

Insurance & the Third Sector

The impact of insurance on Community & Voluntary organisations



January 2007

INSURANCE AND THE THIRD SECTOR

Executive Summary

The issue of insurance for the community and voluntary sector has been a serious concern for a number of years. This report on the problem has been prepared by The Wheel based on a survey carried out in 2005 of 560 organisations in the sector. The report is broken into two main sections. In Part I, the survey results are summarised using a series of tables. The focus is on comparing organisations according to the size of premiums they pay. In Part II, a more detailed statistical analysis is carried out.

The main findings in Part I are:

- The type of organisation matters – health organisations or umbrella organisations, for example, pay high premiums; those working mainly in community and rural development pay low premiums.
- The client-base matters – organisations working with people with disabilities pay high premiums; those working with families or communities pay lower premiums.
- Activities matter – organisations whose main focus is running charity shops or fundraising pay high premiums; those with a focus on running conferences tend to pay low premiums.
- Organisations based in Dublin or those with a national scope pay high premiums; those in Leinster and other regions, or with a more local scope, pay lower premiums.
- Organisations who have motor, professional indemnity or directors' and officers' insurance policies all tend to pay high overall premiums; organisations that only have public liability, employee liability and/or office contents insurance tend to pay low overall premiums.
- Organisations with large staff and large turnover pay high premiums.
- Organisations which use a broker tend to pay high premiums.
- Allianz is the company insuring most organisations in the sector.
- Annual claims account for only about three per cent of annual premiums for the six years leading up to 2005.
- About 20 per cent of the 560 organisations surveyed identified problems with either the cost or availability of insurance.

The main findings in Part II of the analysis are:

- Health organisations pay higher premiums. Addiction, training and counselling organisations, and organisations involved in overseas development pay lower premiums.
- Engaging mainly in office-based activities, for any kind of organisation with any kind of client base, is always associated with substantially lower premiums.
- Motor and professional indemnity insurance contributes most to overall premiums.
- Health and disability organisations are prone to a high take-up of professional indemnity insurance (as are addiction, training and counselling organisations, despite low overall premium bills). Outreach activities are also associated with higher professional indemnity insurance.
- Organisations in Ulster (Donegal, Cavan and Monaghan) pay higher premiums than similar organisations elsewhere.
- Arts and environmental organisations have high levels of employment insurance but low premium take-up otherwise.
- Rural and community organisations have a low take-up of motor, professional indemnity and directors' and officers' insurance – the three main contributors to a high insurance bill.
- Surprisingly, organisations with a national scope have a low take-up of motor insurance. A high take-up of motor insurance is strongly associated with carrying out fundraising activities and with having a greater number of staff.
- National or Dublin-based organisations have high turnover. Community groups, those with family or community client bases or those organisations that tend to carry out conference activities all have lower turnover than other similar organisations.
- Community and rural organisations tend to focus on office-based activities, and on outreach and organising conferences; general purpose or housing charities, on the other hand, tend to focus on fundraising and running charity shops.
- Low turnover organisations, especially those focused on the arts and the environment, tend to have problems with either cost or availability of insurance. Cost problems predominate for those with minorities, mental health and addiction client bases; availability problems predominate, on the other hand, for those with a disability group client base, or for those organisations working with families and communities.
- Broker usage is more common in Munster. Allianz is slightly more popular in Connaught. Brokers are popular with high turnover groups.

Project background

The issue of accessibility, suitability and price of various types of insurance cover has been a matter of serious concern for community and voluntary organisations for many years. The Wheel has been actively engaged in discussing this problem at policy level for some time. This insurance research project was undertaken as part of the process of building this case and creating a position from which to encourage insurance providers to develop competitive and tailored schemes for community and voluntary organisations.

A detailed questionnaire (see Appendix 1) was posted to a large sample of organisations listed on The Wheel's database and a follow-up e-mail encouraged them to complete the questionnaire. To ensure the necessary level of response, a telephone campaign ensued involving the random selection of organisations from the sample, which were phoned and encouraged to complete and return their questionnaires. New questionnaires were sent out if necessary and organisations were offered the option of completing the questionnaire over the phone.

