

MARSH INSIGHTS:

SPORT NEWSLETTER - JUNE 2017

A WARM WELCOME TO THIS LATEST MARSH SPORTS NEWSLETTER.

We are pleased to welcome colleagues from Bluefin Sport, which became part of Marsh in early 2017. Bluefin Sport is a specialist, UK-based team with extensive experience and expertise in the sports sector. Led by Managing Director Steve McGuinness, its sports practice has been a leading force in the provision of sports insurance to several of the UK's leading sports governing bodies, leagues, and associations. This includes organisations such as the Premier League, the English Football League, Premier Rugby, and numerous national governing bodies. Its expertise, combined with that of the Marsh team, is something we look forward to sharing with all our sports clients. A more in-depth introduction to the Bluefin Sport team is in this newsletter.

As we approach the half way point of 2017, we have already seen significant risks impacting the sports sector – none more so than the continual historical abuse allegations that are impacting football and several other sports. When such incidents become direct claims against organisations, the importance of historical insurance cannot be underestimated. However, tracing what insurance was in place 10, 20, or even 30 years ago can be extremely difficult. Marsh's InSolutions team has been assisting organisations in tracing historical insurance for many years, and the details of its service can be found in this newsletter. We would also like to thank Hill Dickinson LLP for sharing their expertise on abuse claims at our Marsh Sports Forum.



The world of sport sponsorship and partnerships continues to evolve as sports organisations strive to find innovative and creative ways to interact with their members, fans, and television audiences. Staying ahead of this evolving conundrum is something that CSM Sport & Entertainment has been assisting its clients with for many years, and it will be sharing these insights and experience at our Sports Forum event.

The sports calendar continues to provide some exciting fixtures, with England hosting the ICC Champions Trophy of cricket in June, and Wimbledon and The Open following quickly in July.

Here's hoping for a summer and autumn of great weather and sporting successes.

RICHARD TOLLEY

Deputy Leader

Sports and Events Practice - International Division

In this newsletter:

- **Abuse in Sport:** What can be done to Protect Against the Risk?
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- **Duty of Care in Sport:**
An Independent Report to Government by
Baroness Tanni Grey-Thompson.
- **Specialist UK Sport Division Joins Marsh with a Proven Track Record.**

ABUSE IN SPORT: WHAT CAN BE DONE TO PROTECT AGAINST THE RISK?

In March 2017, the NSPCC's Child Protection in Sport Unit (CPSU) hosted an event for safeguarding representatives from key stakeholder sports organisations and home country safeguarding partnerships to reflect upon the recent allegations of historical abuse in football and other sports. This, in itself, is an indication of the far reaching impact of these historical abuse allegations on sport, and signals that all sports organisations need to be addressing this risk more thoroughly.

In this article, we explore some of the ways that sports organisations can look to protect themselves against such risks and highlight some of the resources currently available to them.

ASSESSMENT

The CPSU provides wide-reaching and knowledgeable insights into protecting vulnerable children and adults in sport.

The CPSU's self-assessment tool takes a sports organisation through the standards for safeguarding children in sport in order to identify what an organisation still needs to do. This covers areas such as:

- Policy.
- Implementation and monitoring.
- Prevention.
- Procedures and systems.
- Access to advice and support.
- Education and training.
- Codes of practice of behaviour.
- Communication.
- Equality.

REVIEW EXISTING DOCUMENTS AVAILABLE

Policies and procedures should be in place within a sports organisation to address these risks. For example, these may include:

- Safeguarding/child protection policy statement.
- Safeguarding reporting procedures.
- Online safety policy.
- Standards for safeguarding in sport.

Perhaps most importantly, organisations should take a realistic view on how well such policies are embedded within the culture of the organisation and establish how much of a priority these are given at senior level.

Most sports organisations are aware that if they fail to properly protect the young and the vulnerable, they can be legally liable, and the reputational damage they can suffer as a result is likely to have a big impact. However, in order to be proactive about this potential risk, an individual on the board or a management committee should be nominated and made responsible for safeguarding.

DEAL WITH ISSUES IN A TIMELY MANNER

If a perceived issue has arisen, the organisation must ensure that it is dealt with in a timely manner. Sometimes, it is not the actual allegation that becomes the risk; it is the way it is dealt with that can cause greater damage to an organisation.

If an organisation is seen to be quickly and efficiently investigating and initiating sanctions, it is perceived far better than any allegations of delay or a cover up, which are more likely to result in criticism from the media and reputation damage.

Unfortunately, regulation in respect of the above was not extensive until recently, and while some sports organisations have been mindful of such risks, it appears that many were less so. Addressing the points above should enable sports organisations to have sound and robust safeguarding practices and risk controls in place.

For further information please see <https://thecpsu.org.uk>.

