

Claims Guides

Guidance on the Submission of Diversion Claims

The net expenses incurred in diverting a vessel to land stowaways or sick or injured crewmembers or to take part in search and rescue or the recovery of persons at sea are recoverable from the Club.

However, difficulties are sometimes experienced in checking these claims due to a lack of information, leading to delays in the finalisation of the claim. This Claims Guide aims to clarify what is recoverable, what information is to be submitted in order for the claim to be processed, and a simple example of the required calculations.

Diversions are covered by Rule 2, Risks Covered, Section 5 – Diversion expenses:

The net cost to the Member (over and above the expenses that would have been incurred but for the diversion or delay) of fuel, insurance, wages, stores, provisions, and port charges:

- (a) during a diversion of the insured vessel reasonably undertaken for the purpose of search and rescue of persons at sea or for the purpose of securing the necessary treatment ashore of sick or injured persons aboard the insured vessel, or of landing stowaways, refugees or persons saved at sea or dead bodies; or
- (b) while awaiting a substitute for a sick or injured seaman who has been landed ashore for treatment, if in the opinion of the Managers it was reasonable to engage such a substitute.

The above expenses are recoverable for the period commencing at the time and position the vessel started her diversion until the vessel regains her original course, less the expenses the vessel would have ordinarily incurred by continuing on passage between the diversion position and where she regained her original course.

Information to be submitted to the Club

For the Club to process a diversion claim the following information is to be submitted:

1. Master's full report on the circumstances of the diversion including the last port and destination, and a sketch map of the diversion;
2. A detailed summary of all costs being claimed, supported by details of the average daily running costs for the vessel, including the daily messing rates (used to calculate the cost of provisions consumed), the cost of insurance and a crew list including daily rates of pay;
3. Times (GMT/UTC), positions and fuel oil Remaining on Board (ROBs) for:
 - a) Diverting from the planned passage;
 - b) Arrival at the diversion port, including details of the vessel's activities at the diversion port i.e. anchored, drifting, slow steaming;
 - c) Departing the diversion port;
 - d) Re-joining the original planned passage;

4. Copies of invoices for all bunkers used during the diversion;
5. Copies of invoices for any lubricating oil consumed during the diversion; and
6. Copies of invoices for additional costs incurred due to the diversion: port charges and agency fees / expenses.

It should be remembered that expenses incurred during a diversion relating to the vessel's maintenance, depreciation and off-hire are not recoverable from the Club.

Two of the principal factors that determine diversion expenses are the additional time used and the fuel consumed while on the diversion. The following example shows how these figures are to be calculated.



Example:

Distances and times

With reference to the chartlet on page 4; the time from departing the planned passage at point A and re-joining the planned passage at point C is known. The time that it would have taken to steam between points A and C has to be calculated using the General Average Speed (GAS) for the diversion. The difference between the two being the additional time used on the diversion.

In order to calculate the GAS for the diversion, the additional time used, and hence the running costs that can be claimed we need to know the distances between points A, B and C, and between points A and C.

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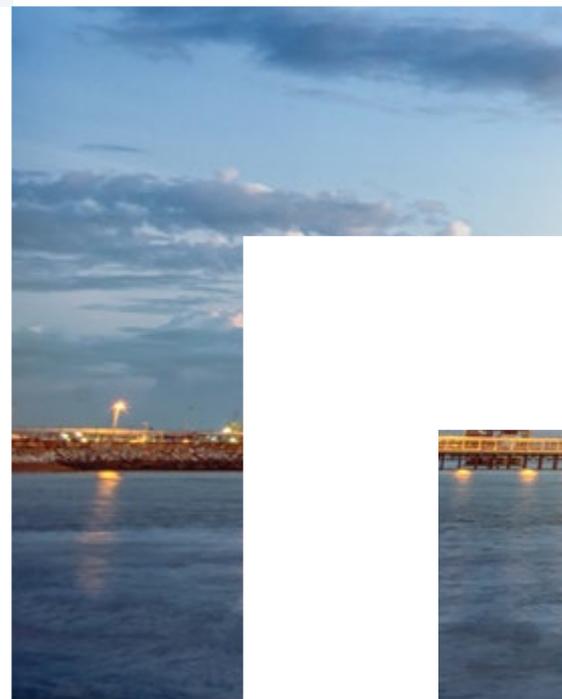
Point A to Point B	337 nautical miles	0 days 22.5 hours
Waiting / Manoeuvre / Drifting at Point B	2 nautical miles	0 days 1.6 hours
Point B to Point C	962 nautical miles	2 days 16.1 hours
Total distance and time	1301 nautical miles	3 days 16.2 hours
GAS for diversion	1299 nautical miles/86.6 hours (full away distance/time) = 15 knots	

