

Group Insurance for the Volunteer Community



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Community organisations typically rely heavily on insurance cover to protect themselves and their volunteers against unforeseen claims, which can occur as a result of public liability, personal accident, financial losses to committee members or officers, and/or loss of income for volunteers from injury.

The purpose of this fact sheet is to provide a basic summary of a particular type of insurance called 'group insurance', which may be applicable to your community organisation and could assist in reducing the cost of its insurance premiums.

What is group insurance all about?

The cost of insurance to volunteer-involving organisations can be significant or even financially unviable, so it makes sense to investigate alternative approaches such as group insurance.

Group insurance, whether negotiated by a broker or through peak bodies or associations, has assisted many community organisations to secure more comprehensive and affordable insurance cover.

In simple terms, group insurance is an arrangement between multiple community organisations undertaking similar activities, which join together to apply for insurance cover collectively, to reduce the overall insurance cost for each organisation involved.

How do I get group insurance?

The success of a group insurance scheme depends on the broker being able to group similar organisations together and deliver an easy to insure "package of groups" to the insurance company.

Obtaining group insurance is usually achieved through one of the following two methods:

- Mutual decision – similar community organisations approach each other and organise to have group insurance negotiated through a broker.
- Peak bodies – associations that represent a number of organisations undertaking similar activities can coordinate their member organisations into the one group insurance policy.

What are the benefits of group insurance?

Group insurance schemes have provided benefits such as:

- helping to find insurance cover for groups who cannot obtain insurance on their own, especially smaller groups
- assisting organisations to obtain a more comprehensive and affordable insurance cover
- bringing organisations together to work collaboratively and forming networks of interest across sections of the volunteer community
- providing comprehensive insurance for many sporting organisations under umbrella groups such as the Australian cricket and football communities

How do I find out more?

AON Australia and Volunteering Australia have jointly developed a product called the 'Volunteers Vital Pack Summary'. This is a free resource to use when sourcing or reviewing insurance cover and is available at <http://volunteeringaustralia.org/policy-and-best-practise/insurance/>.

In recent years a number of insurers have emerged who focus on providing relevant and affordable cover for smaller community organisations. These include (but are not limited to):

- Local Community Insurance Services (LCIS), a specialist insurance provider established to manage the insurance needs of not-for-profit clubs and community groups within Australia. LCIS is a division of Jardine Lloyd Thompson and their services can be viewed at: <http://www.localcommunityinsurance.com.au/>.
- Community Related Insurance and Superannuation Program (CRISP), managed by Willis Australia under licence from New South Wales Meals on Wheels Inc, an Australia-wide specialist insurance program specifically for not-for-profit community organisations: <http://www.nswmealsonwheels.org.au/About-us/The-Association/Community-Underwriting>.
- Ansvr Insurance operating through 'Our Community', which is a prominent social enterprise based in Victoria: http://www.ourcommunity.com.au/insurance/insurance_main.jsp.
- NCOSS Community Cover which offers a bulk-buying insurance program brokered through AON Risk Services: <http://www.ncoss.org.au/content/category/9/156/127/>.