Overall, the questionnaire was very well received. Many organisations are concerned about the lack of competitiveness, limited options, lack of understanding and inflexibility of current insurance schemes available. Twenty-one per cent said they have had problems getting insurance but many more voiced concerns in the 'other comments' section. Analysis of these comments has not been carried out for this report but it is worth including a few representative comments:

- "We would be very interested in any scheme to control/reduce our insurance cost."
- "Insurance is crippling us financially and crippling the scope for relevant youth activities."
- "I see merit in providing an umbrella scheme for the voluntary sector."
- "Costs put us off, if an activity merits insurance generally we will not do it." "There is a complete lack of understanding in the insurance industry with regard to volunteers insurance requirements while working."
- "It took us 5 years to get cover."
- "We cannot get insurance."
- "We are extremely involved with the community and voluntary sector and identify that insurance is one of the sectors greatest concerns."

This is only the tip of the iceberg and many of the organisations that were spoken to reported that there are many groups that they work with for whom insurance is a major concern. Some of these umbrella organisations have volunteered that they would be happy to circulate details of any future schemes.

The analysis of the data yielded by the survey is divided into two sections. In Part I, the comparisons of various organisational attributes are made between high and low insurance premium groups. Much of the most useful information from the questionnaire can be found in this way. In Part II, a more detailed analysis is carried out using statistical techniques. These seek to uncover some of the more subtle patterns in the data. The two types of analysis complement each other.

Part I: Survey Findings

Of the 560 organisations that answered the survey, 85% of respondents (474 organisations) provided financial details about their insurance premiums and claims history. All information reported is based on the year 2005 (except for claims which captures information over a five year period – this is analysed at the end of this section). Figures 1 and 2 below show the breakdown in premiums paid by two groups of organisations – those with premiums of less than €10,000 and those with premiums of greater than or equal to €10,000. These tables demonstrate that whilst there is a wide spread of premiums paid within the two groups and that some organisations pay very large premiums indeed, while for the majority of groups that participated in the survey, premiums are less than about €4,000.

Figure 1: Premiums paid if less than €10,000

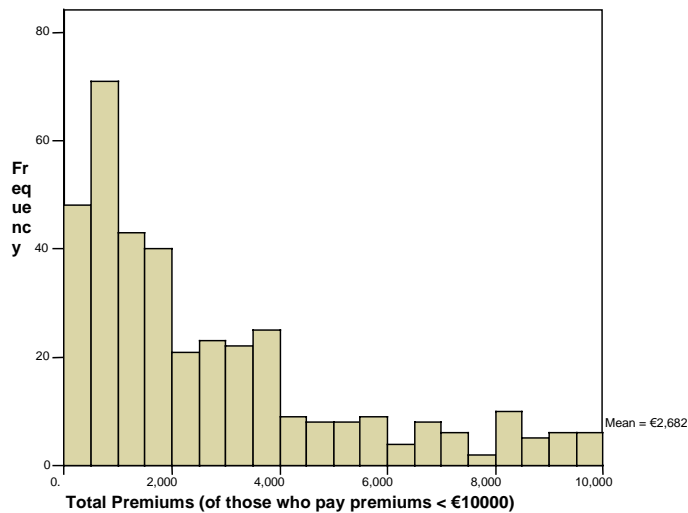


Figure 2: Premiums paid if greater than or equal to €10,000

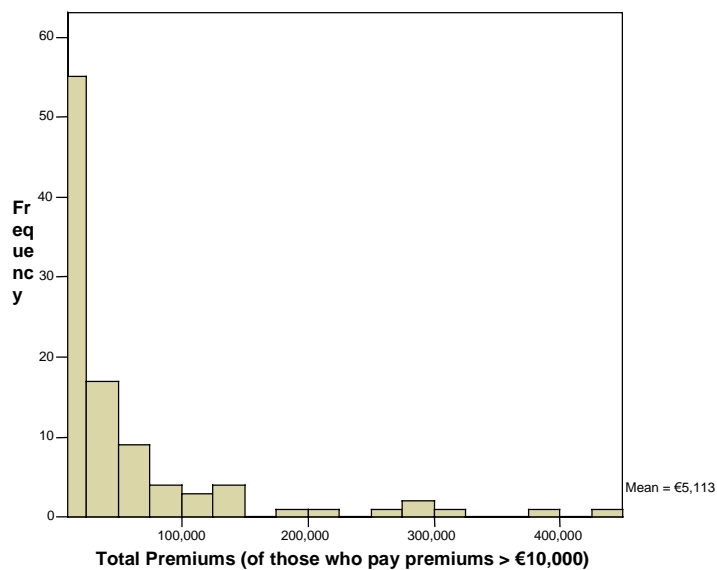


Table 1 provides a breakdown of all 560 organisations by organisation type. Many organisations declared themselves as being of two or more types (e.g. health and disability), so the total number of declared types (951) is greater than the total number of organisations surveyed (560).

