

Otium

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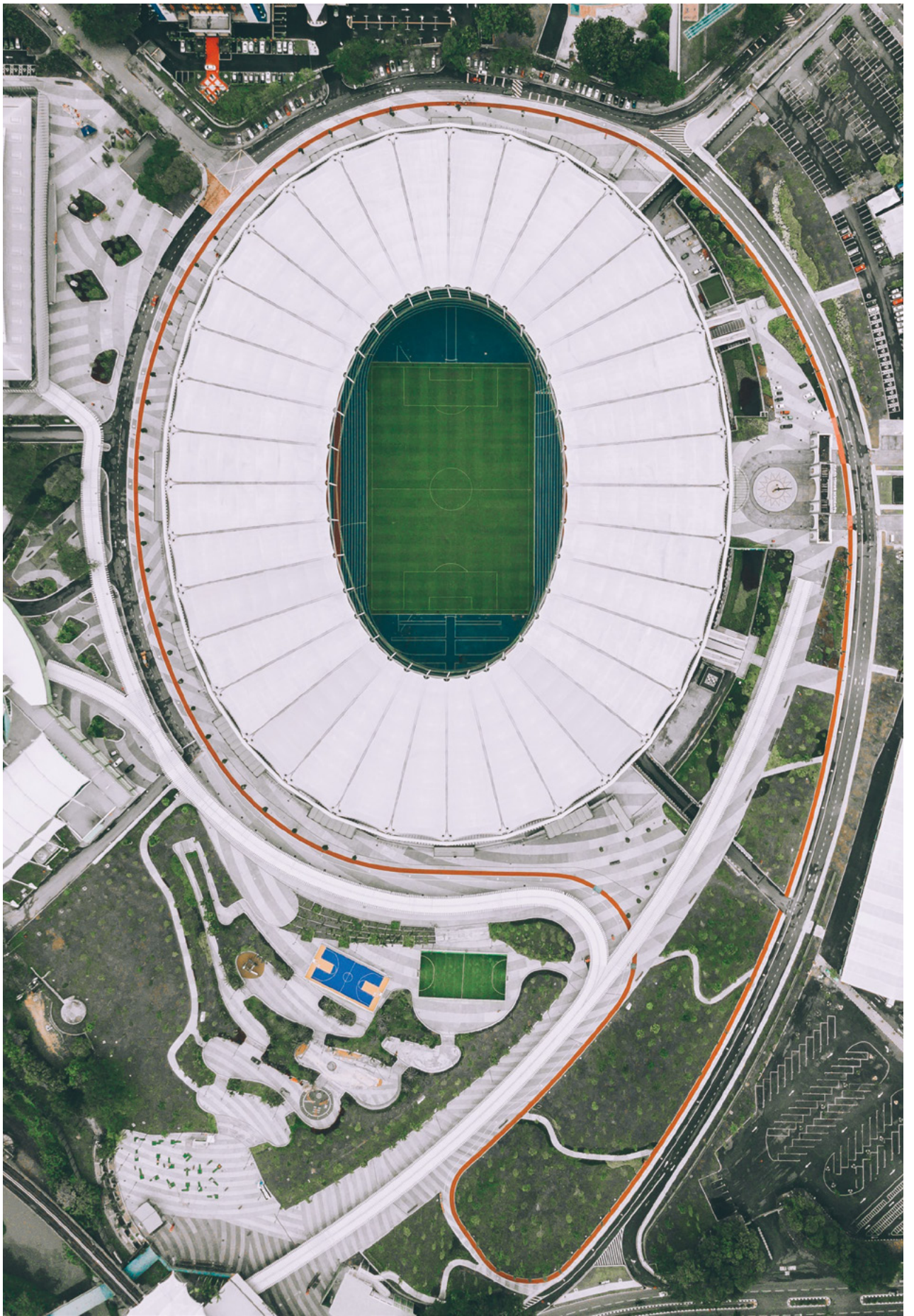
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Welcome to our third edition of Otium

The COVID-19 pandemic has upended all areas of life. Social distancing measures, brought in to limit the spread of coronavirus, have had a significant effect on sporting and equestrian fixtures. Every aspect of sport has been affected, from the athletes themselves to media coverage. These are unprecedented times for National Governing Bodies for sport, their associations, clubs and individual constituents.

COVID-19 poses a whole new range of risks and economic challenges for us all. As a market leader, we have years of experience supporting National Governing Bodies. We are doing everything we can to support you during these difficult times and will be here to help NGBs and clubs to facilitate safe, fun and inclusive participation, through comprehensive but affordable programmes of insurance, once this pandemic is over.

Stay safe!

Temporary shut-down

Guidance for managing temporarily closed or permanently unoccupied properties during the COVID-19 pandemic

These are unprecedented times for many, including sports clubs. Regardless of your size or sector, COVID-19 poses a whole new range of risks and economic challenges to overcome. We are here to help you find solutions and manage the risks you are exposed to both now, and in the aftermath of the global pandemic.

Following Government advice some workplaces will now temporarily shut down for a period of time including sports courts and pitches. Buildings, whether temporarily closed or permanently unoccupied, can be at greater risk from the likes of arson, antisocial behaviour such as vandalism or squatters, theft, and escape of water.

