



MOTOR SPORTS ASSOCIATION
UNITED KINGDOM

PRESS RELEASE

Solution for Road Traffic Act – Extended Cover for Rallies

The Motor Sports Association, the national governing body of motor sport in the UK, has advised that a solution to the recent Road Traffic Act insurance difficulties has been found. Alexander Forbes, insurance broker to the MSA since 1996, has negotiated a new provision to cover the risk on rally road sections.

The new arrangements are vital for motorsport competitors involved in disciplines that use public highways, such as stage and navigational rallies. The alternative faced by large sectors of the sport would have been for competitors to buy extended motor insurance policies for their vehicles, rather than being covered under the Alexander Forbes' scheme.

The potential problem arose from recent amendments to the Road Traffic Act, made following an EU directive, which resulted in the RTA applying in any 'public place', whereas before it applied 'on the public highway'. This revision to the act has fundamentally changed the risk from insurers' perspectives.

The new arrangement works on the same basis as before with a declaration made when competitors sign on, if they wish to take advantage of the scheme. One key aspect of the scheme is that it is intended to be a long term solution to the issue of cover on such events, rather than a stop-gap measure.

Providing an added benefit to the sport, Alexander Forbes is passing on its increased revenue from the new scheme to the Motorsport Safety Fund. As a broker, Alexander Forbes generates income from its commission on premiums and although these have risen by 50% in this case, it has not created a similar increase in work for the company. It has therefore decided to restrict its earnings to the same level as under the previous scheme and donate the surplus to the fund.

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