

## Set 5

## InfoSheet 5.1

# Insurance

## The Importance of Insurance Cover

Every group or organisation should check its insurance cover at least once a year. There are several insurance options and policies to consider. Some are required by law while others are optional. The more common insurance policies are listed below. Please note this list is not exhaustive.

### 1. Why is Insurance Important?

Volunteers need to be protected. It is not unheard of for volunteers to be seriously injured. The settings of groups or organisations are not always secure, and sometimes groups or organisations may involve lively and physical activity which could lead to increased risk.

Groups and Organisations have a responsibility for the safety of their volunteers and clients. Additionally, volunteers need to understand their rights and responsibilities in relation to being protected from harm and avoiding causing harm to others. This includes the consequences and liabilities contained within the insurance policy.

### 2. Information about Insurance

In an age of increasing litigation, insurance cover for volunteers is no longer a matter of simple good faith, but of essential management practice and, in some cases, a legal requirement.

- It is important to believe and recognise that accidents may happen.
- It is imperative that volunteers are aware of the exact nature of cover provided by the groups' or organisations' insurance. This information can be made available in a Volunteer Handbook containing other essential information, such as Health and Safety, Equal Opportunities and Confidentiality policies.
- There are different implications for groups or organisations working in different settings. Some projects carry greater risks and potential for injury and claims. Some play schemes (for example) may need to be registered with the Local Council.
- The volunteer is not responsible for genuine accidents out of their control, or other people's actions, where the policies and procedures have been met.

### 3. The Legal Implications

#### **Types of Insurance Policy that cover volunteers:**

All volunteer-involving organisations should have an insurance policy that covers volunteers. There are different types of policy, so it is often confusing to work out which is the most appropriate. Basically, volunteers should be covered either under employer's liability insurance or public liability insurance and, depending on the type of work involved, the organisation may need professional indemnity insurance as well. Policies should explicitly mention volunteers because they may not automatically be covered. Insurance companies should also be aware of the types of work that volunteers are doing, because if the tasks are high-risk then the insurance policies may have to be changed to accommodate these risks.

#### **Employer's Liability Insurance**

This covers paid employees in the event of accident, disease or injury caused or made worse as a result of work or of employer's negligence. This insurance does not automatically cover volunteers. There is no obligation to extend the policy to cover volunteers, but it is good practice to do so. The policy must explicitly mention volunteers if they are to be covered by it.

#### **Public Liability Insurance**

Should always explicitly mention volunteers. Also known as third party insurance it protects the organisation for claims by members of the public for death, illness, loss, injury, or accident caused by the negligence of the organisation. Public liability insurance generally covers anybody other than employees who come into contact with the organisation. This should include volunteers, covering them against loss or injury caused by negligence of the organisation if they are not covered under the employer's liability insurance. It also protects for loss or damage to property caused through the negligence of someone acting with the authority of the organisation, which would include the actions of volunteers.

Public liability cover should clearly cover loss or injury caused by volunteers. In some cases a volunteer could be sued as an individual for damage caused to a third party, so the organisation's public liability insurance should indemnify them against this.

#### **Professional Liability**

Professional liability, professional indemnity errors and omissions or malpractice insurance covers the organisation for claims arising from loss or injury caused by services provided negligently or without reasonable care. Such loss might arise, for example, from incorrect care or inaccurate advice. An organisation can be sued for claims arising from incorrect advice or information even if it is given free or via a telephone helpline. Professional liability insurance should also cover defamation, inadvertent breach of copyright, confidentiality and loss of documents.

#### **Further Information**

The following booklet is available: Insurance guide for voluntary organisations, published by the National Council for Voluntary Organisations (Tel: 01536-399016, for ordering publications).

### Good Practice In Insurance

There are a number of ways of achieving this:

- Formal written policies that cover volunteers
- Code of Practice
- Accessible information for volunteers
- Training (minimising risk and health and safety).

A Formal Policy should include guidelines for volunteers should include how to deal with:

- Checking your insurance policies (who checks they are up-to-date and specifically cover volunteers).
- Keeping records
- Parental consent forms (if they are needed for younger volunteers)
- Accident and report forms
- Working preventatively to minimise risk (training issue)
- What is a hazardous situation (training issue)
- Who to report to and how to report an accident.

Guidelines for Volunteer Co-ordinators should also include:

- How to support and advise volunteers
- How to say 'no' to a child and parents if the consent form is not completed
- Procedures for taking a child home
- Who to contact in the event of an accident
- Who to go to for support and guidance (e.g. line manager or HR department).

Also:

- What procedures do you have for checking other people's insurance and procedures if your volunteers will be involved with other groups?
- What procedures do similar groups (your link organisations) have?

### Volunteer Drivers

Make sure that volunteer drivers are insured and have told their insurance company that they are using their car for volunteering. Many insurance companies will not charge any extra for this, but if they are not told then the insurance cover may not be valid. Ask for a copy of the volunteer's insurance document and MOT certificate if required and keep these on file and remember to renew them each year.

You should also ensure that your volunteers contact their insurers to tell them that they will be using their vehicles for volunteering. You may wish to ask that your volunteers provide you with a letter from their insurer specially stated that they are covered whilst volunteering with your organisation.