There are some general considerations that businesses should keep in mind to protect their assets and people:

- **Protect against electrical fires.**
Turn off and unplug electrical equipment apart from critical business infrastructure required to allow the continuance of the business's operations and support temporary home working arrangements, if required. All fire protection, detection, and security systems to remain active and monitored remotely where possible.

- **Protect against escape of water losses.**
Turn off water supplies at the mains (and where reasonable to do so drain down water systems).
- **Clear all external areas of waste and combustible materials.**
- **Letterboxes should be sealed or, if this is not possible, a metal box or cage should be fitted to the inside of the letterbox.**
Arrange with the Post Office for your mail to be redirected.
- **Inspect regularly if travel allows.**
Where this is not possible the inspections should be reinstated once travel restrictions are lifted.
- **Record details of the steps you've taken to protect your property.**

Remember, your property insurer may have specific guidance you need to follow, so we recommend you check with them to ensure you are appropriately covered.

We are here to support you in any way we can, so please don't hesitate to get in touch.

Coronavirus pandemic and cyber risk

During this unprecedented time, the Coronavirus pandemic will test business continuity and resilience for businesses and sporting organisations alike. Due to the increasing number of employees working remotely, all organisations can be exposed to greater risk from cyber-attacks.

The UK's National Cyber Security Centre (NCSC) has reported that cybercriminals are taking advantage of the disruption and uncertainty caused by COVID-19 by targeting weaknesses in online security, through phishing and malware attacks.

We advise National Governing Bodies and Clubs to ensure their employees and volunteers are aware of the increased risks and follow the basic steps below:

- If work laptops are not accessible then ensure employees and volunteers use secure personal devices, where they are required to carry out club business online.
- Implement two-factor authentication where possible or strengthen passwords using a combination of words, numbers, symbols and both upper and lower case letters.
- Encourage the use of secure (non-public) Wi-Fi or Virtual Private Network connections.
- Phishing email awareness and training – be extra vigilant at this time as there have been reports of emails claiming to be from credible sources with important coronavirus updates, which contain infected attachments.

The NCSC provides **10 Steps to Cyber Security** plan and a number of free online training tools for businesses:

- Having plans in place should things go wrong: test and practice your business cyber incident response using the 'Exercise in a box' tool.
- Reducing cyber incidents caused by employee behaviours: educate your employees using the 'Top Tips for Staff' training tool.
- Managing third party cyber security risk: set out security measures for suppliers and partners, and train your staff in procurement roles on how best to protect commercially sensitive information using this online course.

In our **Cyber Security Guide** we outline additional steps to take:

- Back up your data
- Restricted user access and management of user privileges
- Cyber Essentials Certification
- A cyber insurance policy

- Use antivirus software and activate your firewall to ensure network security
- Regularly patch your operating systems and applications
- Control the use of USB drives and Memory Cards.

Cyber risk will be unique to each organisation and therefore risk management and awareness of what you have to protect is key. Whilst Cyber Insurance will not protect you from an attack, it allows for some of the financial risk to be transferred and assist with mitigating disruption. Cyber Insurance with its unique service led proposition can provide critical incident response expertise. Please do not hesitate to contact us to find out more about how Howden can protect your organisation from Cyber Risk.



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Not so swimmingly

Interview with Jane Nickerson, Chief Executive of Swim England

Jane Nickerson was appointed as Chief Executive of Swim England in March 2017 and has subsequently established herself as one of the most highly respected senior sports administrators in the country. Richard Doubleday, Chairman of the Howden Sport and Recreation Team, asks her what it is like to have to lead her National Governing Body through these challenging times.



JANE NICKERSON
Chief Executive of Swim England

One result is that we're all becoming much more proficient at video calls – I seem to be spending most of my days and nights on them these past few weeks. I think the record for numbers on a video call is currently 47. We have had board meetings by video conferencing as well as catch up meetings. Some of the teams are also holding social meetings by video and these are becoming more popular as time goes on.

As much as possible we're trying to continue as usual, and are still offering a range of support and services to our members, athletes, clubs and coaches, but clearly there has had to be some notable changes and we're not immune from the economic impact of the virus.

I have decided we need to handle this in three phases now. We are currently in 'preservation' which means we will furlough a number of staff to retain as much cash as possible for the future. All our staff are vitally important, but as of today, some who normally have key roles, do not have work at the moment. Staff who are furloughed will be on full pay during this furlough period and we will keep in touch through video socials.

When there are signs that pools will be opening again, we will move into the 'emerging' phase where we will bring staff back from furlough and will prepare for full activities.

The best phase will be our 'delivery' phase when we are back and fully operational.

First and foremost Jane, many thanks for agreeing to do this interview, during what must be an extremely difficult time for your sport. How has your working life, and that of your colleagues, changed in the last few weeks?

It's certainly a challenging time out there at the moment for everyone. No-one alive has been through this situation and therefore all any of us can do, is the best we can, with the knowledge available at the time.

Obviously, my first consideration was the safety of our staff and volunteers. We followed all government advice, shutting down the office and our warehouse and moving our staff to home working. We prepared for this at the outset by purchasing sufficient phones and laptops and literally moved to home working overnight. I am immensely grateful to the IT team as we literally left the building one night and started work at home the next morning. I would also like to pay tribute to the work all my staff have done, and continue to do, to support our members and the swimming community in these difficult times.



When there are signs that pools will be opening again, we will move into the 'emerging' phase where we will bring staff back from furlough and will prepare for full activities.

