
Approved:

Jim Standen, Assistant Deputy Minister

Effective Date: January 16, 2017

Relationship to Previous Policy: This policy replaces all previous policy regarding insurance for permits

Park Use Permits

Permit Insurance Requirements

Purpose

The purpose of this policy is to provide direction in determining the insurance and indemnity requirements for park use permits and resource use permits.

Scope

This policy applies to park use permits and resource use permits within parks, protected areas, conservancies and recreation areas. Ecological reserve permits and permits for the operation of campgrounds and BC Parks' facilities are not addressed by this policy.

Definitions

“cross liability” means a clause in an insurance policy which has the result that the policy applies as though separate policies were issued to each named insured (e.g. both the Permittee and the Province)

“indemnity” means an agreement to protect the Province from losses, claims or damages arising from actions of the Permittee or activities undertaken on the permit area.

“insurance” means the undertaking by one person to indemnify an insured person against loss of liability for loss in respect of a certain risk or peril to which the insured person (i.e. the object of the insurance) may be exposed, or to pay a sum of money or other thing of value on the happening of a certain event.

“park” for the purpose of this policy means Crown land established or continued as a park, protected area, recreation area, or conservancy under the *Park Act*, the *Protected Areas of British Columbia Act*, or the *Environment and Land Use Act*, and does not include ecological reserves

“park use permit” means a licence, issued under the *Park Act*, authorizing an activity or a course of behaviour or conduct, or the occupancy, use, development, exploitation or extraction of a natural resource on or in a park

“permit” means a park use permit or resource use permit issued under the *Park Act*

“resource use permit” means a licence, issued under the *Park Act*, authorizing an activity or a course of behaviour or conduct, or the occupancy, use, development, exploitation, or extraction of a natural resource on or in a recreation area

Policy

BC Parks requires all Permittees to agree to indemnify the Province and to hold and provide proof of insurance as evidence that they will be able to uphold the agreed indemnity. BC Parks maintains discretion to set the type and amount of insurance required.

1.1.1 Assessment of Risk

All permits will be assessed in respect to risk to the Province as a result of the use and/or activity authorized in a permit, and all review processes for a new or renewal permit application will assess insurance requirements. All permits which authorize a use or activity where a potential risk, loss or damage to the Permittee's clients, other users or the Province is present, will require the Permittee to maintain insurance. This assessment needs to ensure:

- Insurance requirements in the permit are consistent with provincial standards;
- Protection for the Province is provided; and
- There is clear direction regarding whether insurance is required or not, the type of insurance and the appropriate amount of insurance.

This requirement will be a condition of the permit, and failure to comply is a reason to cancel a permit. Types of required insurance policies are outlined in section 1.1.3, however, depending on the activity special insurance policies may be required in addition to the basic requirements.

1.1.2 Indemnity

An indemnification clause provides some protection for the Province from damages resulting from any act or omission of the Permittee in its activity under the permit and therefore must be included in all permits. The standard indemnity clause used is as follows:

“The Permittee will indemnify and save the Province, and their servants, employees and agents harmless against all claims, actions, causes of action, losses, damages, costs and liabilities, including fees of solicitors and other professional advisors, arising out of any one or more of the following:

- a) Any breach, violation or non-performance of a provision in this Permit,
- b) Any conflict between your use of the Permit Area under the Permit and the lawful use of the Permit Area by any other person, and
- c) Any personal injury, bodily injury (including death) or property damage occurring or happening on or off the Permit Area by virtue of your entry upon, use or occupation of the Permit Area,

and the amount of all such losses, damages, costs and liabilities will be payable to the Province immediately upon demand.”

1.1.3 Types of Insurance

The following are common types of insurance that are required under a permit. This list is not exhaustive, and other types of insurance may be required depending on the type and risk of activity.

Commercial General Liability Insurance - (also referred to as Comprehensive General Liability Insurance) is required to cover the basic operations of the Permittee. Commercial General Liability insurance is required to protect the Province, its servants, agents or employees against damages arising from bodily injury (including death) sustained by any person or persons; and property damage or other claims arising from any occurrence on the permit area due to acts or omissions of the Permittee.

Aircraft Liability Insurance – Required where the use of aircraft (of any kind) is necessary for the activities authorized in the permit.

Marine Liability Insurance – Required where the use of a floating vessel or structure is necessary for the activities in the permit and an integral part of the authorized operations (i.e. it would not be possible to perform the activities without it).

Tenant Legal Liability Insurance – Required where persons other than BC Parks employees (e.g. caretakers) are living or working in buildings or structures that are owned by the Province.

Homeowner’s Liability Insurance – Required where persons have ownership of a building or structures within a park.

1.1.4 Standard Insurance Provisions

Insurance policies are required to meet the following criteria, which are specified in the Insurance Article of the permit boiler plate:

- All insurances required to be maintained by the Permittee shall be primary and not require the sharing of any loss by any insurer of the Province.
- The Permittee shall provide the Province with evidence of all required insurance within 10 workings days of the Commencement Date of the permit. Such evidence shall be provided on a completed Province of British Columbia Certificate of Insurance form.
- The insurers must be licensed to do business in Canada.
- When requested by the Province, the Permittee shall provide to the Province certified copies of all policies of required insurance.
- All required insurance policies shall be endorsed to provide the Province with 30 days advance written notice of cancellation or adverse material change.
- The Province, acting reasonably, may by notice to the Permittee, require the Permittee to change the form, amount, deductible or other term of an insurance policy required herein, and the Permittee shall change the insurance policy accordingly. The Province is required to provide the Permittee with 60 (sixty) days notice of the change(s).

1.1.5 Levels of Insurance Coverage

Whenever insurance is required for the Permittee's activity, the amount of coverage should reflect the risk to the Province and park user. Recommendations on the amount of insurance required will be made by the Risk Management Branch.

1.1.6 Proof of Insurance

Evidence of the required insurance must be provided before the permit is validated, and according to the conditions in the permit document, evidence of a new or renewal policy must be provided whenever the insurance policy has expired. Evidence of insurance will only be accepted on a “Province of British Columbia Certificate of Insurance” that has been completed by the insurance broker. If proof of insurance is not delivered or if the insurance is inadequate, the Regional Director may not issue a requested permit or may cancel a permit.

Where a permittee has the capacity to self-insure, or is insured under a provincially-run insurance program, such as the [University, College and Institute Protection Program](#), they will not be required to provide proof of insurance. Confirmation of enrollment in these programs or of self-insurance will be confirmed with the provincial Ministry of Finance.

1.1.7 Exemptions from liability insurance requirements

Where permit holders who provide recreational services to park users are unable to obtain the required liability insurance, liability insurance waivers may be considered. All requests for full or partial exemptions from liability insurance requirements must be approved by the Regional Director. The use of liability insurance waivers is not recommended and will only be used in exceptional circumstances.

APPROVED AMENDMENTS:	
Effective Date:	Summary of Changes:
2017-01-16	Policy was updated to reflect new indemnity language, correct licensing requirements for insurers, and clarify proof of insurance requirements.