Table 1: Type of Organisation (as % of total number of types declared)

Medical/Health	4.9%
Addiction	1.9%
Religious	2.3%
Human Rights/Justice	2.3%
Urban/Rural Development	3.8%
Community Development	21.7%
Environment/Conservation	2.8%
Accommodation/Housing/Homelessness	3.3%
Disability Services	4.8%
Education&Training	15.7%
Arts&Culture	6.3%
Counselling	5.6%
General Charitable Purpose	4.2%
Overseas Development/Aid	0.7%
Mental Health	1.9%
Umbrella Body	2.7%
Multi-purpose	0.2%
Other	14.8%

Table 1 shows that organisations involved in community development and in education were the most prevalent types of organisations that responded (out of the sample of 560

organisations). Other common areas of work are counselling, arts and culture, and medical or health.

The main client bases of the sampled organisations are reported in Table 2 below.

Mental Health				1.8%		
Men/Women				8.6%		
Children/Young People				10.0%		
Animal Welfare				0.1%		
People with a Physical Disability				4.2%		
Asylum Seekers / Refugees				3.4%		
Social & Economic Disadvantaged				8.5%		
Drugs / Alcohol Addiction				2.6%		
People with a Mental Disability				3.1%		
Volunteers				4.4%		
Ethnic Minorities				2.7%		
General Public				7.3%		
Carers				2.1%		
Families				6.8%		
Older People				7.1%		
Local Community				12.3%		
Unemployed				5.1%		
Travellers				3.0%		
Gays & Lesbians				1.4%		
Multi-purpose				0.3%		
Other				5.2%		

Table 2 shows that the main client groups of the sampled organisations include: the local community, children and young people, the unemployed, the disadvantaged, the elderly, men's and women's groups and the general public. Some of the other categories may overlap (e.g. ethnic minorities and asylum seekers) but the broad patterns seem fairly clear.

For the purpose of the analysis of the results, it is more convenient to reduce the number of categories both in Table 1 and Table 2. This reduction makes comparison between the groups easier, if a little less precise. The table itself should be read from left to right along each row.

Table 3: Types of Groups and Client Base for all Organisations and by Premium Group (by mean)

		All Premium Payers	Low Premium <1000euro	Low-Med. Premium 1000-2000euro	Med Premium 2000-5000euro	Med.-High Premium 5000-20000 euro	High Premium >20000 euro
No. of Organisations =		474	119	83	108	110	54
Type of Group (% of total in brackets)	Advice and Counselling (23.2%)	0.03	0.03	-0.08	0.24	0.07	-0.32
	Health (11.6%)	-0.02	-0.14	-0.19	-0.12	0.18	0.32
	General Charity (10.2%)	0.01	-0.12	0.11	-0.06	0.02	0.28
	Art and Environment (11.4%)	0.01	0.01	0.02	0.19	-0.04	-0.30
	Community and Rural Development (25.5%)	0.03	-0.02	0.26	0.24	-0.05	-0.48
	Overseas Dev. and Human Rights (5.3%)	-0.02	0.03	0.08	-0.14	-0.10	0.16
	Family and Community Groups (62.3%)	0.06	-0.02	0.30	0.25	-0.03	-0.33
	Minorities (10.5%)	0.01	-0.03	0.04	0.04	0.15	-0.31
	Disability Groups and Carers (9.4%)	0.00	-0.13	-0.09	0.00	0.14	0.16
	Mental Health and Addiction Groups (4.4%)	0.01	-0.05	-0.18	0.06	0.07	0.25
General Public (8.4%)	-0.02	0.15	0.00	0.02	-0.11	-0.28	

With regard to Table 3, a positive number for an organisation type or client base illustrates that this organisation type is relatively common within the relevant premium category. A negative number illustrates that the organisation type or client base is relatively uncommon within the premium category.

The biggest differences in the table are found when the group of 54 organisations paying high premiums (greater than €20,000) is compared to other groups. General-purpose charities (comprising umbrella groups, general charities and housing charities) are relatively over-represented in this high premium group. So also are groups that deal with physical and mental health.

Community and rural development organisations, on the other hand, have a low representation in the high-premium group and a high representation in the low-medium group. Organisations that deal with families and communities, with minorities groups and with the general public also all have relatively low premiums on average. Organisations dealing with the general public have an especially high representation in the lowest premium class.

Table 4 below turns the focus to the many other organisational attributes reported in the survey. Again, the full sample of 560 organisations is compared against the various premium-paying groups.

