

PRESS RELEASE

UK P&I Club launches self-assessment scheme for Members

The UK P&I Club is trialling a new self-assessment scheme for its entered ships. The scheme is designed to help the Club's shipowner Members take a more hands-on role in identifying and controlling the risk of accidents on their vessels – which in turn could help to reduce their insurance premiums.

The trial is the latest development in the Club's new claims-based approach to ship inspections. Launched 4 years ago, the new approach focuses specifically on measures needed to control the most likely accidents on a ship as determined by the Club's unrivalled database of 12,000 major claims.

Using 'bowtie' risk diagrams, the database reveals seven primary hazards and 76 common threats which, if not controlled in one or more of 450 ways, could result in a major claim. For instance, a primary hazard for cargo ships is carrying cargo at sea. Water ingress is a threat and, if not controlled by measures such as watertight hatch covers, the shipowner will be sued for wet damage.

According to Loss Prevention Director Karl Lumbers, 'Our bowtie approach has proved very popular with Members, with our inspectors being able to help them identify and control threats much more effectively. We have now modified the approach so that Members can start using it and benefiting from it directly'.

Initially the Club will provide self-assessment facilities for up to 20 Members, whose crews will score the effectiveness of 450 shipboard controls from 1 to 5.

Each Member's scores will be analysed by the Club, with the effectiveness of each control being benchmarked. A formal risk assessment report will be provided to the Member showing the overall risk percentage. Claims prevention advice will be made available to discuss any particular findings in the assessment.

"Where a Members' assessment of a ship reveals little difference in scoring with a gap analysis conducted by the Club, there will be a reduction in the mandatory surveys required by the Club on that ship," says Lumbers.

He adds, "We hope the self-assessment scheme will enable participating Members to harness the wide experience gained by the Club in many years of claims handling to the benefit of their own businesses. Additionally, we believe Members will find that this practical and simple system will encourage crewmembers to take more pride in their professionalism and their ships."

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UK P&I Club

The United Kingdom Mutual Steam Ship Assurance Association (Bermuda) Limited is generally known as the UK P&I Club. As a mutual association since its establishment in 1869 the Club has existed solely for the benefit of its Members. Its structure as a mutual insurance association enables it to respond to the changing needs of its assureds and allows it to provide superior service, attention and coverage.

The UK P&I Club is directed by the Members. Overall control lies with the directors, elected by the Members from amongst themselves. The directors normally meet four times a year to formulate policy on calls, the scope of cover, finance, underwriting and claims matters, reinsurance and issues affecting the P&I world. They resolve specific claims which may not fall clearly within the cover.

Thomas Miller, the Club's managers, is organised to respond promptly to requests for assistance and to provide informed advice and help with Members' claims. Individual support goes far beyond that normally provided by a commercial insurer.

The UK Club's size and the scale of the managers' operations has enabled the latter to develop specialist skills and expertise seldom seen in marine P&I.

In 350 ports around the world, on-the-spot help and local expertise is always available to Members and the masters of their ships from the Club's 460 correspondents and claims handling services and advice from the network of offices and branches in London, Piraeus, New Jersey, San Francisco, Hong Kong, Singapore, Tokyo, Beijing and Shanghai.