**Insurance – a quick guide**

If you are running a community building, you will need to ensure you have sufficient insurance coverage in place to protect people from harm and to protect your premises and yourself as an organisation.

You should identify and designate one or two people within your organisation who are responsible for ensuring that:

* insurance policies are up to date
* Insurance cover meets the needs of the organisation and funders
* policies are saved securely and are easily available to all staff members who may need them

We highly recommend you work with an insurance broker to ensure you purchase an insurance policy that meets the needs of your organisation.

You should always check that your insurer is authorised by the Financial Conduct Authority (see: <https://register.fca.org.uk/s/).>

**Different types of insurance**

1. **Buildings insurance**

If you own the building, then you should take out buildings insurance to cover potential loss or damage caused by events such as flooding, fire, fallen trees, theft, vandalism, vehicle collision etc.

Your insurance should cover the full cost of rebuilding your building. You can combine building insurance with contents insurance (which covers belongings and possessions) or keep them separate.

If you are renting the space or building, then it is the building owner’s responsibility to arrange sufficient cover for potential cost of repair from damages to the property.

1. **Contents insurance**

Contents insurance is recommended for both the building owners as well as charities and groups hiring facilities to protect their belongings and items.

Content insurance insures items or objects that are owned by your organisation, protecting against damages for example caused by flooding, fire, or accidental damage.

You may also wish to consider additional insurance for items such as mobile phones and computers.

1. **Public liability insurance**

* **For your organisation**

Public liability insurance covers you if a member of the public or client/ beneficiary claims they have been injured or had their property damaged as a result of your business activities. This could be activity that takes place on your premises or organised by your organisation off-site. Public liability insurance can provide compensation for property damage, personal injury and death.

* **For groups hiring out space in your community building**

If you own the building and are hiring it out to groups, it is recommended that you ask that the group have their own public liability insurance. This is to cover damage, injury or loss which is caused by the activities of the group hiring the space. It is important that groups are aware that they are not automatically covered by the public liability you hold for your organisation when they hire your space.

If you are hiring out space, you may wish to consider purchasing **hirers’ liability cover.** This covers accidental damage incurred by those who are hiring a space or building but is not a replacement for groups having their own public liability insurance.

1. **Employers' Liability Insurance**

Employer’s liability insurance covers circumstances when an employee makes a claim for compensation from their current or previous employer due to harm believed to be caused by illness or injury because of their work. Your policy should cover both the costs of legal support as well as the cost of compensation.

Employers' Liability insurance is a legal requirement for employers with at one or more employees to be covered for at least £5 million. For more information see: <https://www.gov.uk/employers-liability-insurance>

There are other types of insurance you may consider purchasing, such as **personal accident insurance** or **trustee indemnity insurance**. We recommend speaking to an authorised insurer to fully assess the needs of your organisation.

1. **Professional indemnity insurance**

Professional Indemnity insurance covers professionals who provide a service for others for instances of claims for damage or loss caused by negligence or negligent guidance provided (whether paid or unpaid for these services.)

Although there are some professional bodies that require you to have professional indemnity insurance, you may not fall under this category for activities and work undertaking in a community hub setting. However, you may decide that being covered is worthwhile as it covers for a range of risks:

* Mistakes or providing poor advice (advice leading to financial loss for the client)
* Using copyrighted material without licensing
* Sharing confidential data without consent
* Loss of important files and documents for a client

Professional indemnity insurance covers you for providing services that include:

* Providing advice
* Managing sensitive and confidential client data
* Performing a service

For further guidance, please see section 5.6 in Charities and insurance government guidance: <https://www.gov.uk/government/publications/charities-and-insurance-cc49>