Throughout all phases we will continue a comprehensive communication plan to ensure engagement with all our members and partners.

I am fortunate to have an extremely talented senior leadership team and this challenge proved that our different skills and approaches really helped to manage the situation.

Obviously, even at a national level, Swim England is hugely dependent on a volunteer workforce. How have they reacted to the current crisis?

We're very fortunate to have a large number of incredibly dedicated, selfless, volunteers who give up so much of their time and expertise to allow all our disciplines to continue to flourish.

They have reacted to the crisis exactly as I would expect them to - with good spirits, a positive attitude and a determination that, together, we will get through this challenge and continue to provide opportunities for people to enjoy the water.

Swim England effectively deals with three primary areas of activity, namely national competitions, club swimming and the teaching of swimming. Turning first to your national competitions programme, I see all events up until the end of August have now been cancelled. What plans, if any, do you have to arrange them later in the year?

We are really aware of the need for an organised and effective return to competition and of course there is the complication that as yet, we don't know the date that this will take place. We have put in place an Events Taskforce with a specific remit to plan for re-entry into competition, taking account of scheduling challenges and the needs of athletes that have not been able to access water to train in to name but two considerations. This taskforce

will work with our discipline leadership groups and Regions along with other stakeholders to plan an organised recommencement of competition when the coronavirus restrictions are lifted.

On 20th March the Government ordered the closure of leisure centres and, by definition, swimming pools. How bitter a pill was that to swallow and how difficult was it for you, personally, to have to relay that message to your clubs?

For those of us with chlorine in our veins, it is obviously disappointing not to be able to get in the water as we would normally do, with all the benefits for our physical and mental health that swimming provides.

However, this pandemic is clearly bigger than our sport and we want to fully play our part in reducing the spread of this virus and minimising the loss of life and completely understand why the decision was taken.

Our priority now is supporting our clubs through this challenging time and making sure they're able to come out the other side ready to get back to doing what they do best, giving opportunities to hundreds of thousands of people to reach their goals in the pool.



We've taken steps to help them, by relaying information on the financial support available through Sport England and the Government and providing useful tips and advice through our social media channels. The club team are working hard to support the clubs through this.

We also need our athletes in all disciplines to keep active and we have provided a lot of guidance on the type of land work which is most suitable for each of our disciplines.

The third strand of your business is teaching. What has been the reaction of members of the Institute of Swimming, youngsters and their parents, to the shutdown?

I think that, broadly speaking, the reaction has been the same as from the clubs. Understandable disappointment from parents and youngsters (over 1 million learn to swim through our Learn to Swim programme every year), but an acceptance that this is a necessary measure for the greater good.

Clearly, there is fear and uncertainty for a number of Swim teachers and swim schools. Alongside partners from the sporting sector we lobbied for additional support for self-employed individuals and were pleased that following those efforts the government did announce a package of measures which will hopefully help a number of them.

Swim England, and the Institute of Swimming, are also offering online training to those booked on a course that has a blended learning option available.

This will give customers the opportunity to work through the theoretical elements of their course online at home, at their own pace, over the coming weeks and months.

Customers will then be able to choose a face to face or blended learning course in the future to complete the rest of their training and qualification.

I see Sport England has recently announced a £195 million support package for sport. Will this support be of benefit to Swim England and your constituent clubs and, if so, in what ways?

Sport England are to be commended for making this substantial amount of money available to help the sport and physical activity sector through the current crisis.

It includes a £20 million Community Emergency Fund, which will be opened immediately for clubs and community organisations to bid for grants of between £300 and £10,000.

We would encourage our swimming clubs to carefully look at this criteria and see if this financial package can assist those of them most in need through this crisis. More details can be found on the Sport England website, including the criteria and how to apply.

I imagine Swim England has been inundated with questions from cubs, coaches and instructors. What has been the most commonly occurring question, and what is the answer?

Initially the questions were mainly about whether people should continue to swim/train/teach but that is not an issue any more following the closure of the pools.

Now the questions are primarily about what financial support is available for clubs/people during the shutdown.

We have produced an FAQs document on our website (www.swimming.org) where you can find the information, and it will also point people to where the support announced by the government and Sport England can be found.

The greatest challenge is making sure as many clubs and swim schools can get through the shut-down financially so that they are still there for their members/learners whenever we return to some semblance of normality.

Assuming the virus does not last for ever, and your clubs and swim schools start up again, what do you think the greatest challenges will be and how long will it take to become fully operational?

I know that our community is incredibly resilient and resourceful, so I am confident that once we are back to “normal” and the pools are back up and running, that our clubs and swim schools can be fully operational fairly quickly.

The greatest challenge is making sure as many clubs and swim schools can get through the shut-down financially so that they are still there for their members/learners whenever we return to some semblance of normality.

