



Not For Profit Insurance

Frequently Asked Questions

Insurance Cover for Charitable, Not for Profit, Voluntary Organisations
& Organisations that involve Volunteers

Most commonly asked questions:

1. What sum insured/values should each organisation insure for?

Aon's policy for Property Coverage organised for each organisation is based on reinstatement and replacement values, i.e. new for old.

In this presentation, please refer to the Combined special risk section.

2. What change in assets or locations should I advise to Aon?

Acquisition of major assets, e.g. buildings, computer systems, etc, should be advised to Aon as soon as possible. **Insurers only cover the assets and locations they are aware of.**

3. What activities should I advise the Insurer of?

All activities your organisation carries out, including events, fairs, etc.

4. What about new activities or a change in activities?

These should be advised to your broker or insurer.

5. How are motor vehicles under lease insured?

Motor vehicles leased by the organisation are insured under the comprehensive policy organised by Aon the same as any other organisation owned vehicle.

The details of the vehicle should be advised to Aon, e.g. year, make of vehicle, registration number, value, and these are included under the policy. Loss of lease is included in Aon's policy.

6. What does the Public Liability policy cover me for?

The policy covers all sums for which you become legally liable to pay to third parties as compensation for personal injury and/or property damage caused by an occurrence in connection with your business activities. The policy should cover all activities of the organisation including those of volunteers.

7. Does the policy cover one volunteer taking legal action against another?

No, however, the policy can be extended to cover "member to member"* liability.

** Member to member liability covers all sums insured which one of your paying members becomes legally liable to pay to another paying member as compensation for personal injury and/or property damage, i.e. members of a club*

8. In the event of a claim, can I admit liability?

No matter how minor an accident, in the event of a claim or incident that may lead to a claim no liability should be admitted. It is most important that no admission of liability, either verbally or in writing, be made as this constitutes a breach of policy conditions and may prejudice acceptance of the claim or the claim settlement.

9. Do you require a list of all our volunteers?

We do not require a list of names, just the total number of volunteers involved with the organisation in a year.

10. Are staff vehicles covered under the motor non-owned section?

Staff vehicles are not covered under the motor non-owned policy unless they are being used for activities on behalf of the organisation and are declared in the number of vehicles insured i.e. driving to and from the office there is no cover.

11. Are vehicles still insured when they are loaned or hired to other organisations?

Yes, as long as the vehicles are authorised by your organisation to be used by the other organisation and are used by the hirer for similar not for profit activities. As your organisation will have to pay a deductible or excess in the event of a claim Aon advise that it is recommended to have an agreement in place with the hirer to pay the excess in the event of a claim. If you are doing commercial hires these should be referred for cover.

12. What if our circumstances change from those originally declared?

If you merge with or takeover an organisation, or change your activities, i.e. organise an event, move into childcare, etc, you must advise your Broker/ Insurer to ensure cover is extended to cover these activities.

13. We are fully insured, why do we need risk management?

Insurance is only one way to manage the risks facing an organisation. It may not be the best way of managing a risk because:

- a. it may cost much more than other ways of controlling risk.
- b. it does not achieve the preferred outcome (preventing harm), it only compensates after the event/injury.
- c. it may not cover all risks and may be capped to a ceiling.
- d. Insurance policies have exclusions which risk management needs to factor in.

14. Do we still need a risk management plan if volunteers in our state are protected by volunteer protection legislation?

The Commonwealth and some states in Australia are following the American example of passing laws to protect certain volunteers from being personally sued under certain conditions. The volunteer's liability is transferred to the community organisation, which may then be able to be sued for the actions of its volunteer. Your risk management plan therefore needs to take into account the provisions of any volunteer protection legislation in your state.

NB: This type of legislation does NOT give all volunteers a blanket immunity in all circumstances. (It may not apply, e.g., if the volunteer was involved in a motor vehicle accident, was affected by alcohol or certain other drugs, or was acting outside the scope of the activities authorised by the community organisation or contrary to its instructions).

15. Why do volunteers need to be part of our risk management plan?

A not for profit organisation is responsible for the actions of its volunteers and paid staff. Inappropriate volunteer behaviour can seriously harm and prevent a not for profit organisation from achieving its mission. Volunteers, like employees, are a valuable resource to your organisation and should be part of any risk management system. Including volunteers in your risk management system will help protect both your organisation and your volunteers. The various volunteers protection Acts do not lessen the need for appropriate risk management strategies.

Several Laws such as work health safety and occupational health and safety impose requirements for training.