Table 4: Variety of Statistics for all Organisations and by Premium Group

	All							Premium Zero or Missing
	Full Survey	Premium Payers	Low Premium <1000euro	Low-Med. Premium 1000-2000euro	Med Premium 2000-5000euro	Med.-High Premium 5000-20000 euro	High Premium >20000 euro	
No. of Organisations =	560	474	119	83	108	110	54	86
Conference Organising	54%	55%	50%	55%	56%	64%	46%	50%
Fundraising	34%	34%	24%	25%	39%	42%	44%	36%
Activities (can overlap)	5%	6%	3%	5%	4%	5%	17%	1%
Running a Shop	5%	6%	3%	5%	4%	5%	17%	1%
Outreach	40%	42%	32%	42%	47%	43%	52%	30%
Office based work	51%	54%	46%	54%	56%	57%	57%	38%
Dublin Based	33%	32%	23%	29%	26%	45%	46%	37%
Regional Breakdown	23%	22%	28%	14%	24%	21%	15%	28%
Leinster Based	19%	20%	19%	28%	23%	10%	20%	15%
Munster Based	9%	9%	12%	11%	10%	5%	7%	5%
Ulster Based	16%	16%	18%	14%	15%	18%	11%	15%
Connaught Based	20%	19%	63%	66%	75%	56%	28%	27%
Organizational Scope	16%	17%	14%	19%	7%	25%	41%	13%
Regional	16%	17%	14%	19%	7%	25%	41%	13%
Local	59%	61%	15%	14%	20%	16%	20%	51%
Public Liability	87%	96%	91%	96%	99%	97%	100%	37%
Type of Premium (can overlap)	70%	78%	55%	82%	79%	89%	96%	26%
Employee Liability	70%	78%	55%	82%	79%	89%	96%	26%
Property Office Contents	71%	79%	55%	82%	81%	92%	96%	24%
Professional Indemnity	24%	25%	10%	22%	20%	35%	50%	22%
Motor	18%	20%	5%	12%	15%	23%	67%	8%
Directors and Officers	11%	11%	6%	8%	6%	14%	31%	9%
Allianz or not	48%	53%	45%	67%	55%	47%	54%	21%
Allianz	48%	53%	45%	67%	55%	47%	54%	21%
Turnover Group (in euro)	44%	41%	73%	54%	38%	20%	2%	56%
Turnover 1 (< 100K)	44%	41%	73%	54%	38%	20%	2%	56%
Turnover 2 (100K to 500K)	27%	32%	15%	39%	50%	38%	11%	8%
Turnover 3 (500K to 1000K)	8%	8%	1%	2%	8%	17%	17%	6%
Turnover 4 (>1000K)	13%	13%	1%	1%	1%	22%	67%	9%
Problem with Insurance	20%	21%	13%	17%	30%	25%	22%	14%
Risk Manager	31%	31%	31%	29%	27%	36%	28%	32%
Broker	62%	68%	57%	59%	65%	81%	89%	24%

From Table 4 it is notable that organisations that are running a charity shop have a comparatively strong tendency to be in the high premium group whereas those organisations that organise conferences tend to have a comparatively low probability of being in the high premium group.

Premium Size

Organisations with a national remit are over-represented in the high-premium group while organisations with a purely local remit are, albeit only slightly, over-represented in the low-premium group. Dublin organisations are over-represented in the high premium group, whereas Leinster, Ulster and Connaught organisations are under-represented.

Organisational Locality

The research also found that nearly all the very large premium payers are based in the Dublin area and that no organisation in Ulster pays a premium of more than €100,000.

Types of Cover

Apart from public liability insurance which almost all organisations reported to have, the incidence of the main other types of insurance tends to rise in the higher premiums groups. Motor insurance, for example, is nearly 14 times more common in the high-premium group as in the low-premium group, while professional indemnity insurance is five times more common in the high premium group as in the lowest one. Directors' and officers' insurance is over five times as high in the high premium group as in the low one.

Problems with Insurance

Interestingly, medium-premium organisations may have more problems with insurance than high or low premium organisations. Thirty per cent of medium premium organisations report problems, compared to an average of 21 per cent for the whole group that report premiums. In total, 113 organisations have problems with insurance. Fifty three per cent cite premium availability as their main concern, while 39 per cent cite premium costs.

