

## Information Sheet No.23

# Insurance Queries

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Until 2007, the insurance policy for P&Cs was issued in the name of the ACT Council of P&C Associations and each individual association participating was endorsed on that policy. After holdups that occurred during 2006, the insurance broker negotiated with the Workers Compensation Insurer to separate this over-arching policy into individual P&C policies at no additional cost. There were no issues with policies covering assets and other liabilities and so the group structure has been retained for these.

For the next renewal, the Workers Compensation declarations will be collected independently from the Property, General Liability and Personal Accident. Also the Workers Compensation policies will be processed as the declarations are received from the P&C committees i.e. the renewals will not be processed all at once as a "batch". This means that P&C's who attend to their paperwork promptly will no longer be disadvantaged by the delays of others.

**Insurance cover relates only to activities sponsored by and/or staffed by P&C representatives and equipment owned or purchased by the P&C.** It is not a general school or student insurance scheme. It covers the following: Operator's Liability (which includes Public Liability, Products Liability and Breach of Professional Duty), loss through fire, burglary, theft in the open air, machinery breakdown, loss of money, personal accident for voluntary workers and children in their care. Workers Compensation cover is also available for P&Cs that employ workers (in canteens or afterschool care services for example).

**Operators Liability** covers the legal liability for unintentional negligence of the P&C and its representatives at any P&C function. It covers physical or mental injury, property damage, libel or slander or wrongful arrest and breach of the Trade Practices Act. The Operators Liability cover is designed to indemnify the P&C for demands for compensation based on alleged negligence. If a situation develops involving:

- damage to people or property; or
- an allegation of fault or negligence of the P&C  
the Committee should complete an operators liability claim form immediately.

**All conventional fundraising is considered an insured activity.** The insurance scheme only covers volunteers who are assisting at a P&C organised event. Risky activities (such as fireworks displays and canoeing) need approval as a valid activity from the broker and may incur extra insurance costs. In such instances, the P&C should notify the insurance brokers in writing. There may be minimal or no additional cost if there is a suitable risk management strategy in place, such as signed participation forms and a Risk Assessment and Management plan for the event.

For risk management purposes the P&C should place on record (in its minutes and with a notice in the school newsletter) its use of volunteers. This will also be useful in establishing the basis for any insurance claims.

**Property Insurance** covers loss of damage to items which the P&C owns or for which it originally paid. The P&C should keep a register of P&C donated items with a description (serial number where appropriate) and date of purchase. P&Cs should retain evidence of purchases, such as receipts. The Broker has offered to maintain duplicate files if requested. [Continued →

## Information Sheet No.23

# Insurance queries (continued)

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**Personal Accident insurance** covers volunteers for non-Medicare medical expenses which are not claimed from another source and lost income or specified additional expenses which arise from an injury while volunteering. There is an option to extend this cover to include children participating in Outside School Hours Care for an additional cost.

**There is no general accident insurance for students at school or taking part in school activities.** Medicare covers medical expenses where no third party is involved ie. where there is no claim for negligence or compensation. Private medical insurance will provide specific cover as a top up to general cover - there is a variety of packages available. If a student is injured at school through negligence, the matter should be referred to the Department of Education.

It is a condition of membership that P&C's operate as a "Bona Fide" business. This includes maintaining a suitable insurance program including Legal Liability (Public, Product and Professional) and insurance for assets purchased through fundraising.

No P&C is obliged to arrange its insurance cover through Council. Insurance is offered to P&Cs as a service providing reasonably high levels of cover at acceptable premium levels. To the best of our knowledge there is no insurer offering a more competitive cost for equivalent cover, bearing in mind that the program includes professional risks.

P&C's are responsible for any additional insurance requirements e.g. if the P&C owns a trailer or motor vehicle. At present the program does not include Office Bearers Liabilities, based on a feasibility assessment from some years ago. Therefore P&C's may wish to make their own enquiries. The forthcoming renewal declaration will include additional questions to allow the broker to reassess feasibility of including Office Bearers liability insurance in the program.

**Information about the insurance scheme is sent to every P&C Treasurer at the beginning of school year. This should be read in conjunction with that information. Please call the Council Office for more information on 6241 5759.★**