

**November 2009**

This guide is to provide volunteer-involving organisations and community groups with information about:

- Why they should insure their volunteers
- What the appropriate types of insurance are
- Where to obtain this insurance

### **Why should we insure our volunteers?**

In the course of their voluntary work volunteers may be exposed to a variety of risks including:

- Personal injury or death, resulting from accidents and physical assault.
- Claims against them for damage to property or personal injury for which they can be held legally liable.
- Loss of, or damage to personal property.

### **Why should our organisation provide insurance cover?**

- Adequate and appropriate insurance cover is the main financial provision in the event of accidents to, or by volunteers in the course of their voluntary work. The failure by an organisation to provide protection, especially in increasingly litigious times, may find itself in financial jeopardy.
- Volunteers should be made aware of the type(s) of insurance in place and the total amount(s) of cover provided.
- Volunteers should also be informed if any restrictions to the insurance cover apply, for example, participating in high risk activities.
- Having adequate and appropriate insurance

cover does not dispense volunteer-involving organisations and community groups from putting in place measures to minimise risk.

### **What are our responsibilities as an organisation?**

Organisations must take all reasonable steps to reduce to a minimum, the possible risks listed above. The organisation should take steps to:

- Implement selection procedures that ensure that volunteers are appropriately matched with volunteer tasks.
- Ensure that volunteers are not placed in situations which may endanger their own or other's physical or mental well-being.
- Provide adequate training, management and supervision, which includes giving clear guidance to volunteers on how to report accidents or loss or damage to property.
- Clearly define volunteer tasks and responsibilities and communicate these to volunteers and paid staff.
- If necessary to the task, provide safe and tested equipment and protective clothing.
- Implement the organisations health and safety policy.
- Each year the insurance cover in place should be checked to ensure that it provides adequate cover for both volunteers and paid staff. It is good practice to treat volunteers with equal consideration when it comes to health and safety.

## What are the legal liabilities as an organisation?

- An organisation can be held legally liable if it is proven that it was negligent or failed to take 'reasonable care' to prevent injury or damage to property.
- This liability extends to the actions of all employees and volunteers while they are working for the organisation.
- This liability arises from the general duty (also known as **duty of care**) on all individuals and organisations to avoid carelessly causing injury through the negligent acts of its volunteers, to clients and members of the public or damage to their property, regardless of the size of the organisation, its income or whether it employs paid staff.
- An organisation may also be held legally responsible for the death, injury or loss caused by incorrect advice or information given by it.

## What are the appropriate types of insurance available?

### 1. Public Liability Insurance

Also known as Third Party insurance it provides the organisation with cover in respect of injury, death and loss or damage to property of anyone other than employees that come into contact with the organisation and covers volunteers if they are included in the policy. It only covers legal liability, so it will not provide compensation where there is an accident that is not due to negligence. It is important to check with your insurer that this type of insurance extends to volunteers.

The level of cover depends on the type of work the organisation and its volunteers engage in. A minimum cover these days is £5 million for this type of insurance.

### 2. Employers Liability Insurance

All employers are required by law to take out this insurance to cover employees in the event of accidents, injury or disease. It can also be extended to cover volunteers as employees and this aspect must be clarified with your insurer before your organisation engages volunteers. Ensure that your policy makes explicit reference to volunteers.

### 3. Professional Indemnity Insurance

Professional Indemnity Insurance covers the organisation in respect of legal liabilities for injury, damage or financial loss resulting from giving incorrect advice or information. These liabilities may also apply even if the advice is given free of charge, for example when volunteers are involved with telephone help lines. Liability can arise in respect of both written and oral advice. Organisations whose volunteers are involved in advice and information giving should obtain this type of cover.

#### *Disclaimer notices*

These do not guarantee that a court would be sympathetic when advice or information is given as an integral part of the work the organisation is involved with. If a disclaimer is to be successful it must be shown that it was brought to the attention of the claimant at the time the information was given.

### 4. Personal Accident Insurance

Personal accident insurance for volunteers provides compensation over and above when there is a legal liability to do so, thus giving volunteers extra protection against accident.

Organisations wishing to provide its volunteers with compensation in the event of injury to themselves, regardless of whether it has a legal liability to do so, should consider obtaining this kind of insurance cover.

## 5. Motor Vehicle Insurance

The organisation should ensure that there is appropriate insurance cover for volunteers who drive motor vehicles hired or owned by it.

When volunteer drivers use their own vehicles for voluntary work, the organisation should inform them that they need to tell their insurance company in writing that they will be using their vehicle for this purpose. They should also state in writing that they will not be in receipt of any profit for their voluntary work, only expenses at or below the mileage rate set by the Inland Revenue.

The organisation may wish to consider taking its own insurance cover to protect the no-claims bonus of the volunteer who may be involved in an accident while driving as a volunteer.

## 6. Board and Directors Insurance

Volunteers who are trustees on the board will be personally liable for any losses in the case of an incorporated organisation, therefore organisations should consider taking out insurance to protect their trustees.

## Who to contact

At the time of writing the following organisations or insurers are offering relevant cover:

### Encompass Insurance Policy

Keegan & Pennykid (Insurance Brokers) Ltd  
50 Queen Street  
Edinburgh  
EH2 3NS  
Telephone: 0131 225 6005  
E-mail: [mail@keegan-pennykid.com](mailto:mail@keegan-pennykid.com)  
[www.keegan-pennykid.com](http://www.keegan-pennykid.com)

### MacDonald Reid Scott

23 Eagle Street  
Glasgow G4 9XA  
Telephone: 0141 331 1515  
[www.macdonaldreidscott.com](http://www.macdonaldreidscott.com)