16. Will imposing risk management plans and exemptions on volunteers make it harder to recruit and train volunteers?

Volunteers want to enhance the resources of a not for profit organisation, not deplete them. They want to help it to achieve its mission, not hinder it. Most volunteers want to be part of a well managed organisation that considers their needs and rights, and gives them proper training that enables them to maximise their contribution.

Appropriate risk management plans which are clearly communicated will reassure volunteers and give them confidence about working for the organisation.

17. What are some common mistakes in risk management plans?

- a. they are formally prepared, but never implemented or regularly revised.
- b. they cover the risk that are easy to treat and leave the difficult risks untreated.
- c. they rely too heavily on insurance as a strategy.
- d. they assume the organisation's insurance covers risks that it does not.
- e. the risk management plan is not amended when insurance policies alter or new activities begin.

18. Wouldn't it be easier just to copy another organisation's risk management plan?

Not for profit organisations are diverse, even within the same sector. A risk management plan will be quite different even for similar organisations because of variables such as size, organisational culture, property ownership and leadership. You are far more likely to identify all of the risks relating to your organisation by working through the process of planning your own risk management strategy, than by just blindly copying another organisation's work. An understanding of what risk management means and an ownership of strategy to protect and enhance the mission of your organisation are essential.

19. How are volunteers covered for accidental injury?

Apart from Medicare, the only other cover available is Voluntary Workers Personal Accident.

If injured by third parties liability policies may then be involved where volunteers could sue for the negligent injury.

20. How do I cover one day events?

These can be an extension to your existing Public Liability policy Or one off cover can be provided.

21. Does my Volunteers Personal Accident cover indoor volunteers if outdoors is selected?

Yes, outdoor volunteering is seen as a higher risk by insurers. This means that if coverage for outdoor volunteers is selected, the policy will automatically extend to cover indoor volunteers also.

22. Can I Insure Market Stalls?

These can be added to your existing policy or one off cover provided.

23. Does our policy have an age limit?

The only policy that usually has an age limit is Voluntary Workers Personal Accident and travel policies. Look for Voluntary Workers Personal Accident policies with "nil" age limitations, but beware as coverage is still only for volunteers (or members where extended) and the volunteers must be able to take direction/orders from the organisation.

24. Is participation in sporting activities covered under my Public Liability and Voluntary Workers Personal Accident policies ?

The Public Liability policy Aon arranges will automatically provide cover for liability arising out of participation in non-contact sports.

The Voluntary Workers Personal Accident policy Aon arranges covers participation in non-professional sporting activities, except for football.

If cover for participation in any contact sport is required this would need to be referred to our insurers for both Public Liability and Voluntary Workers Personal Accident policies.

25. Are volunteers covered at events?

Coverage should be provided through Public Liability and Voluntary Workers Personal Accident.

26. We hire our hall/meeting rooms out. What should we ask of third parties?

Third parties at events or hiring halls/premises should bring their own insurance, such as Public Liability, Voluntary Workers Personal Accident and Workers Compensation. 24. I'm a start-up, how do I know what insurance cover to look for?

Aon has created the insurance puzzle solver to assist start ups identify covers that they may require. This can be accessed at www.aon.com.au/va

Once completed you can either fill in the application form or request that one of our NFP Team members contact you to discuss your needs.

27. Cyber Insurance – what are the fundamentals?

Cyber insurance is a product to protect organisations and individuals from Internet-based risks, and more generally risks relating to IT infrastructure and activities. Cyber risk is an exposure that no modern business can escape, and the financial impact of system interruption, privacy and cybercrime events are now felt within all industries.

Cyber-crimes include cyber-stalking, industrial espionage and information theft, fraud, extortion, identity theft, phishing scams and cyber terrorism. Cyber criminals use malware and viruses, computer and network hacking, denial of service attacks and fraudulent online scams to commit their crimes. It is relatively easy to access computers and networks inadequately protected by virus software or passwords. Hackers directly steal laptops, computers and mobile devices and take advantage of computers that are left unattended.

28. What is the difference between Protector/Association Liability and Cyber insurance?

Some of the key differences between Protector/Association Liability Policies and Cyber Liability include:

- Protector/Association liability relates to the provision of a professional service, but information and cyber risks are often not a fundamental part of the professional service being offered.

- Protector/Association Liability cover is negligence-based, and since the Protection of Personal Information Act is going to impose strict liability, Cyber risks could fall wide of the cover.
- Fines and penalties are a very common exclusion under Protector/Association policies, whereas cyber insurance policies generally afford coverage to the extent insurable by law.

