

Insurance for Formula Student

Firstly it is important to separate insurance into two categories:

Liability cover: - to pay any compensation. If you are successfully pursued for a negligent act, as well as the legal costs. Legal costs are covered regardless of whether the action was successful.

Non-liability cover: - to pay for any damage (to a person or property) without the requirement to establish fault.

Having started this you need to look at a number of scenarios and establish whether insurance is required to cover any potential risk.

Liability Covers

Employers Liability: - the university will have employees (academic staff & support staff) involved with the project. It is a legal requirement that any employer has cover for all employees, covering all their activities on behalf of their employer. This should be covered by the university's main insurances. It is worth checking that they are aware of the project, especially if activities take place off site.

Public Liability: - lets look at this in four aspects.

1. Cover whilst the vehicle is not in powered motion and you are on campus, will be covered by the regular policy. (building it in workshop)
2. Cover whilst the vehicle is in powered motion and you are on campus, should be covered by the regular policy, but check, and be prepared to argue because it should be covered. (quick shakedown at the back of the workshop)
3. Cover whilst the vehicle is not in powered motion and you are off campus should be covered by the regular policy, but check and get it added. (car on display at some function)
4. Cover whilst the vehicle is in powered motion and off campus. This could go either way, depending upon the exact nature of the policy. If it is covered well and good, if not it will cost you £150 to £250 a day depending on where you go and what you do there. (handling trials on a disused airfield)

Non-Liability covers.

Loss of car, tools spares, and other equipment (excluding crash damage to car) this should be covered by the main policy as all this lot are assets of the university. Again worth asking before you take any expensive lumps off site.

Loss or damage to car as the result of an accident, this is unlikely to be covered by the main policy. Ask but expect a negative. You can insure this but the cost may be prohibitive. You need to weigh up the value of the parts against the teaching value already obtained from the project. In simple terms if you bagged the car on the final day, what have you lost, it served its purpose, and you will have a reason to build a mark 2 next year.

Physical injury to team members: - Employees should retain their full disability and death benefits from any superannuation schemes. Students have no such cover, but to put in place a simple death and disability cover for a sensible amount would not be expensive.

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