Distance and time that would have been covered if the vessel had remained on passage:

Point A to Point C	803 nautical miles @ 15 knots	2 days 5.5 hours
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Therefore additional time used on diversion for the calculation of additional running costs:

3 days 16.2 hours – 2 days 5.5 hours = 1 day 10.7 hours

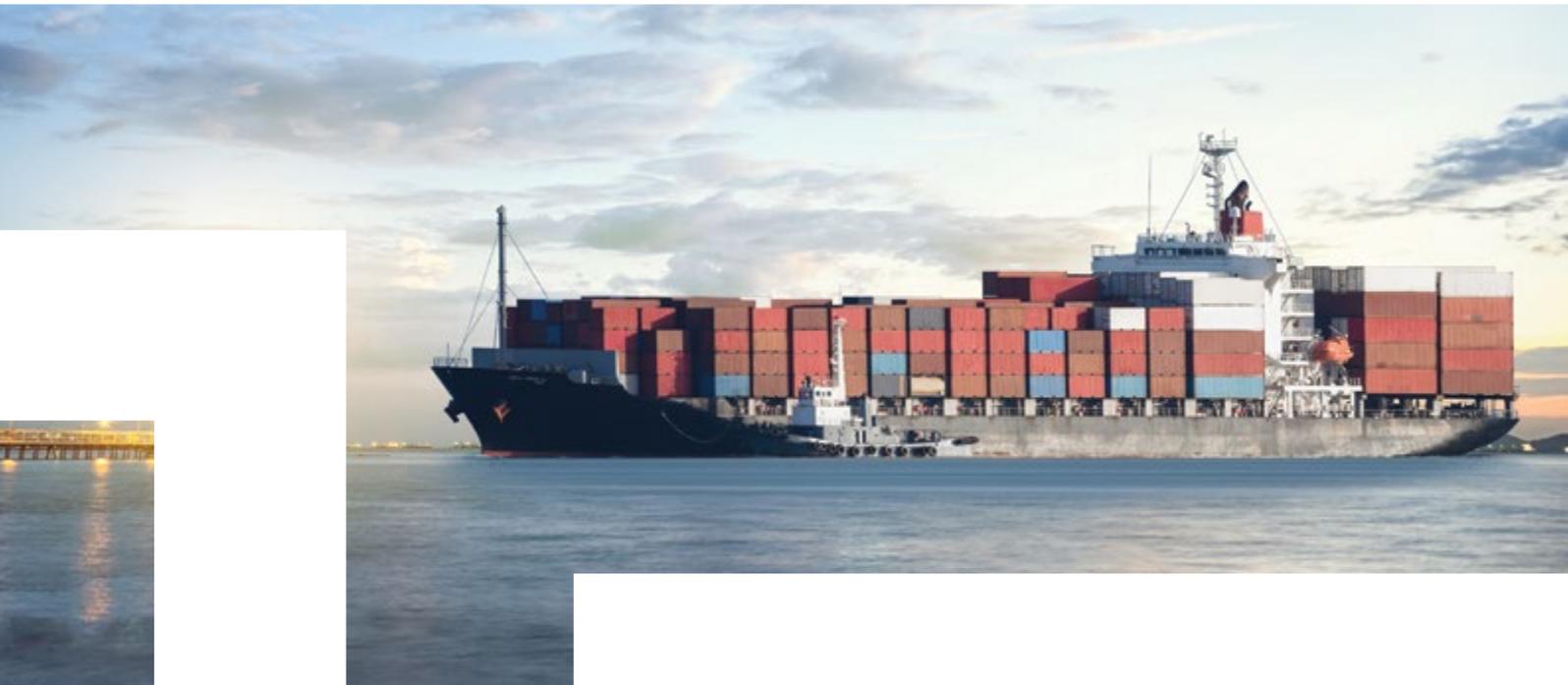


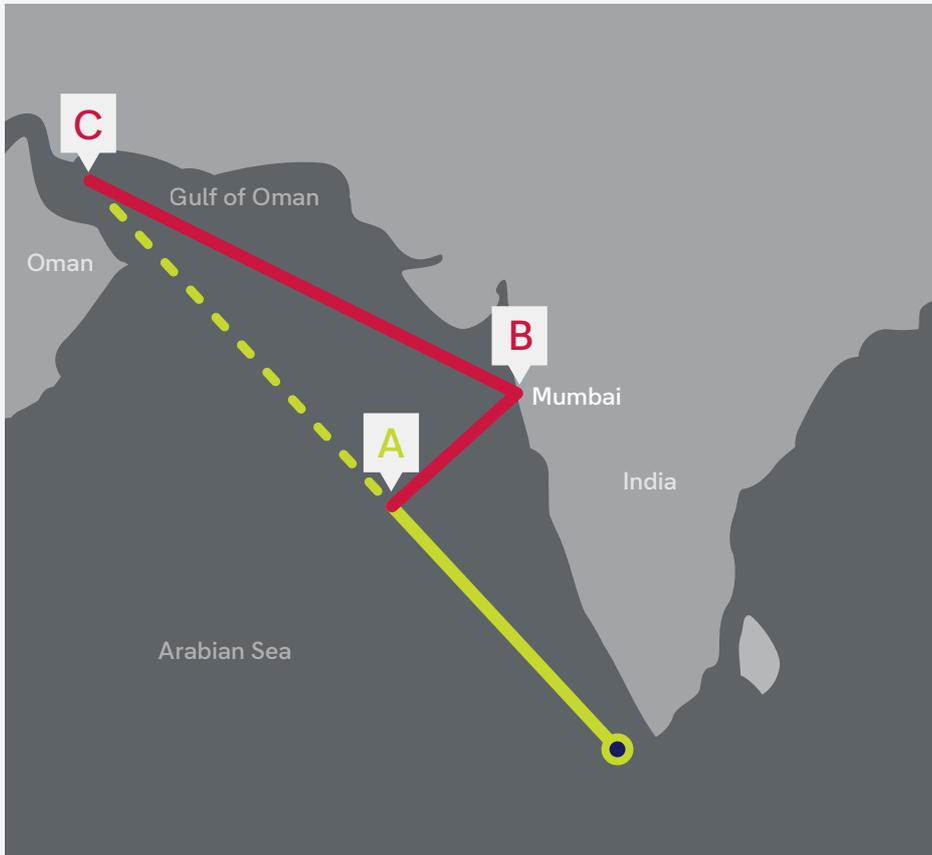


Fuel used

Fuel oil ROBs are known for departing point A, arriving and departing point B, and arriving at point C. The actual average fuel oil consumption per day while underway at passage speed can be calculated and used to determine the additional fuel used on the diversion.

	FO (High Sulphur)	FO (Low Sulphur)	DO
Departure Point A	350.00 tonnes	150.00 tonnes	100.00 tonnes
Arrival Point B	328.40 tonnes	150.00 tonnes	99.91 tonnes
Departure Point B	327.40 tonnes	150.00 tonnes	99.90 tonnes
Arrival Point C	265.97 tonnes	150.00 tonnes	99.60 tonnes
Fuel used on diversion	84.03 tonnes	0.00 tonnes	0.40 tonnes





Key:

Original Track



Diversion Track



A Diversion Point

B Diversion Port

C Point of Returning to Original Track

Average fuel consumption for the diversion, while underway at passage speed from Points A to B and B to C:

FO: 2 days 5.5 hours at 23.00 tpd = 23.00 tpd / 24 hours x 53.5 hours = 51.27 tonnes

DO: 2 days 5.5 hours at 0.11 tpd = 0.11 tpd / 24 hours x 53.5 hours = 0.25 tonnes

Therefore additional fuel used on the diversion that can be claimed for:

FO: 84.03 tonnes – 51.27 tonnes = 32.76 tonnes

DO: 0.40 tonnes – 0.25 tonnes = 0.15 tonnes