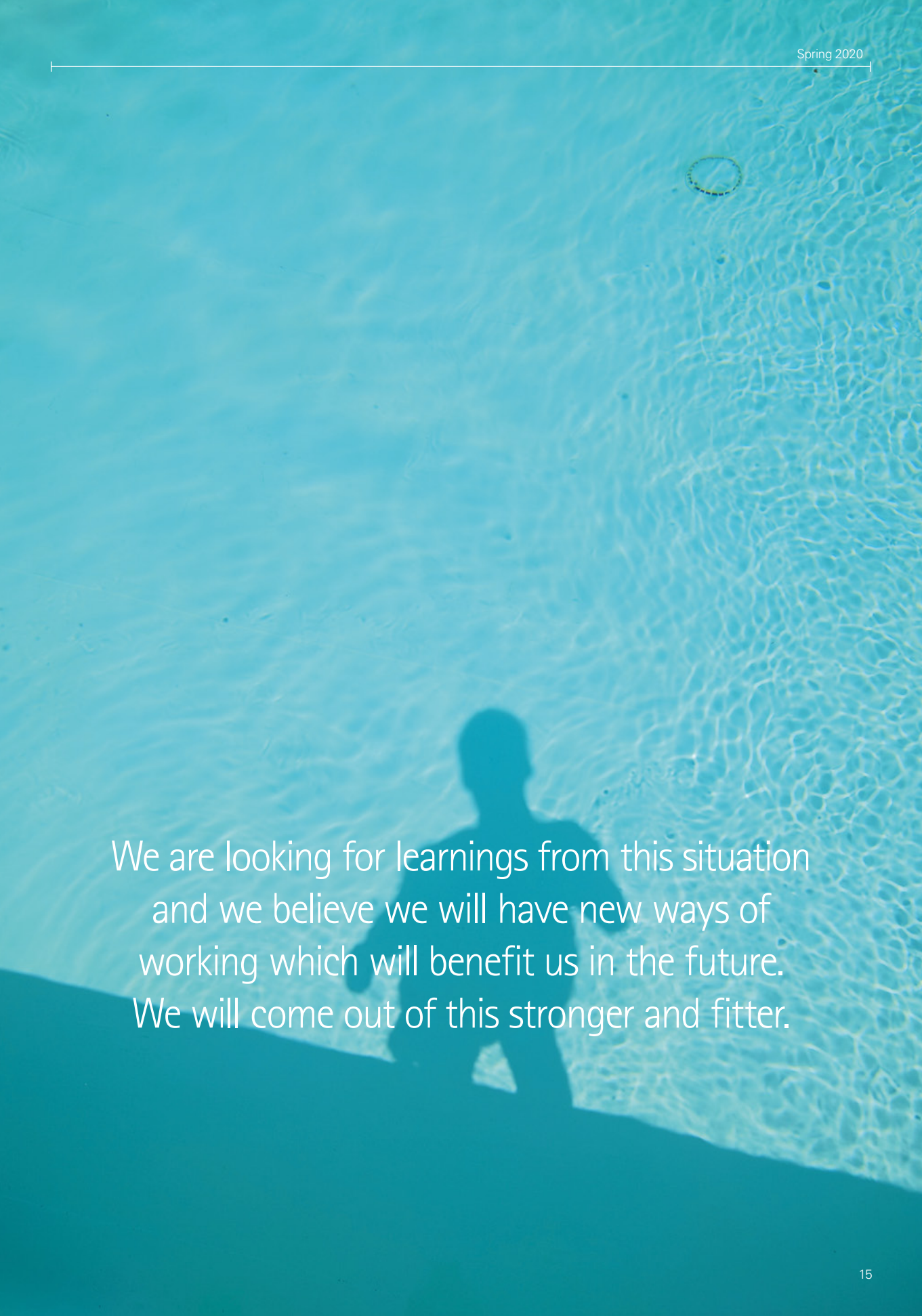
We will do all we can to help and support our sector including all the facility providers who will have the first job of getting the pools open and functional.

And finally, if you could live the last few hectic weeks again, what, if anything, would you do differently?

I would lobby Government to hold the daily briefing at 10am instead of 5pm which would mean we could spend the day acting on new guidelines instead of the night!

I would have filled the freezer up earlier! I refused point blank to do any stock piling assuming it would be easy to have a little top up shop each week! How wrong can you be!

We are looking for learnings from this situation and we believe we will have new ways of working which will benefit us in the future. We will come out of this stronger and fitter.

A person's silhouette is visible in the lower center of the frame, standing on a dark beach and looking out towards the ocean. The sky is a clear, bright blue, and the water is a lighter blue with gentle ripples. The overall scene is peaceful and contemplative.

We are looking for learnings from this situation and we believe we will have new ways of working which will benefit us in the future. We will come out of this stronger and fitter.

Directors' & Officers' Liability and COVID-19

Directors' and Officers' Liability Insurance (D&O) covers the directors, officers and managers of a National Governing Body against the risks associated with managing that organisation.

Upon the outbreak of COVID-19 most NGBs have had to respond quickly in order to adapt to the new working environment. At this point, Business Continuity Plans (BCP) will have come into action and leaders will have implemented measures to keep operations going and to protect the organisation as much as possible. The potential for third party claims, regulatory investigations and other exposures remains unclear.

So what can NGBs do now to protect both the organisation and its senior management?

Organisational impact and disclosure considerations

Have you quantified the potential impact to your business (best and worst case) of the COVID-19 pandemic crisis?

The developing outbreak is ever-changing and moving quickly, making it difficult to quantify the potential impact to sporting associations. However, organisations need to consider the influence it will have on employees, volunteers, players, coaches and officials and then calculate the consequences.

Failure to do so and to communicate that effectively and accurately risks claims by employees, if they feel that they have been unfairly treated by the organisation.

