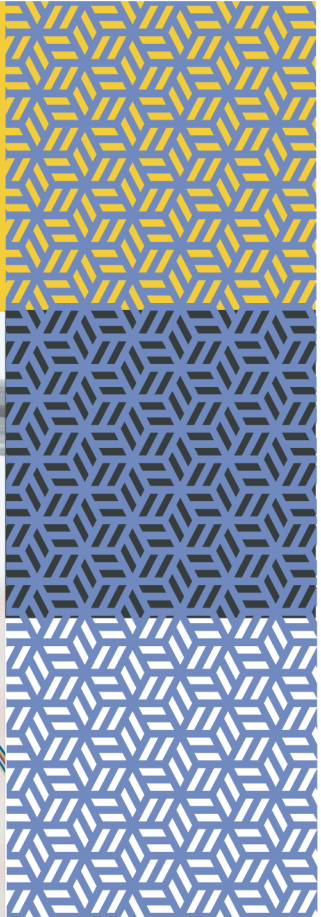
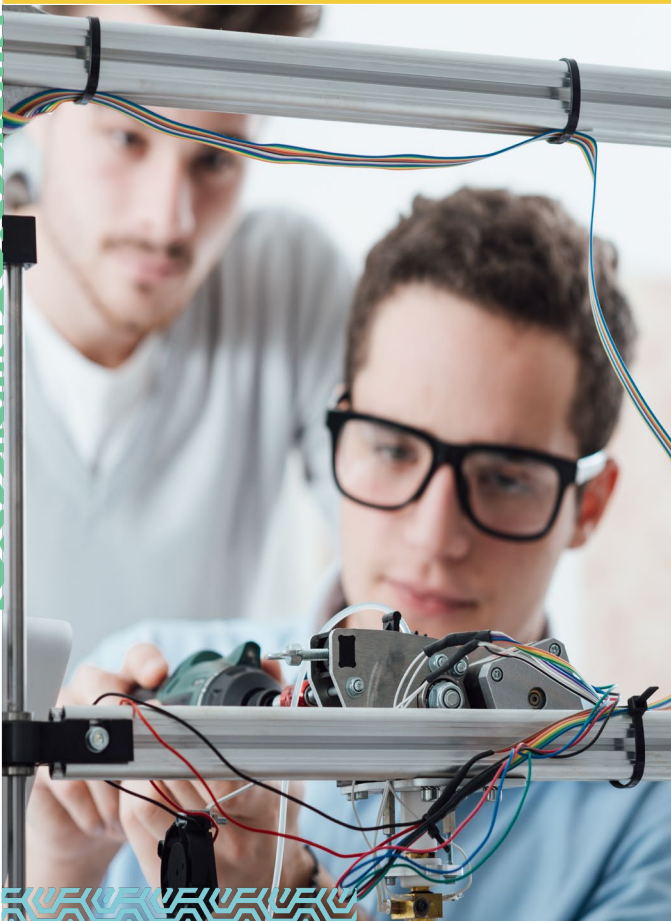
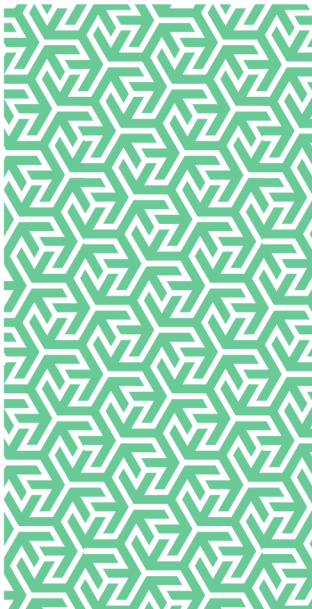


rmp

Risk control
Formula Student



In partnership with



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Formula Student

Introduction

Formula Student is Europe's most established educational engineering competition. It is an international competition where university students design, build, test, and race small-scale formula-style racing cars.

The competition aims to develop enterprising and innovative young engineers and encourage more young people to take up a career in engineering, with over 100 university teams taking part every year¹.

The project is typically an integral component of a degree-level program and is regarded by the motorsport industry as the benchmark for engineering graduates to achieve, facilitating their transition from university to the professional environment. It serves as a hallmark of real-world engineering experience, blending firsthand engineering practice with essential soft skills such as business planning and project management.

