

☑ Insurance

Why is it necessary?

Volunteer insurance can protect a group or organisation from unexpected costs resulting from any accident, injury or liability incurred in the course of its volunteering activities. It also gives recognition to the importance of volunteer work and can provide protection to volunteers from unnecessary financial hardship.

Unlike paid staff, volunteers are not covered by award conditions or work place agreements. Volunteers need to be confident that in undertaking their voluntary work they are insured against the risk of personal injury and liability. An example might be if a volunteer has an accident during the course of their authorised volunteer activity and then cannot undertake their normal paid work. In this instance a group may need to ensure that that volunteer does not suffer financial hardship from any lost wages, even though it does not pay the volunteers for their services.

Whether a group is a small community group or a much larger not-for-profit organisation, it is very important that *adequate* and *appropriate* insurance cover is provided for members and volunteers.

What questions should be asked about insurance cover for volunteers?

A group or organisation will need to ask many questions in consultation with staff, volunteers, board or committee of management as well as their insurance company. Asking these questions will help to determine the type and appropriate amount of insurance required. Questions by the group or organisation can include (but are not limited to) the following examples:

- Does your organisation utilise volunteers?

- Does the group or organisation already have volunteer insurance cover? (*Your group may in fact be already covered by local council under section 86 of the Victorian Local Government Act (1989)*)
- Can volunteers be included in existing insurance cover if not already?
- What types and amounts of Insurance Cover (if any) does the organisation require?

When making decisions about volunteer insurance, a group or organisation will need to establish who they provide services to as well as considering their obligations toward the volunteers providing those services. Note that there may be exclusions for some volunteers and the group will need to establish what these exclusions are when insuring volunteers. Exclusion means that some activities by volunteers cannot be covered by the organisations insurance policy and the responsibility for certain extended insurance cover may lie with the volunteer. For example, organisations will not pay comprehensive vehicle insurance on individual volunteers' private vehicles, even if the volunteer uses that vehicle to conduct their voluntary work.

Further questions might then include whether there are age limits on volunteers who can be covered; if the policy has a limitation on the number of volunteers doing certain volunteer work at any particular time; and what the amounts of cover provided are as these can vary quite a lot.

This list is not exhaustive. There will be other questions specific to your organisation and the activities it undertakes.

What kinds of insurances should a group or organisation investigate?

There are many types of insurance cover; however the types included here are those that

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have the most relevance to volunteer activity in rural areas.

Public Liability Cover

Designed to protect a group's assets against legal action by persons outside the group as a result of a negligent act done by people working for that group. *All incorporated organisations are encouraged to have public liability cover.* A group will need to ensure that any public liability cover specifically mentions volunteers, or covers them as members of the organisation. There is a legal requirement to have a certain amount of public liability cover if a group is funded by a government department, or other source, to provide a service. A group must also determine if the cover should extend to on and off the main premises.

Personal accident Insurance for Volunteers Cover

Covers volunteers for any accidental injury, disability or death in the course of their authorised voluntary activities. The benefits of including this type of cover include death and capital benefits cover, temporary total disability and non Medicare expenses, including ambulance and other travel expenses.

Other insurances

May or may not be required by your group or organisation depending on the involvement of volunteers. These could include (and are again, not limited to):

- Directors' and officers' liability – for voluntary committees of management.
- Professional indemnity – for volunteers undertaking a professional duty.
- Motor vehicle insurance – for volunteers driving vehicles belonging to the group or organisation.
- Motor vehicle insurance (non-owned) – for volunteers using their own vehicles.

- Third party personal – for passengers and third parties in a motor vehicle.
- Sports insurance – for volunteers involved in sporting activities.

Do volunteers need to be informed about insurances when volunteering?

Volunteers should be informed, *before they begin their authorised volunteering duties*, about the types of insurance cover being provided, including any specific information on the limitations of that insurance cover in relation to their volunteering role.

In conclusion

A small group needs only adequate insurance where appropriate, but larger groups or incorporated associations may need to investigate more extensive insurance cover. The information contained in this information sheet is not comprehensive or exhaustive because every group will have unique situations which will determine the amount and types of cover they require. **It is in the best interests of all groups, no matter their size or their volunteering activities, to consult with their insurance company to fully determine their insurance needs.**

The information contained in this information sheet is generic. Please contact your volunteer resource centre if you require further assistance.