

Charities and community groups insurance

This guide is for intermediary reference only:

It doesn't contain the full terms and conditions of the contract of insurance.

Full terms and conditions are within the policy documents; you can request to have a copy of these.

Background

We know from our experience of insuring charitable organisations that it is often difficult to arrange meaningful and cost-effective insurance for small charities and community groups. Whilst there are a variety of causes and interests, each group's trustees, committee members or management team have a responsibility not only to those who use their services, but also to their volunteers and employees. Additionally, there is a need to comply with legal and regulatory requirements and to protect the assets of the group.

Product design

Our Charities and Community groups product is designed to cover the key issues small groups face when providing services to members, third parties and volunteers. The coverage available can be customised to suit your organisation's specific needs, which generally fall into the three areas of risk:

- ☑ Responsibilities to third parties
- ☑ Protection of assets
- ☑ Responsibility as an employer

Target market

The target market for Charities & Community Groups Insurance product is:

- ✚ Advocacy and support groups
- ✚ Counselling
- ✚ Nurseries
- ✚ Playgroups and after school clubs
- ✚ Community, social and neighbourhood groups
- ✚ Youth centres
- ✚ Children's clubs
- ✚ Charitable institutions

We're able to provide insurance solutions for a broad range of businesses and are happy to consider those that sit outside of these parameters; however, this product is not suitable for:

- businesses established and or operating outside of the UK
- companies with connections or links to sanctioned individuals or countries
- businesses lacking in, risk protection control and risk management procedures
- non-conventional insurance options, such as customers that run their own captives or require a layered insurance program.

We will not look to write risks for:

- Non-UK businesses
- Groups who have a political aim or affiliation

Scope of cover

We have developed a specific charities and community group policy that incorporates the core sections of cover, with flexibility to choose levels of indemnity and sums insured:

Responsibility to third parties

- ✚ Public and products liability
- ✚ Professional liability
- ✚ Management liability (executive liability)
- ✚ Entity defence
- ✚ Cyber and data risks

Responsibility as an employer

- ✚ Employer's liability
- ✚ Personal accident

Protection of assets

- ✚ Property damage
- ✚ Business interruption
- ✚ Portable equipment
- ✚ Money and personal assault

Professional liability, management liability, entity defence, fidelity guarantee, data liability and cyber liability covers are on a 'claims made' basis which provides cover for claims which are made and notified to us during the Period of Insurance, data loss, cyber loss and network interruption are on a 'first discovered' basis which provides cover for losses which are first discovered by you and notified to us during the period of insurance

Cover options

The following sections of cover can be purchased individually or as a package to build a bespoke product to suit the needs of each organisation:

1. Liabilities

- Public and products liability
- Employers' liability

2. Professional and management risks

- Professional liability
- Management liability (executive liability)
- Entity defence

3. Property

- Property damage
- Business interruption
- Portable equipment
- Personal accident
- Money and personal assault

4. Fidelity

- Fidelity – Fidelity can only be purchased with at least one other section.

5. Cyber and data risks

- Data loss
- Data liability
- Cyber loss
- Cyber liability
- Network interruption

Policyholder services

Markel offer a range of exclusive benefits and services for policyholders, providing practical advice and professional help from industry experts:

- 📍 PR crisis management (available with public and products liability, professional and management liability and entity defence)
- 📍 Cyber risks helpline (available with cyber and data risks)

Product value assessment

Our product value assessment includes the cost to Market of providing the product, through the distribution channel by which the product is sold, and a review of the product performance and the type and quality of services provided to the end customer.

We will take into account the nature of the product and its cover, benefits and any limitations, the price paid by the end customer together with the services we provide. A wide range of factors are considered, not exhaustive but such as, historical and expected claims frequencies, declinatures, incurred and projected claims costs, plus scenario analysis including likely economic and climatic trends, along with customer feedback and complaints.

We also consider how the premium is affected by the commission we pay the placing intermediary for the activities they conduct on our behalf together with any fees that we may pay for additional services received.

We wouldn't expect this product to provide fair value to:

- non-renewable covers for less than twelve months
- Charity & Community groups that are dormant or have ceased trading

Where appropriate, we will group products together for the assessment where they are intended to deliver a similar outcome and the target markets are consistent. If any of our fair value assessments result in an outcome where we believe fair value is not being provided, we will engage with the relevant distribution channels to agree appropriate actions.

Partner remuneration and costs

- Commission levels agreed prior to placement
- Fee for Service arrangements should they be entered into between both parties
- No additional costs or fees applied by ourselves, except for Insurance Premium Tax at the applicable rate.
- Any additional charges within the distribution chain may potentially erode the intended value of our product

Distribution strategy

Our Charity and Community Groups Insurance product has been designed for distribution by insurance Intermediaries that hold commercial agency facilities with us. They must have the appropriate level of understanding about the risks and exposures faced by their customers in the operation of their business.

The distribution strategy is considered appropriate for the target market with customers having the option to purchase these products through a distributor of their choice. These products are considered suitable for advised sales by suitably skilled persons via telephone or face to face.

Conflict of interest

On the basis that we have not:

- delegated any claims handling duties to you
- delegated any underwriting authority to you
- remunerating you beyond the flat rate commission or fee for services provided agreed between parties

We confirm that the product is free from any innate conflict of interest that would compromise you from putting customers interests first.

Distributor's responsibilities

You are reminded to assess fair value to your customers where you charge additional fees or where commission rebating takes place. Distributors should consider whether their customers who are purchasing a Markel product are being charged any additional fees that are not funded by the premium paid. If customers are being charged additional fees by anyone in the distribution chain, this could impact the outcome of the fair value assessment.

If a distributor identifies that a product is not providing fair value and this has been caused by the distributor's distribution arrangements, including its remuneration arrangements, the distributor must immediately inform the Markel for appropriate action to be taken.

Markel are satisfied that the product offers fair value to its intended Target Market subject to distributors

- Not charging customers additional amounts over and above the gross premium quoted by us without first determining that they do not have a detrimental effect on the value of the product.
- Ensuring that no duplicate cover exists or is caused by an add-on where that cover is already provided by the policy

Providing feedback

We welcome any feedback from our distributors on the performance of our products. All feedback will be considered in our next product review. Also, if you believe that your staff would benefit from additional training on this product, please let us know.

Please contact your Markel Relationship Manager.

Version control

Version	Updated By	Revision Description	Version Date
1.1	Rishi Bhanderi	Minor typo corrections.	09/08/23
1.2	Sonja Wigglesworth	Minor typo corrections.	05/08/24