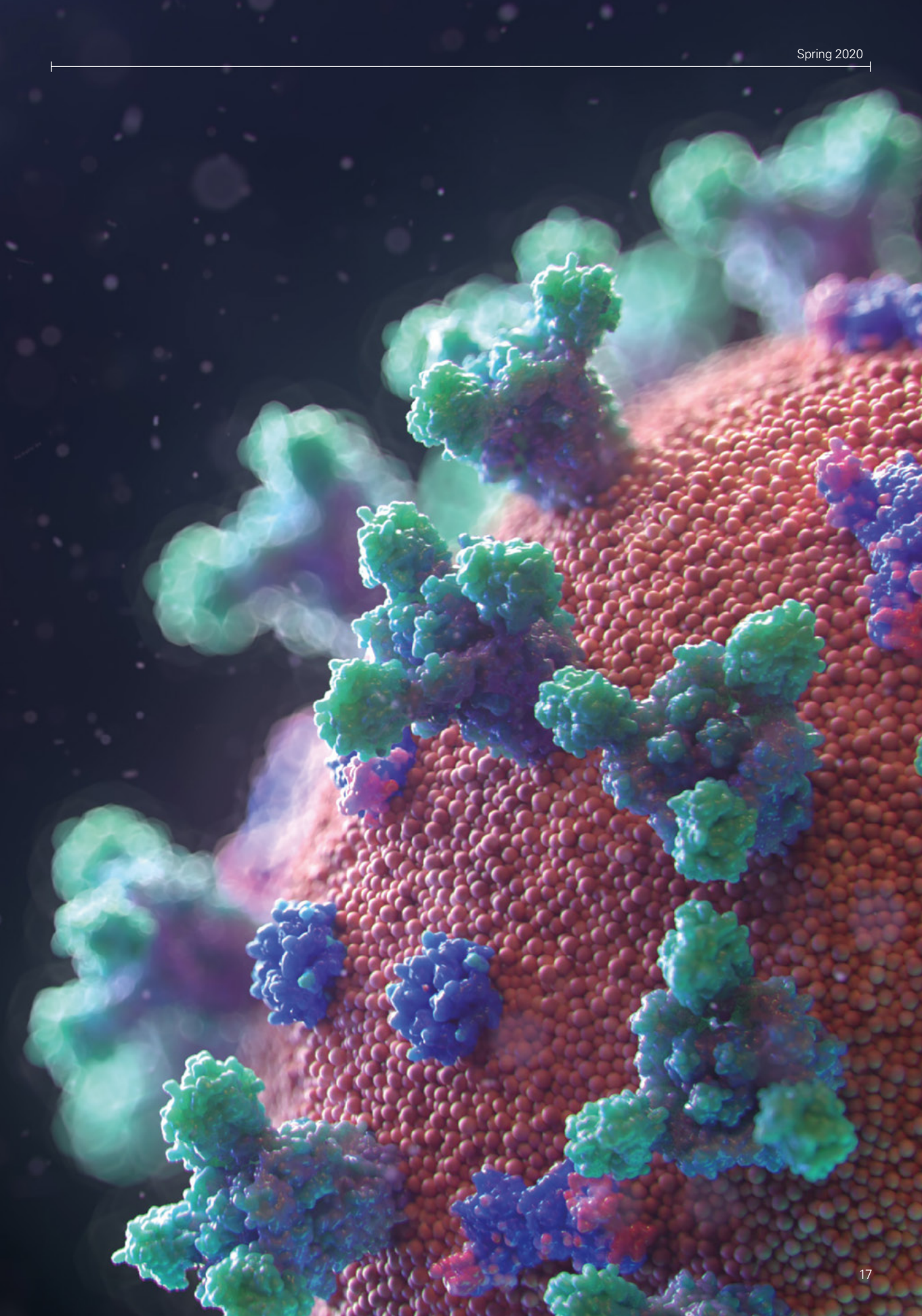
What plans have you put in place to mitigate any negative impact?

Both short and long-term plans should be implemented. McKinsey and Company outline five immediate actions that can be drawn upon:

- 1 **Protect employees and volunteers**
- 2 **Set up a cross-functional response team**
- 3 **Build a Business Continuity Plan**
- 4 **Keep in touch with members**
- 5 **Practice your plan**

Putting such actions into place will act to protect the organisation and its officers by ensuring that there is a clear, transparent and well-documented response to the developing scenario.

¹ <https://www.mckinsey.com/business-functions/risk/our-insights/covid-19-implications-for-business>





Supporting your employees and volunteers in unprecedented times

In the current unprecedented times, questions, concerns and worries about what this all means for employees and volunteers will be coming in thick and fast and NGBs and clubs are unlikely to have all the answers.

For many people, naturally their priority and main worry will be about their own health and that of their families and loved ones. And with the global COVID-19 situation constantly changing and differing advice being given, many people are anxious about what they should do to safeguard their health and wellbeing.

As the NHS focuses its resources and efforts on supporting those worst affected by the pandemic, many people will still want to be able to speak to a doctor to get medical advice and reassurance.

Also, let's not forget those colleagues within the organisation already experiencing health conditions before Coronavirus appeared on the scene. For these people, the current situation is likely to be even more troublesome and worrying. Their ability to be able to continue to get medical advice, treatment and medication may be affected by current events.

A number of NGBs have already been in touch to find out what options are available to help so we have set out a couple of solutions that are available, and importantly, easy for people to access in the current climate.