Managing and Identifying Risk

Respondents were asked to indicate whether they had a risk management policy in place. Having a risk management strategy seems to vary little across premium groups, although it is slightly higher for the medium to high premium groups. High premium groups are more likely than others to use a broker. Brokers that cropped up frequently included Marsh (20 organisations), PJT (16 organisations), Coyle Hamilton (11 organisations), Kidd (10 organisations), Jardine Lloyd O'Leary Ins (eight organisations), FBD (seven organisations), McCarthy (six organisations) and Fitzgerald (five organisations). Allianz is by far the most commonly used insurance company with 48% of respondents (268 organisations) stating it as their main or sole insurers. However, the pattern of insurance company use does not appear to vary greatly across the premiums groups, except for perhaps a slight dip in preference for Allianz for the medium to high premium groups.

Organisational Turnover

High turnover is associated with high premiums. From Table 4 it can be seen that only 1 per cent of the low premium group are high turnover organisations, whereas 67 per cent of high premium organisations are high turnover organisations. High turnover organisations have significantly larger premiums than other groups, and premiums rise very sharply indeed for the highest turnover group. All the really large premium bills are paid by the highest turnover organisations.

The general picture that arises from the survey results reported in this section is that premiums can vary greatly according to a variety of organisational features. It is possible to compare some characteristics of organisations that pay the highest premiums with characteristics of organisations that pay the lowest. The most important aspects of this variation are summarised in Table 5.

Table 5: Main Features of Premium Comparison Results

Organisational feature	Low total premium bill	High total premium bill
ORGANISATION TYPE	Community and rural development organisations	Health and disability organisation, general purpose (umbrella, housing, general)
CLIENT BASE	Family and community groups	Mental health and disability
ACTIVITY FOCUS	Conference organising	Charity shop
REGION	Regions	Dublin
SCOPE	Local	National
MAIN INDIVIDUAL PREMIUM TYPE	Public liability	Motor, directors and officers, professional indemnity
TURNOVER/STAFF	Low turnover/staff	High turnover/staff
OTHER FEATURES	No broker	Broker

Insurance Claims

To conclude this section of the report, it is of considerable interest to examine claims and premiums for the different premium groups. The premium groups outlined in Table 6 below are more finely divided than before to give a more detailed picture of the claims and premium relationship.

The overall number of reported claims is small (only 78 in six years, from 2000 to 2005, or an average of 13 per year). There is a clear reduction in the percentage of claims going from the high premium, large organisations to the smaller voluntary groups. In the top group, 67 per cent recorded claims, reducing to only four per cent in the lowest premium category. It is very notable that the total amount of claims (as a percentage of premiums) is extremely small when a five-year average is taken.

Table 6: Claims and Premiums

	All premium reporting orgs.	Premium >100K	Premium 50 - 100K	Premium 20 – 50K	Premium 10 – 20K	Premium 5 - 10K	Premium 1 - 5K	Premium <1K
No. organisations with incomplete claim data		10	2	3	3	2	6	0
Total Claims (corrected for incomplete data)	€98,4538	€54,1500	€19,788	€26,7814	€88,239	€7,964	€54,325	€4,908
Claims as % premium	8.78%	5.61%	1.96%	29.24%	12.83%	1.6%	11.29%	7.15%
5 yrs claims as % annual premium (corrected)	15.11%	16.83%	2.26%	34.56%	13.73%	1.70%	11.66%	7.15%
5 yrs claims as % of estimated 5 yr premium (corrected)	3.02%	3.37%	0.45%	6.91%	2.75	0.34	2.33	1.43

Part II: Survey Findings

Part II (i): Introduction

This section of the report includes a more detailed examination of a number of the items reported by organisations in the survey. Seven specific aspects are covered here. These are:

- a) Premium amounts
- b) Insurance type (public liability, employee liability etc.)
- c) Organisational turnover
- d) Type of activity carried out by the organisation
- e) Why organisations have problems
- f) Types of problems they have with insurance
- g) Determinants of using a broker or not

The advantage of a more detailed statistical analysis is that it can supplement the purely descriptive summaries of Part 1. High turnover organisations, for example, are associated with high insurance premiums. It is not known from Part 1 however, if this is just because they have more money to spare for insurance premiums, or if they pay more premiums because of some other feature of the organisation (e.g. because they have a lot more staff). The type of statistical analysis carried out in this section aims to disentangle the separate effects of the various organisational features on a variety of organizational choices.

