

# **How and where to get insurance cover for community groups in Southampton**

**Southampton City Council Communities Team**

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# Insurance for community groups

This factsheet provides a brief overview about insurance cover for community groups.

***Disclaimer** This document is intended as a summary of the types of cover normally available. All sources of further information are listed solely for signposting purposes and community groups should seek their own independent advice regarding the type of insurance cover that they require. Southampton City Council is unable to accept liability for any loss or damage or inconvenience arising because of the use of this information.*

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## Do community groups need insurance?

Some insurance cover is required by law, and this will be covered later in the factsheet.

In other cases, the decision about whether your community group needs, or should have insurance, is down to your committee or organizing body.

You will have to decide on the **type** of insurance to get for your group and on the **level** of cover. It is also worth noting that not having any insurance cover does not, prevent a claimant from making a claim against a community group.

If community group arranges events, meetings, and other activities then, in most cases, it will choose to arrange insurance to cover itself in case someone is injured, or property is damaged during an event or activity that the group has arranged or is responsible for. Although the risks that a community group are likely to face when organizing or running a community event tend to be quite low, even with careful planning things can, and do, occasionally go wrong.

There is a wide range of sources of information available to community groups regarding insurance and an increasing number of insurers are prepared to offer cover at reasonable rates - it is certainly worth shopping around to get the best deal. The premium will depend primarily on the activities and size of a group although it is also helpful to be able to demonstrate to insurers that the approach to health and safety and other risks is taken seriously.

Remember to review the cover from time to time particularly if you are looking at undertaking new activities and/or the size of the group is increasing.

## **What types of insurance might be needed?**

It is important that you seek appropriate advice on both the type and level of insurance cover that you may require recognizing that all insurance policies, even those offering 'comprehensive' or 'all-risks' cover, will contain certain exclusions or limitations in terms of the cover provided. So, it is important to understand what your policies do or don't cover. If in doubt, check the detail with your insurance company.

### **Public Liability Insurance**

Whilst not required by law, most community groups that deal with the public, arrange events, and generally operate within the community will consider having public liability insurance.

Public Liability insurance provides cover in respect of claims for compensation that may be made against you by a third party in respect of accidental injury, loss, or damage to property where it is alleged that your community group is at fault. The term 'third party' normally means anyone other than an employee, so it would include any claims that may be made by volunteers, members, and the public against the group.

It is also common for other organizations that community groups may deal with (including local authorities) to request evidence of insurance cover particularly in relation to hiring a venue or planning an event or activity. Evidence of insurance may sometimes be required to access sources of funding.

### **Using someone else's building**

When using somebody else's building (e.g. a community centre) a community group is unlikely to be covered under the owner's public liability policy. Any claims alleging damage to the building or accidental injury during a hiring would be the responsibility of the community group to deal with. This means if you are hiring rooms regularly in a community building owned by someone else you need to consider taking out public liability insurance.

### **Events/trips**

If you are planning an event or a trip you need to inform your insurance company. You may need to take out additional insurance cover. It's best to check what is available at the time you need it to get the best deal.

### **Employer's liability insurance**

If you have any employees then, by law, you need to have 'Employers Liability Insurance'. This covers you, as the employer, for any claims for compensation for illness, injury or death made by, or on behalf of an employee, that occurred during their employment where it is alleged that your group is at fault.

### **Volunteers**

All groups/organizations that use volunteers should check to ensure that either your Employer's Liability and/or your Public Liability Insurance explicitly mentions volunteers; they may not be automatically included in your cover.

## **Motor Insurance**

If your group owns and operates vehicles as part of its activities, then it is a legal requirement to have third party motor insurance. If private vehicles are used (for example to take people on an outing) then the vehicle owner will need to check their own personal motor insurance policy to see if they are covered. If not, they need to contact their insurers. Many insurers will agree to extend cover at no cost.

## **Building Insurance**

Community groups often rent or hire premises as a base for their activities. The terms of the lease or agreement should set out whether the group or the owner (landlord) is responsible for arranging building insurance and what is covered.

## **Contents Insurance**

This normally covers everything that would fall out of a building if you shook it upside down - and might include office equipment, computers, tools, play equipment etc. If your group owns, or is responsible for, such items then it may need to consider whether 'contents insurance' is required. The scope of cover provided can vary significantly but may include cover for theft, accidental or malicious damage, water damage etc.

Cover is often subject to a policy excess which is the amount that the policyholder would have to pay if a claim was made on the insurance. Insurers may also stipulate the minimum acceptable security arrangements. This would depend on the value of the items but may include having intruder alarm coverage, CCTV, or physical security measures such as certain types of locks etc.

## **Professional Indemnity Insurance**

If your group gives professional, technical or consultancy type advice to a third party then it may be necessary to consider arranging professional indemnity insurance. Typically cover is required where the professional advice is provided in accordance with a contract or formal agreement between the parties and for which a fee is received.

## **Trustee Liability**

If your group is managed by trustees/management committee, it is worth considering this type of insurance cover however it may not cover all types of negligence.

"Trustee liability insurance will generally protect trustees from two types of action:

- Acts which are properly undertaken in the administration of the charity
- Acts in breach of trust, but made because of an honest mistake

Trustees may use the charity's funds to pay for trustee liability insurance unless there is an explicit prohibition in the charity's governing document.