29. I'm only doing work experience for a few days can I still get cover?

Aon's combined Public Liability & Personal Accident Policy has been designed to suit the needs of interns and work experience participants, whether working only short-term or for up to 12 months and no matter the type of work.

30. I have a group of students coming to do work experience, can I cover them all?

Aon is able to write work experience policies for both individuals and groups depending on your needs.

31. Which states have excluded employee journeys to and from work from Workers Compensation?

States that have excluded journey from workers compensation and therefore require journey cover are:

- New South Wales
- Victoria
- Tasmania
- Northern Territory
- South Australia
- Western Australia

32. I'm a for-profit business that provides services to NDIS recipients, can I get cover?

Aon have designed a full insurance programme specific for businesses providing services to NDIS recipients. Including : Public and products liability, Professional Indemnity & Management Liability, Voluntary workers personal accident, Property and crime, Owned Motor Vehicles & Non-Owned Motor Vehicles

33. I am an NDIS recipient and have paid carers; do I have any risk exposure?

Should something go wrong, a home and contents cover won't necessarily protect you, so we've created an insurance policy, Carers Protection Insurance, to ensure you've got the cover you need in this situation.

The insurance policy is a combination of Public Liability and Personal Accident insurance and will cover you and your family in the event of a third party making a claim against you, or should your child or person in your care, have an accident.

34. As an NDIS recipient I employ a carer are they covered?

As they are an employee you will need to check with your State Workers Compensation body as to whether or not you need to take out a policy for them.

You should check your employed carer has appropriate insurance cover to protect you such as public liability and professional indemnity.

35. Do you have to be a registered NDIS service provider to obtain a quote?

Yes, as an NDIS service provider or recipient you will need to be NDIS registered, or in the process of registration, to obtain a quotation.

36. Can I get a quote over the phone?

Yes, our brokers in most cases can provide a rough indicative quotation where you provide relevant information such as activities, turnover etc. over the phone, however to receive an accurate quotation with complete cover and exclusions noted, a proposal form will need to be completed to capture all the necessary information.

37. Can I get a quote online?

You will be able to receive online quotes for Work Experience. All other policies require more detailed information to be provided and therefore it is recommended to speak with one of our brokers who can provide appropriate advice.

38. We are not a registered NFP, are we still able to get insurance?

You do not need to be a registered NFP or charity to take out the insurances we arrange, however you do need to identify as an NFP or charity. If you are an NDIS service provider or recipient, you do need to be registered with the NDIS to apply for our Policy.

39. What insurance cover does my NFP organisation need?

Each organisation will require different insurances due to their risks and the activities they provide. To assist with deciding what insurances you may need, it is recommended you use our Insurance Puzzle Solver or speak to one of our brokers.

40. What are the benefits of using Aon NFP team for my insurance needs?

Aon is one of Australia's largest brokers and has been working with NFPs and charities for over 25 years. We have a team of dedicated brokers who can tailor insurances for risks commonly found in your industry.

41. Can I make a payment over the phone with you?

To make payment over the phone please call our payments team on 1300 854 017 or follow the instructions at the bottom of your invoice.

42. What is the process after I have completed the proposal form?

After you have completed the proposal form you will need to click the 'Submit' button at the bottom of the form or forward the form onto your broker. Provided your broker has all necessary information they will return your email with an appropriate quotation or, if required, refer the quotation to our panel of insurers for terms.

43. How long does it take to receive a quote?

Provided your broker has the necessary information you should expect to receive a quotation within 48 hours. If the quotation requires a referral to our insurers this may take longer as the insurers will need to review the information before providing terms. Our insurers typically have a turnaround time of 48 hours also.

44. How can I make a claim?

To make a claim on your policy contact your broker directly to discuss the incident or notify our First Assist team on 1800 854 017.

45. Can I cancel my Policy midterm?

Yes, it is recommended you speak with your broker before doing this, so they can advise the risks of cancelling your Policy and any fees that may be applicable.

46. Can I pay by the month?

Apart from Work Experience and One-Off Event policies we offer monthly repayment options. When Aon arranges premium funding through a third party, we act as agent for the premium funder for the purposes of facilitating your initial loan application, and not as your credit provider or finance broker.

47. When do I receive my Certificate of Currency?

You will receive your Certificate of Currency by request once your policy premium has been paid. If you require a Certificate of Currency, please contact your broker who will organise this to be sent to you.



Contact us today!

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