Virtual GPs

One tool that NGBs might want to consider at the moment are virtual GPs. These services have been around for a while and are a popular and cost-effective inclusion in many employee benefit packages. They enable employees to speak to a GP over the phone or video call to get a diagnosis, second opinion, referral and/or private prescription.

Calls are usually 24/7, all year round so employees can book an appointment with a doctor at a time and place to suit them. Giving them convenience and peace of mind that they can get the advice and support they want, when they need it. Something that many will welcome at the moment.

Some Private Medical Insurance (PMI) schemes already include this service as part of the policy so if you already offer PMI, it's worth checking if you've already got access.

If not, we have a specialist GP service, Havensrock Med24, which is low-cost, quick and easy to implement. It offers employees unlimited use and their families can use it too from anywhere in the world. Employees can also use the app to discover useful health information or to find local healthcare services. Speak to one of our team if you'd like to know more.

Mental Health solutions

We expect to see mental health to become a top priority for businesses of all sizes over the coming months. While some employees might have initially welcomed the chance to work from home, the novelty is likely to wear off after a while. Social isolation and 'cabin fever' are a genuine risk to people's mental wellbeing. Offering your workforce practical ways to look after their mental wellbeing will be more essential than ever.

Mental health charity Mind

Mind has developed a free toolkit with tips and suggestions: <https://www.mind.org.uk/information-support/coronavirus-and-your-wellbeing/>

Employee Assistance Programme

If you offer an EAP, take this opportunity to remind your employees about the service, how it can help and how to access it. Don't forget, EAPs are often included within other policies as a value added benefit so you may already have one available. If you're not sure, ask your consultant who will be able to advise.

Havensrock Thrive

Speak to us about Havensrock Thrive – it combines the only NHS approved mental health app with the specialist mental health support from a RedArc nurse. It's a simple way to help employees proactively prevent, detect and manage their mental wellbeing.

As a business, we remain committed to supporting our NGB clients and the wider sports community. If you want to know more or simply to have a chat about ways you can look after your employees and volunteers during these troubling times, please get in touch and we'll be happy to help.



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British Paralympic games legend

Interview with Sophie Christiansen



Howden have been proud to sponsor para-equestrian rider, Sophie Christiansen for the last two years. Sophie embodies many of Howden's values through her determination to succeed and innovative approach to her ambitions. She is undoubtedly a legend of British Paralympic sport, having competed at 4 successive Paralympic games and in the process achieved an astounding 8 gold medals. Sophie's sights were clearly set on further success at Tokyo 2020, but when the unimaginable happened and Tokyo was postponed until 2021, Sophie has had to re-evaluate her plans. Howden caught up with Sophie to see how the current crisis is affecting her and her Paralympic goals.

You were meant to be flying to Japan to attend Paralympics. How is it affecting you by it being cancelled?

I felt very upset. But then I felt guilty by being upset because so many other people are affected. For many this is a life and death situation and there's me worrying about a sporting competition.

It was really hard to get my head around it, especially when we didn't know if it was going to be cancelled or postponed. There are so many implications. You know how hard we work – I had every day this year planned out, and for it to be postponed was just unprecedented. I couldn't even anticipate that I wouldn't be in Japan in August, but actually it's a good time for me to recover, as I have broken my shoulder!

How did you break your shoulder?

My horse Louie can be quite spooky. I was in the indoor arena when he heard a noise outside and whipped round. I stayed on a good while but eventually fell. It's a long way down!

I am getting more and more movement back in my shoulder, but to get on a horse I need to stretch my arm up which I currently can't do. I also need 3 people to get me on a horse, and with what's going on now, I wouldn't have been able to train because that is not social distancing, so in some ways it's a good time to be out of action.

There was quite a busy schedule in the run up to the Paralympics. What should you have been doing if everything had gone to plan?

I should have been competing in Belgium next week, but that wouldn't have happened now because of my shoulder, and then after that competing every month up until selection trials in July. Everything will just be moved back a year.

When should you have been going out to Tokyo?

I would have been flying out in August. The horses would have had 10 days in quarantine beforehand.

You have been so focused on the Paralympics, how does the postponement affect you mentally and how do you try to shift the concentration for next year?

At first it was really hard to take – the week between the announcements that Tokyo wouldn't be happening as planned and then the decision to postpone rather than cancel was tough, but I have come around the fact now and there are many other Paralympian's who are facing the same situation. It also means I have to raise further funds for another year. I have chosen the most expensive sport! Whilst we do get some funding from UK Sport, I have large monthly costs to look after the horses so fundraising is really important.

Are you in isolation or are you getting out for a daily exercise?

I go out for daily walks with my boyfriend. I say 'walks', but I am in my wheelchair! At the moment I can't drive my electric wheelchair because of my arm, so my boyfriend has to push me, which is quite a workout for him, but I do need some vitamin D and fresh air! I am doing daily workouts at home as well and am doing sessions with my physio via video link. I also cycle at home on an exercise bike.

My carer has had to stop working for me for now due to lockdown. She would normally care for me three days a week when I am not at work. It's very tough on my boyfriend, because he is working full time at home and he has to care for me full time as well.

It's hard not being as independent and makes me feel disabled. But again, due to the circumstances, it could be worse!

Are you keeping in touch with your teammates?

Yes, we are having group calls every couple weeks, which is very nice as we don't normally have as

much contact as we are all over the country. We can check in with each other on how we are all doing. Different riders are affected in different ways. A lot of them can still ride, some can't, but we are all in a similar position and it's good to support each other.