Part II (ii): The factors affecting the amount of premium payments

It was found that health and disability organisations pay more in premiums compared to otherwise similar organisations, while organisations dealing with overseas development and human rights, addiction, education and counselling, and the arts and environment pay a good deal less. Organisations with a client base among minorities also pay less, as do those with mainly office-based activities. Car insurance and professional indemnity are by far the largest single factors affecting premiums: organisations with motor insurance pay a lot more (about €17,000). Organisations in Ulster (Monaghan, Cavan and Donegal) also have higher premiums. (This contrasts with the result for Dublin in the previous section: organisations in Dublin may pay higher premiums but organisations in Ulster pay higher premiums than other similar organisations). Being in the high turnover group increases average premiums by about €30,000.

Part II (iii): Factors affecting the type of premiums paid

It is clear that organisational type has a large bearing on take-up of professional indemnity insurance. Health and disability organisations and addiction and counselling organisations are more likely than other similar organisations to take-up professional indemnity, while arts and environmental and rural and community organisations are less likely. Organisations with a national scope or those with high turnover are also likely to take-up professional indemnity insurance, as are those with a minority client base or those involved in outreach activities.

Employee liability take-up is increased, unsurprisingly, by having more staff. It is also increased by being an arts or environmental organisation, by focusing on office-based activities and by having medium or very high turnover. Employee liability take-up is reduced by being involved in overseas development, by having a general public client base, by organising conference activities or by having a national scope.

Personal or office content take-up is increased if there is more staff. It is also increased by a focus on office-based activity and by having medium or high turnover. It is reduced generally if an organisation is of national scope.

Motor cover is increased if there is more staff, by being involved in fundraising, by having high turnover or by being based in Leinster. It is reduced by being involved in rural and community development, by having a general public client base or by not having a regional scope.

Directors' and officers' cover, finally, is increased by having high turnover, a national or local scope and by having a broker. It is reduced by being in rural or community development, by being involved with the arts or environment, or by being with Allianz.

Part II (iv): Factors affecting organisation turnover

Being classified as a health and disability organisation is associated with having higher turnover, while being involved in community and rural development is associated with having low turnover. The other organisational types (addiction, education and counselling, overseas development and human rights, arts and the environment) are not significantly related to turnover group.

Having a general public client base reduces turnover, while the other types of client base (minorities, mental health and addiction groups, disability groups and carers, family and community groups) appear to have no effect. The regions are all significant with the same signs as expected (the negatives are in comparison with Dublin). Having outreach activities, office-based activities or, especially, having a charity shop are all associated with higher turnover. Organising conference activities is associated with low turnover.

Part II (v): Factors affecting organisations activity focus

Community and rural development organisations tend to focus on outreach, office-based and conference activities, while general-purpose charity organisations tend to focus on fundraising or running charity shops. Arts and environmental organisations focus on organising conferences, while addiction, education and counselling organisations focus on office-based activities and outreach programs. Organisations with mental health client bases and with disabled/carers client bases focus on office-based activities. The former also focus on fundraising, as do family and community groups.

Organisations with a national scope focus on almost all types of activities, while outreach and office-based activities are lower than one would otherwise expect in Leinster and Connaught.

Part II (vi): Problems with insurance

20% of the total sample (One hundred and thirteen organisations) reported having problems with insurance. Organisations involved in the arts and environment, and low turnover organisations, have an increased probability of having problems.

Respondents were asked to rank their problems (due to cost, availability or organisational history). Lack of availability was ranked number one by 62 respondents and number two by 12 twelve respondents. Cost was ranked number one by 48 respondents and number two by 18. History was ranked by only eight respondents. A mixture of other reasons for problems was also given.

Cost is important for those with a general public client base, a minorities client base and a mental health/addiction group client base. It is not important for the high turnover group relative to other turnover groups.

Availability is important for those with a disabled/carer client base and with a family community client base. Those with a minorities client base are less likely than others to have a problem with availability. Finally, organisational history is an important hindrance to insurance for those with a disability client base.

Part II (vii): Use of broker and use of Allianz

High turnover organisations are likely to use a broker, as are organisations in Munster. Allianz is strong in Connaught and among those organisations with a mental health and addiction client base or a disability and carer client base. It is also strong among community and rural development organisations. Having directors' cover is strongly and negatively associated with using Allianz.

Part II (viii): Conclusion

This survey provides a comprehensive and important picture of insurance use and needs in the community and voluntary sector. It also provides some extra information on the sector itself, how it is organised, the groups it deals with and the activities that are being carried out within it.