The Charity Commission does not allow trustee liability insurance cover for acts which trustees knew or ought to have known were wrong, or for acts or omissions made in reckless disregard of whether they were right or wrong." (From National Council for Voluntary Organizations (NCVO) [trustee-liability-guide.pdf \(ncvo.org.uk\)](https://www.ncvo.org.uk/publications/trustee-liability-guide))

## **Other insurance**

There is a range of other insurances that might be considered such as cover for 'special events' (such as a sponsored parachute jump), legal expenses (where advice

may be required), theft or loss of money, travel insurance etc. In each case a community group should seek advice on its own behalf as to the options available and cover required.

### **Registered Charities and insurance**

For more information follow the link to Charity Commission publication CC49 which talks about charities and insurance: [Charities and insurance - GOV.UK \(www.gov.uk\)](http://www.gov.uk)

## **Further sources of information**

### **British Insurance Brokers' Association (BIBA)**

Their website enables the public to search for an insurance broker that is a BIBA member by location and/or by insurance type.

[www.biba.org.uk](http://www.biba.org.uk)

Find a Broker line: 0870 950 1790

Fax: 020 7626 9676

Email: [enquiries@biba.org.uk](mailto:enquiries@biba.org.uk)

### **Health and Safety Executive (HSE)**

The HSE publish a wide variety of publications offering advice and guidance on health and safety issues for workers, managers, and the general public. A useful publication is 'Employers' Liability (Compulsory Insurance) Act 1969: A guide for employees and their representatives' is available here [www.hse.gov.uk](http://www.hse.gov.uk).

Tel: 0845 345 0055.

### **National Council for Voluntary Organizations (NCVO)**

NCVO is the largest umbrella body for the voluntary and community sector in England and offers advice and information on a wide range of subjects. Their publication 'Getting the best insurance deal' is here [www.ncvo-vol.org.uk](http://www.ncvo-vol.org.uk).

Tel: 0800 2798 798

Tel: 0800 0188 111

Email: [ncvo@ncvo-vol.org.uk](mailto:ncvo@ncvo-vol.org.uk)

### **Volunteering England**

Volunteering England is the national volunteering development agency for England. It publishes information sheets on various issues concerning volunteering including health and safety and insurance.

[www.volunteering.org.uk](http://www.volunteering.org.uk)

Tel: 020 7520 8900

Email: [information@volunteeringengland.org](mailto:information@volunteeringengland.org)

### **Insurance Providers**

(Please note this is a list of insurance companies who specialize in cover for voluntary sector organizations. It is not a comprehensive list and other insurance providers may

be available. This is not a list of recommended insurance providers)

1. **Access Insurance Services:** [www.accessunderwriting.co.uk](http://www.accessunderwriting.co.uk) or 020 8651 7420
2. **ADS insurance:** [www.adsinsurance.co.uk](http://www.adsinsurance.co.uk) or 01992 636324
3. **AON:** [insurance.aon.co.uk](http://insurance.aon.co.uk) or 0118 926 1100
4. **Ansvar Insurance:** [www.ansvar.co.uk](http://www.ansvar.co.uk) or 0345 602 0999
5. **Marsh Commercial:** [www.marshcommercial.co.uk](http://www.marshcommercial.co.uk) or 02380 339662
6. **BTCV:** [TCV | The Conservation Volunteers](http://TCV | The Conservation Volunteers) or 01302 388 883
7. **Case Insurance:** [About us | Q Underwriting](http://About us | Q Underwriting) or 01245 967150
8. **Ecclesiastical:** [www.ecclesiastical.com](http://www.ecclesiastical.com) or 0845 777 3322
9. **The Encompass Policy:** [www.keegan-pennykid.com](http://www.keegan-pennykid.com) or 0131 225 6005
10. **Ladbroke:** [www.ladbroke.co.uk](http://www.ladbroke.co.uk) or 01909 565858
11. **Michael Morton:** [www.mortonmichel.com](http://www.mortonmichel.com) or 0330 058 9861
12. **NCI Insurance:** [www.ncinsurance.co.uk](http://www.ncinsurance.co.uk) or 01914821219
13. **Tennyson Insurance:** [Zurich Charity Insurance](http://Zurich Charity Insurance) or 0800 917 9420
14. **Unity insurance services:** [www.unityinsuranceservices.co.uk](http://www.unityinsuranceservices.co.uk) or 0345 040 7702
15. **Zurich Insurance:** [www.zurich.co.uk](http://www.zurich.co.uk) or 0808 239 1795

Endsleigh Insurance help reduce your organisation's insurance costs?

A key benefit of being one of our members is an exclusive deal with Endsleigh Insurance.

Hayley Baker, Charity Account Manager at Endsleigh recently told us:

“Since our partnership with Community Matters began 18 months ago, we have been delighted with the response we’ve received from members who are interested in speaking to Endsleigh for advice and support around their insurance requirements. We are now working with over 30 members and in total have saved them over £24,000 in insurance premium costs – a fantastic result!”

And one of our members who used the service said:

“I would just like to state that your assistance has been of great help to our organisation and provided us with valuable information and advice on the policy offered, it has also made us savings of over £500, which is important to a charity like ourselves.”

Over at Endsleigh there is a dedicated Community Matters team who can offer you advice. You can give them a call on 01242 866781 or email them at [communitymatters@endsleigh.co.uk](mailto:communitymatters@endsleigh.co.uk)

This written information is available on request in other formats or languages. Please contact Tel 023 8083 3445 or email [communities@southampton.gov.uk](mailto:communities@southampton.gov.uk) for help.

**[www.southampton.gov.uk/yourcommunity](http://www.southampton.gov.uk/yourcommunity)**

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