Are you missing the riding? It's such a big part of your life.

Even though I couldn't ride at the moment anyway, I miss getting out and seeing my horses. It's a change for everyone. We never knew we would be in this position.

For me, riding is a therapy. Nothing can really replace riding. It gives me a different feeling and helps to stretch and strengthen my body. My Cerebral Palsy makes my hip flexors really tight. The exercises I do at home help, but it's not the same.

Are there any other exercises you can do to help with that?

Yes, in my workout I do a lot of lunges which stretch out my hips. Every day for me is a leg day at the moment!

For you, in some ways this delay may be a good thing in regards to the shoulder injury. But also you have two young and relatively inexperienced horses. Do you think they will benefit from the extra year?

Stella in particular will benefit from this extra year and I will benefit as I can get to know both horses better as I've only had Stella for a year and Louie for 7 months. At the Winter Championships I struggled with moving from one horse to the other as they are both so different.

Stella is quite insecure, she likes to call out to her friends even when my trainer Anna rides her. I have to really reassure her that everything is ok. She is such an intelligent horse, and because all of my tests are



Hugging coach of 10 years, Clive Milkins, after winning third gold of the London 2012 Olympic Games.

Louie got a phenomenal score at the Winter Championships. Whilst we got a brilliant score, he was quite on the edge so we need to be confident that he can consistently perform like that.

at walk she has a lot of time to think. But as we are learning together her personality is really coming out now and I know she will look after me.

Louie got a phenomenal score at the Winter Championships. Whilst we got a brilliant score, he was quite on the edge so we need to be confident that he can consistently perform like that.

We haven't talked about the Winter Championships. That was absolutely brilliant. [Sophie took the top two spots in both of her Grade 1 para classes at the Para Winter Championships in February and Louie and Sophie became National Champions with a huge score of 78%]

I was definitely not expecting that! It would have really put us in a good position for the Paralympics, but now it gives me confidence for next year.

Thinking about next year, will you just carry on with the same plan but with a new goal in mind or will anything change with the preparations for next year?

Everything moves back a year, but it's difficult not knowing when I can ride again or when I can compete. I'm a person that likes to plan so this situation is quite difficult as I can't do that.



However, I am really enjoying the downtime, you know how hard I work and this has given me a period to rest, so I am using it to my advantage.

For equestrian Team GB, we had quite few a new partnerships this year, so the extra year of preparation will really stand us in a good stead.

To find out more about Sophie or to support her journey to Tokyo 2021 through Sophie's Gold Club, visit www.sophiechristiansen.co.uk



The impact of the COVID-19 pandemic on sports event cancellation insurance



The current COVID-19 pandemic has impacted virtually every sporting event world-wide. The Olympics have been postponed until 2021, World Championships and World Cups for virtually every sport have been cancelled or postponed and the calendars for most major sports have been severely disrupted with no clear indication yet of how or when this will be resolved.

What is also not yet clear is what knock-on effect and further disruption will be caused by postponed events being rescheduled. The time available in the global sporting calendar is limited and with a large number of events that now need to be completed at another time the calendar over the course of the next few years is going to get crowded very quickly. Should another wave of the coronavirus follow either globally or in a specific location, this would have a devastating affect and may render it simply impossible to hold rescheduled events.

Event rights owners' and organisers' revenue is derived from broadcast revenue, sponsorship, advertising and ticketing revenue. Should the event not proceed as planned, this revenue is lost or reduced. In addition, whilst rescheduling an event may save much of the revenue, it will incur in most cases additional unbudgeted expenses.

Event Cancellation insurance can be purchased to cover an event organiser or rights holder for their potential loss of revenue or costs should an event not proceed as planned for any cause beyond their control. It is designed to put the insured back into the same financial position they would have been had the event proceeded as planned.

Whilst it covers "any cause beyond the control of the assured or participants" there is a short list of

perils which are excluded as standard (including terrorism, national mourning and most relevantly in this instance, communicable disease). These perils have either been the subject of previous large losses or they need to be individually understood and rated depending on the nature and location of the event. Whilst these perils are excluded as standard, they can often be added back into the cover subject to an additional premium charge.

The recommendation for Event Cancellation insurance is always to purchase well in advance of the event as possible. Once cover is purchased, it is locked in and cannot be changed, even if there is a change in circumstances.

For those that purchased early enough and opted to include a communicable disease extension (where it was made available) the policy will respond to the current situation.

It is likely to be the case, however, that for a variety of reasons, many of the affected events will have either not purchased cover at all or a communicable disease extension was not included in the cover they purchased.

Rights Holders and organisers affected by this crisis and seeking cover for future events are now understandably anxious to understand what cover is currently available and how the crisis might affect future offers of cover. In the section below, we have summarised some of the questions being most frequently asked by rights holders and event organisers.

Can I currently obtain cover for cancellation of future events arising from COVID-19?

A Communicable Disease exclusion (including any losses arising from the ongoing COVID-19 outbreak) is currently being applied to all new policies quoted. At this time insurers are not offering the opportunity to purchase Communicable Disease cover as an extension and it is not clear at this stage when such cover may be made available again.

What are the likely implications for the cost of cover in the future?

We have already seen general rates for Event Cancellation insurance rising in response to the losses sustained from the COVID-19 outbreak and that is a pattern that is likely to continue for some time.

