values which will also form the maximum amount payable by the insurers any item excesses.

Rate change from time to time, but All Risks insurance will cost you around, give or take, approximately or as you can see I am guessing, about 10% of the item value. So insure an item for R1 000 and the premium will be about R100 per year whilst there could be an excess of R250 or more. Unless its grandmothers favourite dentures, think twice before you commit and then only for the really important stuff. It's just often not worth it.

It is possible to insure personal effects as a lump sum item. You can insure it for say R5 000 but there will be an item limit and excess. Even under this type of policy, cellular telephones, spectacles, jewellery, firearms and more are usually excluded and must be itemised individually.

The cost is high but then so is the cover. The policy covers losses from all risks i.e. every peril but the policy then list what perils it will exclude. To evaluate a claim therefore, it can broadly be said that everything is covered unless excluded.

The important part will thus be to read the exclusions which will and can differ from policy to policy.

## **8. LIABILITY POLICIES**

This type of insurance probably comes with the most questions and is often very misunderstood. I will try to keep the explanations such that they can be understood by dummies, that's the Commissioners and so on not you of course !! (only joking).

The key to a liability policy is that it protects you or the insured person which can be the Group or even all Scouts in the country under a National policy, which is in fact really in place and on which we chat more about later.

Broadly speaking, the policy covers you against damages you may become "legal liable" to pay following accidental death or bodily injury or loss of property to any person and flowing from or being incurred in the course and in connection with the business of the insured.

Now let's analyse the above in chunk sized bites.

First off "damages" must be seen in the legal context of that word which accords it a meaning that includes financial or monetary equivalent of damages awarded to a person (personality interest) objectively to eliminate as far as possible his past and future damage. It includes restoring an impaired interest through money and physical damage to tangible property (patrimonial loss).

How can you become legally liable for damage or damages? Again broadly speaking such liability can be incurred through a statute that is where the law provides for you to be liable in given circumstances. An example is where your dog bites someone. You as owner of the dog incurs a liability for the resulting damages.

Liability can also be incurred by way of contractual obligations. A contract or agreement between parties will often provide for damages on the happening of certain events and here we need look no further than the insurance contract which is an agreement between two parties that in the event of an insured peril occurring the insurer will become liable to compensate or indemnify you by paying an amount of money to put you back, as far as possible in the position you were in before the peril operated or the loss suffered occurred.

By far the most common way of incurring a liability is in terms of delict or which is more commonly known as negligence.

Again it can simply be put that if you do something or omit to do something a reasonable man would do or omit to do, you may become guilty of negligence and the act or omission in question renders you liable to the party suffering damages.

A Scout lights a fire in conditions that are windy. He does not clear a sufficient area around the fire to prevent embers scattering and setting fire to surrounding vegetation which in turn results in the fire spreading and causing widespread damage and damages to others – the classical third parties we often hear about.

Equally a Scout using an axe without taking the precautions he or she has been taught to take, can injure a bystander and cause him or her bodily injury and in some cases damages as well.

In both instances the test is what would a reasonable Scout have done or not done in the circumstances outlined. In the first case a reasonable scout would or should have realised the dangers presented by the wind and the possible or probable consequences (this would be foreseeable circumstances) hence he acted negligently.

In the second instance the Scout knew the safety rules related to the use of an axe but disregarded them. A reasonable Scout would not have acted in this way hence the Scout who caused the injury to another was negligent.

Note that the reasonable man test will always be equated to the wrongdoers peers. The same will apply if a doctor or fireman was negligent i.e. the test is what a reasonable doctor or fireman would have done or could have been expected to do in identical circumstances.

The Scout in the above circumstances must have acted whilst "on the business" of Scouting i.e. whilst engaged in a scouting activity or probably whilst on his way to or going home from a Scouting activity. If he committed the same acts whilst at school, he may still be guilty of negligence but not as a Scout.

This is important as the policy that is held on a national level indemnifies (there is that word again) a Scout from damages incurred by any person whilst active or on or about his business as a Scout. That policy is in the sum of R5 000 000 and with an excess of R1 000 but R50 000 if caused by spread of fire.

Some of the exclusions to the policy are:-

- The transportation of any goods including loading or offloading ;
- Damage to bridges road or thoroughfare caused by the weight of any vehicle or the load carried (this is standard type policy exclusion and very unlikely to be relevant to Scouts) and various other circumstances involving vehicles;
- Damage to premises occupied or tenanted by the insured (the insured being the National body and its members i.e. a Scout of every description);
- Damage or injury arising out of the ownership, possession or use of any watercraft other than watercraft not exceeding 15 metres in length and then only whilst such craft is on land or is being used on inland waterways or estuaries or the ownership or use of any aircraft; AND
- Arising out of injury to Scouts and/or members (which would appear to include the uniform and non uniform members such as parents of committees whether they have taken the Promise or not.

It is perhaps better to offer to consider any questions that may arise and answer them than to try and be more explicit in this handbook in that a lawyers bookshelves are filled with lengthy books on law and to try and pick out what may or may not be relevant, will require a work far greater than this one and become complex by default.

## **9. MOTOR VEHICLES**

Use of vehicles and trailers

Parents transporting Scouts – owned by Group

Injuries arising from motor accidents

Values of vehicles.

RAF

## **10. MATTERS CONCERNING MEMBERS**

There is no member to member cover

Personal Accident type cover

DRY