The main results reported in Part I are that general purpose charities (umbrella groups, general charities and charities involved with housing) and charities involved in disability tend to pay high premiums. Community and rural development organisations tend to pay low premiums. Organisations involved with a charity shop tend to pay high premiums, while conference organising organisations tend to pay low premiums. Premiums tend to increase with turnover, especially with very large increases in turnover. Different types of individual premium are also associated with paying high overall premiums – directors' and officers' insurance, car insurance and professional indemnity insurance are all strongly associated with being in the high paying premium group. Dublin-based organisations with a national scope also tend to be in the high paying group, as do those organisations using insurance brokers.

While it is difficult to be precise, there is no doubt that claims appear to be a very small proportion of premiums – not much more than three or four per cent in any given year. This is a very small percentage indeed and it would be interesting to see the actuarial calculations on which these premiums are based.

The results of Part II (ii) suggest that car and professional indemnity insurance, especially, contribute greatly to overall premiums. The type of client base and organisational activity orientation is also important for the amount of premiums paid, as is the type of organisation. Health organisations, for example, pay more than other otherwise similar organisations. Being an addiction, training or counselling organisation, or being an overseas development organisation, can mean a smaller bill.

Activities also matter. For example, engaging mainly in office-based activities for any kind of organisation, with any kind of client base, is always associated with substantially lower premium bills.

Part II (iii) shows that health and disability organisations are prone to a high take-up of professional indemnity insurance, as are addiction, training and counselling organisations (despite low overall premium bills). Arts and environmental organisations have high levels of employment insurance but low premium take-up otherwise. Rural and community organisations have a low take-up of motor, professional indemnity and directors' and officers' insurance – the three main contributors to a high insurance bill.

Outreach activities are associated with higher professional indemnity insurance. Organisations of a national scope, surprisingly, have a low take-up of motor insurance. Take-up of motor insurance is strongly associated with carrying out fundraising activities and with having a greater number of staff.

With regard to turnover, which is examined in Part II (iv), Dublin-based, national or regional organisations have high turnover. The type of organisation, the client base and the activities carried out are all independently associated with organisational turnover. Community groups, for example, or those with family or community client bases, or those organisations that tend to have conference activities, all have lower turnover than other similar organisations.

The link between organisation type/client base and the activity orientation is further explored in Part II (v). Community and rural organisations, for example, tend to focus on office-based activities, outreach and organising conferences. General purpose and housing charities, on the other hand, tend to focus clearly on fundraising and running charity shops.

Part II (vi) shows that low turnover organisations, especially those focused on the arts and environment, tend to have problems with either cost or availability of insurance. Among the organisations that have problems, cost problems predominate for those with minorities, or general public or mental health and addiction client bases. Availability problems predominate, on the other hand, for those with a disability group client base, or those organisations working with families and communities.

In Part II (vii), it is found that using brokers tends to be more common in Munster, all else equal. Allianz is slightly more popular in Connaught. Brokers are popular with high turnover groups. Allianz is popular with community and rural organisations, with those with a mental health and addiction client base and with those with a disability/carer client base.

In conclusion, this report for the first time, compiles the data and supporting information that is needed to address some of the current issues in many cases prohibitive, surrounding cost and availability of insurance to the community and voluntary sector.

APPENDIX 1:

INSURANCE QUESTIONNAIRE



INSURANCE QUESTIONNAIRE FOR COMMUNITY & VOLUNTARY ORGANISATIONS

All returns will be treated in strictest confidence.

Please complete (time required approx. 15 minutes) and return to:
The Wheel, Irish Social Finance Centre, 10 Grattan Crescent, Inchicore, FREEPOST F3030, Dublin 8.
 before the 22nd October 2005 – all respondents will be entered into a draw for a digital camera

The purpose of this exercise is to enable The Wheel to assess future insurance needs in order to campaign for improved and better service provision for Community and Voluntary Organisations.

ORGANISATION DETAILS

Organisation _____			
Contact Name _____	Position _____		
Address _____			
Tel: _____	Email: _____	When established _____	

1. Please classify your organisation below (please tick the most relevant boxes below):

<input type="checkbox"/> Medical/Health	<input type="checkbox"/> Addiction	<input type="checkbox"/> Religious	<input type="checkbox"/> Human Rights/Justice
<input type="checkbox"/> Urban/ Rural Development	<input type="checkbox"/> Community Development	<input type="checkbox"/> Environment/ Conservation	<input type="checkbox"/> Accommodation/ Housing/Homelessness
<input type="checkbox"/> Disability Services	<input type="checkbox"/> Education & Training	<input type="checkbox"/> Arts & Culture	<input type="checkbox"/> Counselling
<input type="checkbox"/> General Charitable Purpose	<input type="checkbox"/> Overseas Development/Aid	<input type="checkbox"/> Mental Health	<input type="checkbox"/> Umbrella Body
<input type="checkbox"/> If other please specify:			