The cost of purchasing event cancellation insurance as a result is likely to become more expensive. We also expect to see a reduction in available capacity and this will in turn contribute towards increasing costs as demand outstrips available capacity. There will be a pressing need to attract new capacity and investment to the market in order to address this issue.

What will the future impact on the Event Cancellation market be?

Over the coming months and years it is also likely that the contingency market will undertake a radical and fundamental re-think of how cover is provided. We would not be surprised to see requests for a government funded insurance pool for communicable disease cover, in much the same ways as was developed for terrorism risks. Also, in the same way that a specialist terrorism and political risks market developed, a similar communicable disease specialism may also form.

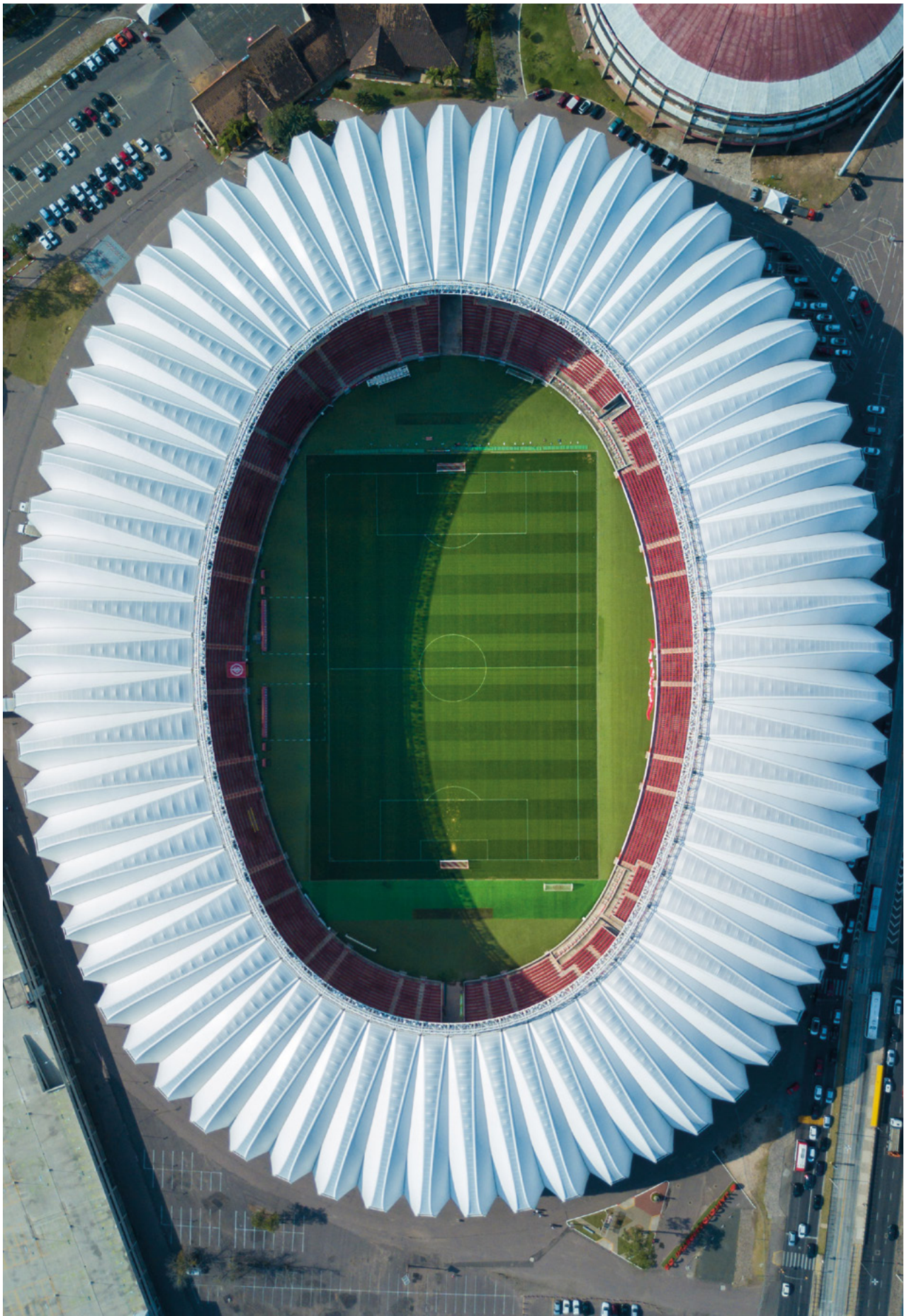
Additionally it is also becoming clear that what was previously considered to be 'worst case scenario' for many rights holders and organisers is no longer accurate. Historically the widely held view has been that whilst single one-off events might be cancelled or perhaps a weekend or two of regular sporting fixtures in a certain territory, it was inconceivable for many that sport could be disrupted across so many territories for such a sustained period.

Prior to the crisis the widely held view by many was that scheduled fixtures and competitions would be replayable at a later date and therefore the financial exposure was minimal. The current situation has placed this view in some doubt with many leagues and competitions now facing the prospect of being cancelled or potentially played behind closed doors for a sustained period with significant losses in the form of broadcasting revenue and gate receipts potentially being sustained by stakeholders.

As with many major crises we would anticipate that the identification of new risks and exposures will naturally encourage both the development of new products and evolution of existing products to respond to this emerging need.



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