MANAGING HISTORIC CLAIMS

Recently there has been a great deal of publicity surrounding historic misconduct claims and, in certain sports, the potential for specific injury claims.

Increasingly, sports organisations are facing prospective historic claims from various sources. Claims can be potentially expensive to defend and pay, resulting in a direct impact on the cash flow of an organisation.

Media reports about historic abuse allegations in football provide a prominent example of the wide-ranging impact such claims can have. These reports publicly highlight several former professional players who have come forward with allegations of historical abuse, and various police forces are investigating these claims. However, this issue is not restricted to football. Sports governing bodies, sporting associations, sports clubs, or sports member organisations could also be subject to similar claims in the future.

Another potential issue for many sports is concussion, which can affect participants in fields ranging from horse racing to rugby. The following table illustrates comparative concussion rates that were presented at the 2012 Sports Concussion Consensus Conference:

SPORT	CONCUSSION RATE PER 1,000 PLAYER HOURS
Horse Racing (amateur)	95.2
Boxing (professional)	13.2
Australian Football (professional)	4.2
Rugby Union (professional)	3.9

Furthermore, costly litigation involving the National Football League in the US, in conjunction with testimonials from former players regarding brain trauma, are equally indicative of the potentially damaging publicity and expense that can accompany this issue.

Finally, sports can be impacted by legacy employers liability claims such as asbestosis or mesothelioma. The typical cost of a mesothelioma claim handled by Marsh on behalf of a client is GBP152,000; with maintenance staff the most common class of employee to suffer exposure. Many historic sports venues and buildings — such as schools — contained asbestos, which may have resulted in the unintentional exposure of staff and players.

In order to mitigate the potential economic impact of historic claims, an organisation’s historic liability insurance policies can protect them. However, many organisations are unable to locate their historic policies or other insurance records that could prove the existence of this valuable coverage.

MARSH’S EXPERTISE

InSolutions, Marsh’s dedicated insurance archaeology team, was established in 1988. The InSolutions team can provide valuable support to all sports organisations by assisting in the location of lost insurance policies. With decades of experience, InSolutions has an award-winning, proven track record of providing legacy services to clients. InSolutions has direct access to a large broker archive that holds hundreds of thousands of records for private and public organisations, including sports organisations and associations, as well as an extensive network of market contacts to call on.



THE VALUE OF HISTORIC INSURANCE

Historic insurance assets dating back decades can provide significant protection against burdensome public liability (PL) and employers liability (EL) claims and defence costs. The combined limits of a historic insurance portfolio can total millions of pounds of valuable coverage, providing your organisation and its stakeholders with protection from unexpected legacy liabilities. The benefits of working with InSolutions include:

- Ability to trace historic PL/EL insurance coverages to build or rebuild the historic insurance profile.
- A thorough profile of historical entities associated with the organisation to assist with understanding where liability may sit.
- A service that gives an organisation the ability to focus on current issues, through the transfer of legacy claims to third parties and/or insurance carriers.
- Future certainty around the protection against burdensome claims and expensive defence costs.

LOCATING HISTORIC INSURANCE COVER

Due to age of these documents, organisations often find they are unable to trace the coverage they need. Typically, organisational restructures and broker changes compound this inability. The net result is files are moved and forgotten, and personnel with crucial institutional knowledge retire or relocate.

Our dedicated team can assist in locating lost policies. Working in close collaboration with clients, our experienced insurance archaeologists can locate historical insurance assets through comprehensive research in several areas, including:

- Research and internal reviews of your historic archives.
- Interviews with current and former personnel.
- Identification and contact with various outside sources, including brokers, law firms, government entities, and accounting firms that may have retained important evidence of insurance.
- Contact with insurers to coordinate research for additional policy documentation.

HOW DO I GET STARTED?

Prior to any research project, InSolutions will contact you to thoroughly discuss the scope of the project, ascertain coverage gaps, obtain additional information on the history of the organisation, and determine what investigative work may have already been undertaken. Our archaeology team will provide a proposal detailing specific research steps to trace lost policies.

For further information on InSolutions or to discuss how we can assist your sports organisation, visit [insolutionsworld](https://www.insolutionsworld.com), or contact:

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DUTY OF CARE IN SPORT:

AN INDEPENDENT REPORT TO GOVERNMENT BY BARONESS TANNI GREY-THOMPSON

IN APRIL 2017, THE GOVERNMENT PUBLISHED AN INDEPENDENT REPORT BY BARONESS GREY-THOMPSON INTO THE DUTY OF CARE SPORT HAS TOWARDS ITS PARTICIPANTS.

The report¹ made seven priority recommendations, as well as additional recommendations under the following seven themes:

1. Education.
2. Transition.
3. Representation of the participant's voice.
4. Equality, diversity, and inclusion.
5. Safeguarding.
6. Mental welfare.
7. Safety, injury, and medical issues.

