

British Association of Friends of Museums

Insurance FAQ's ref NFU Mutual Policy 80X3422552

Following some queries from members NFU Mutual has put together some Frequently Asked Questions which you may find helpful. If you have any specific queries please still ask me and I will forward them directly to NFU Mutual.

Liability cover

1. Q: We need to be covered by our own Public Liability Insurance in case there is any injury or damage through negligence to a third party. Do our Members or the Speaker count as Public? If not - how do we make sure that they are covered?

A/ The policy provides a £5 million indemnity limit for any 3rd party injury or damage as a result of the members activities. A 3rd party is someone who is not acting under the direction of the group. See employee definition below in question 2. The members are not 3rd parties they are classed as employees for insurance purposes. It is likely that a guest speaker is a 3rd party – it depends on if you are providing a speaker (in which case the speaker is an employee) or if the speaker has come to your group as a guest e.g. if Mary Berry came to chat to a group she would be a guest.

2. Q/At present, we have not ticked the Employer section on the form but it was explained to me that by paying a Speaker we are acting as employers and that when someone helps at a Fete, for instance, they legally count as employees even if they are not paid. Is this correct?

A/ An employee is someone who acts under your direction no matter if they are paid or not. In the above examples the speaker and helpers at a Fete are employees in insurance terms and it is a requirement to hold Employers' Liability insurance.

If you are paying someone to fulfil a service this would be not be classes as an employee, similar to if you hired a plumber to fix a tap, unless you were giving direct instructions on how to do it. However there would still be a duty of care and any accidental injury or damage to property would potentially be picked up under the Public Liability section. Anyone volunteering or helping out would be an employee.

The Definition of an employee is as follows:

EMPLOYEE

Any person working for YOU in connection with YOUR BUSINESS who is:

- 1 under a contract of service or apprenticeship with YOU;
- 2 a labour master, labour-only sub-contractor or a person supplied by either of them;
- 3 self-employed;
- 4 working under a recognised work experience or training scheme;
- 5 a voluntary helper;
- 6 borrowed by or hired to YOU; or
- 7 a director of the company.

3. Q/ I need to check with you that we are covered for a Skittles Matches as I did not list it specifically on the form.

Would we be wise to check that the other team are insured? It was explained that if not, we would take the full 'hit' for any claim which our company would be very unhappy with.

Should we also have a risk assessment for such an event?

A/ The cover is for a whole range of activities which are for fund raising – even if skittles isn't listed it would fall within a normal fundraising activity as would a cake sale, dinner dance, sponsored walk etc. Things such as sky diving, fire work making, pony rides, chain sawing at 50ft or any unusual or hazardous activities and significant manual work would need referring to NFU Mutual
It is also sensible to check other people also have insurance for the activity they are undertaking with a minimum public liability limit of £2.5 million but preferably £5million.

Risk assessments – insurance is in place anyway but NFU Mutual hopes that all its insureds take due care and diligence. A risk assessment for all activities and events is a good idea from a Health and Safety point of view, to minimise any injury and to protect the group. Always better to prevent something from happening than having to make a claim.

4. Q/ What does the endorsement mentioning 'employment' mean?

A/ Endorsement 1 – The Members & Committee Extension is extending the policy holder name to include all group members as if they were also a policy holder. This means that group members are indemnified (covered) as if the policy were written in their name.

5. Q/ Each year we go to Italy for a group museum trip – is any injury to a third party damaged whilst we're away and will cover pay for any lost luggage?

A/ The NFU Mutual policy is restricted to the UK (including the Channel Islands and Isle of Man). It would be prudent to put your own travel cover in place and insure this includes are activities you are undertaking whilst away.

Property cover

5. Q/ Do we have cover for items being stolen or damaged?

A/ There is no cover for material items, stock or contents. Property cover is available at £50 per group for a £15,000 limit for items held in custody and control. This is intended for items borrowed or held for fund raising such as projectors, tables, chairs, coffee urns etc. but is not intended to cover museum pieces or artefacts. Please enquire for more details (Our standard Public liability wording excludes property in your custody and control as this would be more appropriately covered by property insurance section or by the museum.)

6. Q/ Are Society items and money held by members covered.

A/ No. cover is not in force at present. (money cover is available with the property cover offered at £50 per group, subject to standard limits, please enquire if required)

7. Q/ I have damaged a museum piece whilst cleaning it but that's ok as there is cover in place?
A/ No cover does not extend to any items on your custody and control or any items being worked upon. For example, if you were cleaning a brass light fitting which subsequently fell off the wall onto a third party, there would no cover for the broken light but there would potentially be cover for any subsequent injury or property damage sustained to the third party it landed on. All claims are treated on a case by case basis.

Personal Accident Cover

8. Q/ What cover is provided by the Accident cover (where selected)?
A/ This provides £10,000 lump sum benefits for death, loss of limb, sight, speech or hearing and permanent total disablement. Cover is restricted to an accident occurring during the occupation associated with the museum and is not in force at any other time. This is restricted to £5000 for anyone over the age of 75 and there is no cover for anyone over the age of 85.

These FAQs are a flavour of questions you may have; they are not intended to answer all queries or confirm cover for all claims as each claim will be dealt with on its own merit. If in doubt please ask.

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