

January 2023

McClarrons: working with Community First Yorkshire



Agenda

- Overview of McClarrons
- Charity Insurance – 5 minimum requirements
- Other insurance considerations
- Common misconceptions
- Community buildings
- Activities
- Any questions



About McClarrons

→ **Sector Specialists**

We deal with all types of general insurance. However, we have a number of niche areas where we have some real expertise – one of these being the charity sector. We employ people with industry knowledge who take the time to understand our clients and the risks they face, enabling us to provide tailored insurance solutions.

→ **Independent, Family Run Brokerage**

By taking the time to ask questions and understand our client's needs, we provide bespoke recommendations allowing our clients to make informed decisions for greater confidence in their protection.

→ **In-house Claims Management**

We are one of the few brokers who have an in-house claims team to ensure that all claims receive independent and specialist attention.

How we work



Questions

We take the time to ask questions in order to fully understand your risks, priorities and requirements.



Communication

We will contact you to talk through your cover and insurer options, and answer any queries you may have.



Solutions

We will speak with our specialist insurance providers to arrange a bespoke insurance solution for you.



Documentation

Once you've selected your policy, we will provide you with all the necessary and compliant documentation you need for your organization.



Specialist Insurance for Charities and Community Groups

We provide specialist insurance advice and cover for charities and community groups to protect the good work your organisation does now, and into the future.

Charity Insurance Specialists

At McClarrons, we operate a “not one shoe fits all” approach. We appreciate that charities and community groups can offer a huge scope of services, which can provide challenges when sourcing the appropriate cover. We can arrange insurance for small charities and non-profit groups as well as larger national charities, across a variety of services.

We have access to a number of specialist insurance products for the charity and voluntary sector and, if your organisation provides personal care, our proposals will meet the requirements of the Care Quality Commission (or equivalent) and any Local Authority contracts.



What insurance do you require?



There are 5 insurance covers required as a minimum for Charities and Community Groups:

- Employers Liability Insurance
- Public Liability Insurance
- Products Liability Insurance
- Professional Indemnity
- Management Liability/Trustee Indemnity Insurance



Employers Liability Insurance



Employers' Liability insurance is required by Law and covers the organisation against legal action from employees in respect of an accident or injury suffered whilst at work.



What many charity and community organisations forget, or don't realise, is that volunteers under your supervision and control can be classed as employees, making this cover essential. The majority of policies cover volunteers under the definition of an employee.



Should an employee launch a claim for compensation, for example, a volunteer falls off a ladder whilst helping set up a fundraising event, this insurance policy can provide cover for defence costs as well as any potential compensation.



Public Liability Insurance

→ Public Liability protects your organisation for action taken against you by a Third Party; for example, a member of the public tripping over in your office or causing accidental damage to the third party's property.

→ Public Liability insurance can cover your defence costs and any potential compensation if a claim is successfully instructed against the organisation.

→ Public Liability can be extended to cover allegations of potential abuse should your organisation work with vulnerable people in the community, including children.



Products Liability Insurance

- Product Liability insurance protects you against the cost of compensation for personal injuries caused by your faulty product or loss of or damage to property caused by your faulty product.
- Product Liability Insurance is usually offered as standard when Public Liability cover is purchased.

→ Examples would be a homemade product leading to food poisoning or a second-hand item causing a fire in a home after it was sold without being PAT tested.



Professional Indemnity

→ Professional Indemnity Insurance provides protection should your customer take legal action against you for a mistake you have made when providing professional services or advice that causes them a financial loss.

→ Professional Indemnity cover pays your legal costs, as well as any compensation payments that may be due.

→ Charities that need Professional indemnity protection are usually those that give advice, handle intellectual property or hold data, particularly personal data.



Management Liability/Trustee Indemnity Insurance

→ As charities and organisations grow, the importance of a board of trustees or management committee increases.

When people volunteer as trustees to support you and help to look after the best interests of your charity you may want to consider how you protect them.

→ Trustee Indemnity or Directors & Officers policies cover charity trustees/directors against claims made against them personally (rather than the organisation).

→ Some charities promote the fact they have invested in a robust trustee indemnity policy as a recruitment tool for prospective new trustees



Other insurances to Consider

→ Buildings & Contents insurance

Considerable amounts can be spent on assets, so it is important you have the correct buildings and contents insurance in place to protect them.

→ Business Interruption

The purpose of this cover is to help the organisation remain financially stable during the time the property is unusable

→ Motor Insurance

If you are a Charity and your work depends on cars, vans, minibuses or specialised vehicles you need a Motor Insurance policy that is designed specifically for you

Other Insurances to consider

→ Legal Expenses

There is a wide range of services covered under a Legal Expenses Insurance Policy; this can include coverage in respect of employment disputes, coroner's inquests and compliance/regulatory action.

→ Medical Malpractice

Medical Malpractice occurs when a medical or health care professional, through a negligent act or omission, deviates from standards in their profession, thereby causing injury to a patient.

→ Cyber Insurance

This can protect your organisation in respect of data breaches, ransomware, and cybercrime.

Common misconceptions and mistakes surrounding Charity Insurance explained



Common misconceptions and mistakes

- I don't need to insure donated items as they cost us nothing
- We will get the lowest limit of Public Liability as we don't need it by law
- I don't employ anyone so I don't need Employers Liability

Community Buildings

- Owned or Leased?
- Underinsurance and Average Clause
- Listed or non-standard construction?
- Property Owners Liability
- Hiring out for events

Activities

- Business description – Ensure insurers are aware of all business activities and the business description is adequate
- Inflatables/bouncy castles

Any Questions?



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