2. Please classify the target group of your organisation (please tick the most relevant boxes below):

<input type="checkbox"/> Mental Health	<input type="checkbox"/> Men/ Women	<input type="checkbox"/> Children/ Young People	<input type="checkbox"/> Animal Welfare
<input type="checkbox"/> People with a physical disability	<input type="checkbox"/> Asylum Seekers/ Refugees	<input type="checkbox"/> Social & Economic Disadvantaged	<input type="checkbox"/> Drugs/ Alcohol addiction
<input type="checkbox"/> People with a mental disability	<input type="checkbox"/> Volunteers	<input type="checkbox"/> Ethnic Minorities	<input type="checkbox"/> General Public
<input type="checkbox"/> Carers	<input type="checkbox"/> Family	<input type="checkbox"/> Older people	<input type="checkbox"/> Local Community
<input type="checkbox"/> Unemployed	<input type="checkbox"/> Travellers	<input type="checkbox"/> Gays & Lesbians	
<input type="checkbox"/> If other please specify:			

3. Please indicate below numbers of:

Total paid staff spending > 80% of their time in the office	
Total paid outreach staff spending < 20% of their time in the office	
Total Volunteers (excl. Board of Directors/Management Committee)	
Total on Board of Directors* or Management Committee – (state which)	

* Note – your organisation will only have a Board of Directors if it is a company limited by guarantee

4. Please indicate level of annual income: (please tick relevant box below)

Less than €100k	
€100k to €500k	
€500k to €1 million	
Greater than €1 million	

5. Which best describes your organisation – local, regional or national? _____

CURRENT INSURANCE DETAILS

6. Are you part of an existing Group scheme? Yes _____ No _____
 If yes, which one? _____

7. Are you using a broker? Yes _____ No _____ If yes, please specify the name of the broker: _____

8. Please indicate your existing insurance company(s) - (direct or through a broker)

Royal & SunAlliance	Allianz	Eagle Star
AXA/PMPA	Hibernian	If other please specify:

9. Please indicate your next renewal date: Month _____ Year _____

10. Please tick below to indicate your organisation's activities e.g.:

A) Conferences/ Meetings / other activities		D) Office based work	
B) Fundraising events		E) Charity Shop	
C) External or Outreach services		F) If other, please specify:	

11. Please indicate which of the following insurance policies you have and supply details:

	Please tick which policies you have	Please rank in order of organisational importance e.g. 1,2,3 etc.	€ Premium per annum (if estimate please note 'est')
Public Liability (PL)			
Employers Liability (EL)			
Property/Office/Contents			
Professional Indemnity			
Motor			
Directors & Officers			
Other			
Total			

Has the total premium changed from last year? Yes _____ No _____ If Yes, what was it last year? € _____
 Do you take out additional cover for other events at other times in the year? Yes _____ No _____
 If yes, please give details of cover and cost _____

HISTORICAL INSURANCE DETAILS

Insurance Claims History

We would much appreciate if you would take the time to complete the following information. It may be necessary for you to check some of the below details with a colleague or your broker. This information is necessary to ensure that the study is comprehensive. Please be assured that any information given will be treated in a strictly confidential manner.

12. Have you made an insurance claim in the past 5 years? Yes _____ No _____ (If no, go to Q14)

13. Please provide the following details:

Year	Type of Claim eg. Employers Liability (as per Q9)	Has the claim been settled? Yes / No	If yes, please state amount (€) paid	If no, please state amount (€) outstanding
2000				
2001				
2002				
2003				
2004				
2005				

Please give brief description of claims: _____

14. Have you encountered any problems getting insurance for your organisation? Yes _____ No _____
 If yes, please rank the reasons you feel your organisation encountered these problems (1 to 4, 1 being the most relevant and so on).

Cost - insurance premiums too high quoted for my organisation	
Availability – difficulty in receiving a quotation to cover my organisation's activities	
History – based on my organisation's previous claims	
If other please specify:	

15. Do you follow a formal risk management process Y/N? _____

16. Please add any other relevant additional information:

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If you require any assistance in completing this questionnaire please contact Hannah Perrin or Don Briggs at The Wheel on (01) 454 8727

Thank you for contributing to this important research project, the results of which will be reported back to all participants
 PLEASE NOTE THAT SPECIFIC ORGANISATIONAL DATA WILL BE TREATED IN STRICTEST CONFIDENCE
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