The competition is organised by the Institution of Mechanical Engineers (IMechE) and is held annually.

The objectives of Formula Student are:

Develop engineering skills – Students gain firsthand experience in designing and building a race car, applying their theoretical knowledge in a practical context.

Promote innovation – Teams are encouraged to produce innovative solutions to engineering challenges.

Enhance employability – The competition is highly regarded by the motorsport and automotive industries, making it a valuable addition to students resumes.

Foster teamwork – Students work in teams, developing essential soft skills like project management, communication, and collaboration.

The cars are judged on various criteria, including engineering design, cost and manufacturing, business presentation, and performance in dynamic events like acceleration, skid pan, autocross, and endurance.

Insurance Requirements

The Institution of Mechanical Engineers website competition rules state that a Team must have minimum £15m Public Liability cover and Personal Accident cover.

Extract from Formula Student Rules v1.2²

A4.2 Team Members and Participants

A4.2.1 Faculty Advisors are required to confirm that adequate insurance cover is in place, including but not limited to personal accident insurance for

all drivers and public liability insurance (minimum £15m) for the team.

Declaration that cover is in place must be provided when a place in the competition is offered, accepted and payment is due. Teams will not be permitted to participate without this confirmation.

All participants who are not UK residents must provide proof of valid individual health insurance for the competition. This must be provided prior to attendance at any live event in accordance with the Key Dates document. Participants will not be accredited for any live events without evidence of cover.

Liability Insurance

As an Insured of HDI Global SE the policy can be amended (if relevant) by endorsement to provide the required limit of indemnity as stipulated in the competition rules.

Inner Limit

The following is hereby added as an Endorsement to Section Two of this Policy

It is agreed that notwithstanding anything herein contained to the contrary in respect of any one occurrence of:

- a) Accidental **Bodily Injury**
- b) accidental **Property Damage**
- c) **Other Contingencies** neither expected nor intended from the standpoint of the **Insured**.

Happening during the Period of the Insurance and arising out of an **Occurrence** within the Policy Territory in connection with Formula Student

The amount shown as the Limit of indemnity is reduced to GBP 15,000,000

Students

The students involved in the event will be covered under the Public Liability policy as they will be operating on the **business** of the University. This would be while attending the event and when a student will be operating the vehicle.

As per the rule guidelines the students will be required to have **Personal Accident insurance** in place as well as the Public Liability.

Professional Drivers

If the University hire a Professional Driver for the event. The University must confirm with the individual they have appropriate insurance cover in place. The University will not

be able to provide indemnity to the driver if they are under a **contract for service**.

If the Professional Driver is operating under a **contract of service**, they would be entitled to indemnity as they would be deemed an **employee** of the University.

Motor Insurance

The University would need to confirm with their Motor insurer if the policy would operate at all for this event.

The vehicle is unlikely to be road registered but could be used in a public area so may be subject to the Road Traffic Act?

Racing is a general market exclusion under a Motor policy.

If insured via QBE General exclusions **Racing** reads:

Racing

Any loss, **damage** or liability occurring while the **vehicle** is being used for pace making, rallying, competitions, speed tests or being driven on any racetrack, circuit, or any other prepared course or

derestricted toll road including but not limited to the Nürburgring Nordschleife.

Property

By referral AIG will consider providing cover for Formula Student vehicles only whilst stationary and not in use or undergoing maintenance, repair, or restoration. Coverage cannot be provided whilst in use.

If cover is available, it would be on a defined perils basis.

Conclusion

Formula Student is a highly popular competition with participation from over 100 universities. Each team typically consists of around 20-30 students, meaning thousands of students take part in the event annually.

It is a fantastic opportunity for students to gain practical experience and highlight their skills on an international stage.

Ensuring the insurance arrangements are suitable is essential for participation in Formula Student.

References

1. [Formula Student](#)
2. Institution of Mechanical Engineers – www.imeche.org

Further information

For access to further RMP Resources you may find helpful in reducing your institution's cost of risk, please access the RMP Resources or RMP Articles pages on our website. To join the debate follow us on our LinkedIn page.

Get in touch

For more information, please contact your broker, RMP risk control consultant or account director.

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