



Our Community Insurance Week 2023

Cover For Your Board & Why You Need It

AON

Acknowledgement of Country

We begin today by acknowledging the Traditional Custodians of the land on which we all meet today, and pay my respects to their Elders past and present.



General Advice Warning

The information provided to you may be general advice. In preparing the information, no account was taken of your own personal objectives, financial situations, or needs.

Accordingly, you should take into account the appropriateness of any general advice or information we have given having regard to your own objectives, financial situation and needs before acting on it. Where the information relates to a particular financial product, you should obtain and consider the relevant Product Disclosure Statement before making any decision to acquire that financial product. Please feel free to contact your nearest Aon branch for further information and assistance.

Aon NFP

- ⑤ Aon is one of the largest providers of NFP Insurance in Australia with over 40 years experience
- ⑤ NFP specific wording, developed with consultation through Our Community
- ⑤ Dedicated team of brokers to provide technical expertise
- ⑤ Approved as Our Community's preferred broker
- ⑤ More information can be sourced from aon.com.au/oc

Boards of Management/Managers

- ④ Why is cover important

- ④ What they look at
 - Review and run the Organisation Contracts
 - Risk Management
 - Comply with various Legislation

- ④ New Exposures

What is Risk Management?

- ④ A recognised method of injury prevention – its not just insurance.
- ④ Risk management guidelines enable organisations to:-
 - Establish the context
 - Identify risks
 - Measure/analyse risks
 - Evaluate risks
- ④ Treat risks
 - Avoid the risk
 - Control the risk
 - Transfer the risk (insurance)
 - Finance the risk

Transfer of Risk

- ① Each organisation needs to consider its own insurance needs.
- ① What is your organisation's exposure?
- ① What can your organisation afford to self-insure?
- ① Different policies will cover the transfer of risk you require.
- ① Once you have determined that you are transferring your risk to an insurance policy, you need to consider the different areas for each class of insurance

Risk Management Guides

- ① Free Risk Management help forms are available from Our Community's website at : <https://communitydirectors.com.au/tools-resources/insurance-and-risk-management>
- ① A sample article with common fundraising event mistakes can be found at <https://business-insurance.aon.com.au/sme-talk/professions/charity-fundraising-mistakes>
- ① This details some risk management requirements for NFP's
- ① Risk Management plans shouldn't be copied from another organisation
- ① Professional organisations can review work places and provide Risk Management plans for a fee.

Liability Insurance

What liability exposure do you have?

① Organisations and Board to protect themselves should look at three policies, being:

- Public & Products Liability
- Association Liability
 - Professional Indemnity
 - Directors & Officers

Public and Products Liability

- ② This Policy protects your legal liability to third parties for personal injury or property damage.
- ② Third parties include but not limited to:
 - Clients
 - General public
 - Third party organisations/visitors
 - Third party property
- ② It is imperative that you advise the insurers:
 - **Not only your core activities but all activities of your organisation**

Public and Products Liability

① You need to be aware of:

- agreements effecting subrogation rights
- hold-harmless agreements where people may contract-out or remove the subrogation rights
- contracts and lease agreements (Hall hire)
- New events or activities
- Limits of liability
- Volunteers

① Excludes:

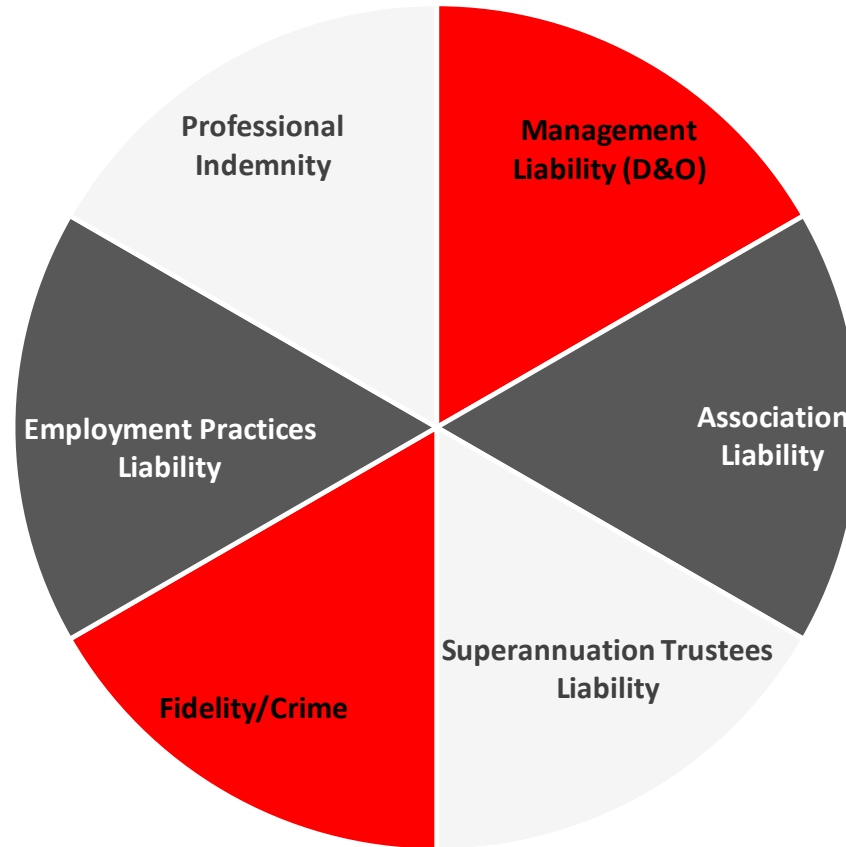
- All contractors/subcontractors
- Participation in sporting activities
- Activities not advised to Insurer

Public and Products Liability

Possible Claims

- Slip and Fall
- Damage to Property : Walls, parked vehicles, third party equipment
- Food poisoning
- Goods in Care Custody and Control, destroyed or stolen
- Assault
- Collapse of furniture on third parties
- Injury to clients whilst assisting them

Protector/Association Liability



Association/Protector Liability

Professional Indemnity

① Covers your organisation for giving advice ie. training, counselling, respite/health care, education

① Areas to be considered:

- Libel and slander
- Defamation
- Medical malpractice
- Volunteers

Association/Protector Liability

Management Liability (Directors & Officers)

- ① Pays compensation on behalf of the Office Bearers of the Association against loss arising from any claim by reason of any wrongful act in the capacity of Officer Bearer of the Association first made against them jointly or severally.

Areas to be aware of:

- ① Government legislation
 - Wrongful Dismissal
 - Equal Opportunities Act
- ① Volunteers

Association/Protector Liability

Possible Claims

① Errors & Omissions (Professional Indemnity)

- Advice on the installation of home modification and maintenance
- Defamation of visiting professional expert by committee on technical grounds
- Advice on regulatory regime being created

① Office Bearers Liability

- Wrongful dismissal alleged by Secretary of Association
- Failure of the Chairman to monitor management
- Failure to renew membership of an individual

Association/Protector Liability

Possible Claims

④ Association Reimbursement

- By-laws

④ Fidelity Guarantee

- Theft of contributions or membership fees
- Dishonest allocation of government grants

Voluntary Workers Personal Accident

- ④ Around Australia every State and Territory has legislated to protect paid workers. This legislation does not extend to volunteers.
- ④ This cover is to insure your volunteers whilst carrying out voluntary work on behalf of your organisation.
- ④ Most boards will be volunteers
- ④ Covers volunteers for accidental injury and death only – no sickness cover – as per Table of Benefits
- ④ No deferral period
- ④ No age limit, however, limitations apply
 - Volunteer must be able to take direction and work unsupervised
 - Over 65 years capped at 52 weeks for domestic home help
 - Over 65 years excluded from permanent disability cover, except as per schedule detailed later

QUESTIONS?

Contact

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