

# Insurance

**It is essential for all CSAs, whatever the size, to have adequate insurance cover. If you don't and an accident happens, the organisation or its individual staff or committee members could be found to be financially liable for any claims made. Hopefully you'll never need to make a claim as CSAs are generally low risk sites.**

You need to consider the potential risks to your members, volunteers, staff and the general public. It is a good idea to have one named person who is responsible for your insurance arrangements, so they can keep a record of your various activities and carry out risk assessments.

Let the insurance company know if anything significant occurs such a break-in (even if you decide not to claim on the insurance) or if there is any change in your group's activities like starting to keep pigs or run training courses.

When approaching an insurance company you need to let them know about the size of your farm, including the numbers of staff and volunteers, and a full description of all your activities, or potential future activities. Ideally you'll have a face to face chat on the farm or talk on the phone with your insurance company to ensure you have covered every aspect of your CSA's activities. CSAs in the UK are many and varied so it is important that your insurer understands your unique set-up.

There are several types of insurance that need to be considered but Public, Employers and Product liability are essential for most CSAs. If you are a larger CSA you may also want to consider the other types of insurance listed. Try to find a broker who deals with all of these so they can all be covered in one policy.

Ideally you will want to choose an insurer who has some experience of dealing with farms and businesses that engage with the local community. You also need to make sure you check your insurance policy whenever it changes or is renewed to ensure that you still have adequate cover and that the cost has not increased greatly.

## Public liability

Public liability insurance covers claims made against the policyholder for injury, loss or damage caused to any person as a result of the organisation's negligence. As a CSA it is likely that your members will be visiting the farm on a regular basis, so there is a higher risk than on some other farms. If you hold special events for large numbers of people you need to find out if these are covered under your policy or if you will need additional one-off event insurance.

School groups or groups of vulnerable adults may need special insurance cover, possibly with special facilities (such as for hand washing) as a condition of cover. Check with your insurer and make sure you are covered before inviting them.

## Employer's liability

You will need this if your CSA has any paid staff. Additionally any members or other volunteers who work on the farm are also counted as employees, so need to be insured against potential injury. Normally cover is provided for a limit of indemnity of £10 million. Your CSA has a legal duty of care under health and safety legislation to your volunteers.





## Product liability

This is required if you intend to sell any farm produce for consumption. This will protect the CSA from the cost of claims arising where products sold from the farm cause injury or illness to a person or persons, or damage to someone else's property. If you are selling produce from livestock such as raw milk this may have a higher risk. In all cases you will need to conform to Environmental Health standards.

## Asset protection

Depending on what assets you own, such as farm machinery or IT equipment, and how much they will cost to repair or replace, you may also want to get cover for any losses due to theft, fire, flood, or accidental damage. If your CSA owns any buildings you may also need buildings insurance in case of structural damage, as well as contents insurance. Check what security measures (such as the quality and fixtures of locks) are required as a condition of insurance.

## Professional indemnity

If you are offering any training and advice you may also want professional indemnity insurance, as this will protect you against claims for negligence or bad advice. Although this is unlikely to be needed by most CSAs, it may be necessary if you are offering a formal training programme.

## Directors Liability (or Trustee Liability)

This protects directors/trustees and officers against liability claims which arise from decisions and actions taken as part of their day-to-day duties

and can provide protection for claims that result from errors in judgement. This is important if you incorporate as a Community Benefit Society or a Community Interest Company as the directors will be accepting legal responsibility for the organisation. If your CSA is responsible for a lot of staff or manages large funding bids or community share offers this may be something you need to consider.

## Insurance companies

Some examples of insurance companies used by CSAs include:

- Naturesave
- NFU Mutual
- Lycetts
- Zurich

NB Please note the CSA Network UK does not endorse any of these insurers, they are just examples of insurers that other CSAs have used and who may be more aware of the issues with farms and/or community based organisations.

## Costs

The cost of insurance will vary but it generally starts at around £250-300 per year and will increase depending on the size of the CSA and what activities are covered. A CSA with 50 vegetable share members and livestock may pay around £700 per year. This is an annual cost so you will need to include it in your budget and make sure you are raising enough income to cover it. This is particularly important for smaller volunteer-run CSAs that may not be generating much income.

## Risk assessments

You will need to write risk assessments to demonstrate to an insurer that you have done your best to consider everything that could happen and what you've done to reasonably guard against that happening. These could relate to the general running of the CSA, produce, employees and any special events or activities. They need to be reviewed every six months or so, any time changes are made, or if you notice a potential hazard that hadn't occurred to you before (see Health and safety section).

## Making a claim

It is a condition of all insurance policies that you report without delay any incidents that may result in claims. If such incidents are not reported within an acceptable timescale (usually 30 days from the time of the incident) your insurers may refuse to indemnify you. In order to progress your claim as quickly as possible your insurers will need full details of losses and any estimates for repair and/or replacement where possible. If appropriate, contact the police as soon as possible to report any incident, and note down the crime number.



## OTHER USEFUL LINKS AND RESOURCES

- ▶ A useful overview on insurance from the Community Land Advisory Service <https://en.communitylandadvice.org.uk/en/resource/overview-insurance>
- ▶ Advice from the Federation of City Farms and Community Gardens on insurance [farmgarden.org.uk/resources/insurance](http://farmgarden.org.uk/resources/insurance)
- ▶ Film from the Federation of City Farms and Community Gardens film on public liability insurance and risk assessments [youtube.com/watch?time\\_continue=192&v=2Yh9qCXH2a8](https://www.youtube.com/watch?time_continue=192&v=2Yh9qCXH2a8)