Under Theme 7, the report highlighted the need for:

- Sports to provide guidance to clubs, providing them with an understanding of their health and safety obligations.
- Government to consider the feasibility of a national register for fatalities and serious injuries.
- Government to consider the potential for an insurance scheme that all sports buy in to that covers catastrophic injury.

The seven priority recommendations of the report were as follows:

1. A SPORTS OMBUDSMAN

The Government should create a Sports Ombudsman (or Sports Duty of Care Quality Commission). This organisation should have powers to hold national governing bodies (NGBs) to account for the duty of care they provide to all athletes, coaching staff, and support staff, providing independent assurance and accountability to address many of the issues covered by this review.

2. MEASUREMENT

The Government should measure duty of care via an independent benchmark survey giving equal voice to all stakeholders in the system. The results of the survey, which could act as the basis for the duty of care key performance indicator mentioned in the "Sporting Future" strategy, would allow Government and others in the sports sector to monitor whether sport duty of care policies intended to improve standards are working, and inform future policies and investment decisions. The survey should give an indication of levels of trust in the provision and receipt of support in sport.

3. NAMED BOARD MEMBER RESPONSIBLE FOR DUTY OF CARE

All NGB boards should have a named duty of care guardian. The guardian should have an explicit responsibility and leadership role to engage with participants across the talent pathways and in community sport, and to provide assurance at board level. This assurance should be evidenced in a public statement from the duty of care guardian in the NGB's annual report. Duty of care should be a mandatory condition of future funding and all funded sports bodies should demonstrably apply it.



¹ Grey-Thompson, Baroness Tanni, "Duty of Care in Sport: Independent Report to Government", available at: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/610130/Duty_of_Care_Review_-_April_2017__2.pdf, accessed 25 May 2017.

4. INDUCTION PROCESS

An induction process should be carried out for all participants entering elite levels of sport (and, where relevant, their families should also be included). The content will change depending on the level the individual is within the system, but it should include the steps involved with entering the elite system, what can be expected while training and competing, and what to be aware of and prepare for regarding exiting the elite level. It could also include topics such as financial and pension advice, the role of agents, first aid training, information about medical issues such as sudden cardiac arrest and concussion, coaching qualifications, media training, behaviour of parents, and understanding exploitative relationships.

5. EXIT SURVEY FOR ELITE ATHLETES

As participants leave formal programmes, an independent exit interview should be conducted, the results of which would be taken account of in future funding discussions.

6. DUTY OF CARE CHARTER

A duty of care charter should be established by Government, explicitly setting out how participants, coaches, and support staff can expect to be treated and where they can go if they need advice, support, and guidance. As part of this, participants who receive funding (in any part of the system) should be offered honorary contracts, which set out the roles and responsibilities of both the sport and the participant.

7. THE BRITISH ATHLETES COMMISSION (BAC)

Government should independently fund the BAC to enable it to provide the best support to participants on talent pathways in Olympic and Paralympic sports. This will increase confidence in grievance and dispute resolution, reducing the need for escalation, thus saving time, money, and emotion.



SPECIALIST UK SPORT DIVISION JOINS MARSH WITH A PROVEN TRACK RECORD

Bluefin Sport is a national provider of insurance and risk management solutions to the world of sport. It is now part of Marsh, and has dedicated specialist sport teams located in Belfast, Bristol, Edinburgh, Glasgow, Leeds, and New Malden. They have strong credentials acting for some of the best-known names in sport and are capable of delivering local expertise across the UK to provide services for professional and amateur sports clubs, leagues, associations, and governing bodies.

Their expertise in sports and leisure has led to the formulation of new schemes and specialist policy wordings specifically drafted for the benefit of those involved in a broad range of activities. With a structured and dedicated client service team, they bring together many areas of expertise to provide a range of products and services from specialists who truly understand the sport industry in depth.

“We’ve been impressed by Bluefin Sport’s knowledge of the available markets and solutions.”

NEIL DONCASTER,
CHIEF EXECUTIVE OFFICER,
SCOTTISH PROFESSIONAL FOOTBALL LEAGUE

“Whether it’s a state of the art sport stadium or a local ground with modest facilities, we have the ability to place most covers.”

STEVE MCGUINNESS,
MANAGING DIRECTOR, BLUEFIN SPORT

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BluefinSport

FOSTERING DIALOGUE: THE MARSH SPORTS AND EVENTS COMMUNITY

Within the Sports and Events International Division, we serve a multitude of clients around the world. In order to learn about best practice and find out more about our activities and customised risk and insurance solutions, join our Marsh Sports Forum on LinkedIn.

Join our [LinkedIn group](#)

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GRAPHICS NO. 17-0499