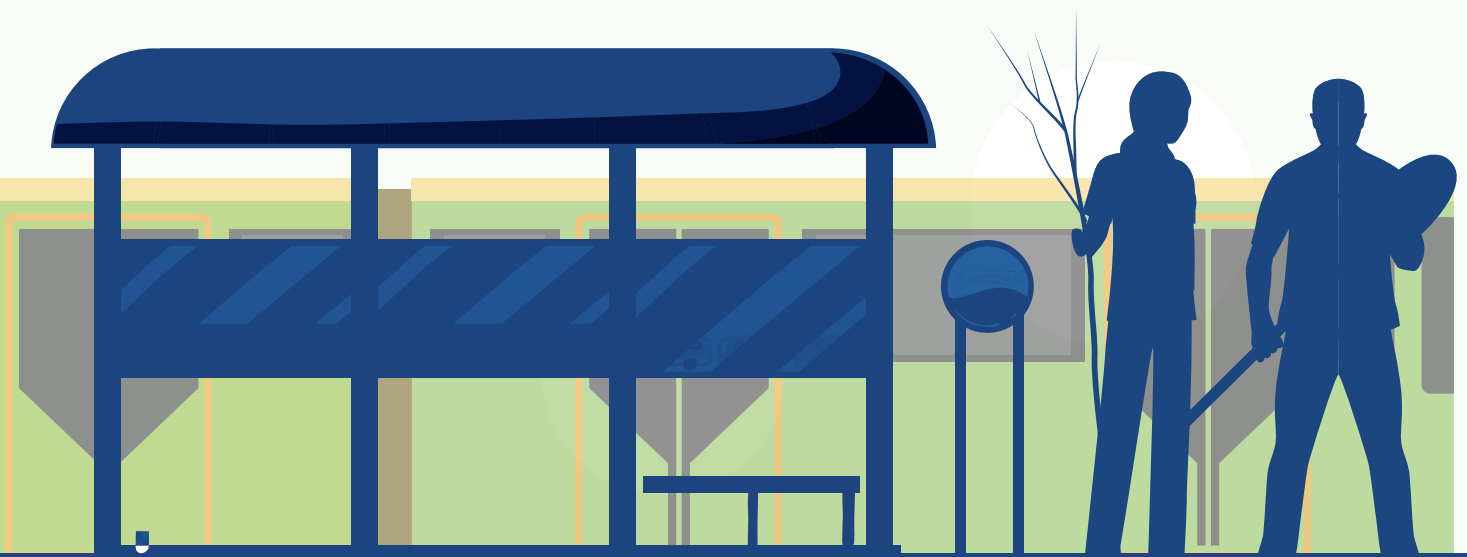


Insurance

a guide for community rail groups



Insurance – a guide for community rail groups

Disclaimer: Advice on insurance is covered by rules set down by the Financial Conduct Authority (FCA). As no staff employed by the Association of Community Rail Partnerships (ACoRP) are qualified through the FCA, this general guidance should be supplemented by speaking to an independent insurance broker or another professional suitably qualified to provide insurance advice.

This guide aims to help community rail groups consider their potential insurance needs and requirements and ensure they have appropriate cover in place. Further support on this topic and discussion on any of the below points, and signposting to experts and providers, is available from ACoRP for our members. Contact info@acorp.uk.com or **01484 481053**.

Why do community rail groups need insurance?

By their nature, groups such as yours – station adoption groups, community rail partnerships, or community station groups – undertake many of their activities in station environments or other public places, where safety is paramount. Potential risks can include dangers of being near the railway track, which may have the additional danger of overhead wires, using electrical equipment, moving vehicles in car parks or roads, or working on disused or overgrown areas of land.

Through reaching out into local communities, there may be additional risks from attending or running events at external locations, for example local schools.

Because of the risks, it is vital that all your volunteers and staff have an adequate level of cover when performing any duties linked to community rail. Appropriate insurance cover may also be needed if you are booking venues or using equipment for meetings or events away from a railway setting.



Types of insurance

There are various types of insurance that may be needed in relation to community rail settings, which are summarised below.

Public liability insurance

This form of insurance isn't compulsory under UK law, but should be seriously considered by any organisation whose activities involve interactions with members of the public, as is often the case with community rail groups.

Public liability insurance can cover legal costs and compensation payments if your organisation is held responsible for injury or property damage to a client, contractor or another member of the public. For example, if you are tending planters on a station and someone left gardening equipment on the platform, you could be liable if it led to someone being injured in a trip or fall.

Public liability insurance can drastically reduce overall financial risk, particularly for small organisations, and in the event that any attributable injury or property damage is caused, could be crucial in safeguarding the future of your organisation if you are forced to pay out on a claim.

Provided you are working in station areas that can be accessed by the public, your group should be adequately covered by the insurance taken out by your train operating company. **However, this does need to be checked with the relevant train operator to ensure the necessary arrangements are in place.** You may need to satisfy certain criteria before the cover applies, for example, registering under a formal station adoption programme, undergoing essential safety checks and briefings, providing risk assessments, and signing up to an official code of conduct.

If you are working on approved projects that encompass railway land outside a train operating company's lease area, for example on Network Rail land (e.g. disused platforms), then your group may be covered by insurance arranged by Network Rail, subject to confirmation contained within licence agreements. Again, you must check this before embarking on any activity, which will be dependent on obtaining a community licence from Network Rail.

Employers' liability insurance

For any UK organisation that employs one staff member or more, it is a legal requirement to have employers' liability insurance. This policy covers compensation and/or legal costs if an employee or ex-employee claims compensation for a work-related illness or injury.

While many groups within community rail, particularly station adoption groups, will be made up purely of volunteers, you should still investigate this type of cover as the guidelines can also cover volunteers and interns. Some community rail groups may be exempt, but this should be checked with your train operating company, any host organisation (if your group has one), and, if needed, an insurance adviser. If an incident occurred on Network Rail land, for example, the community rail group would be classed as the employer, rather than Network Rail.



Personal injury insurance

Personal injury or personal accident insurance pays compensation for accidental injuries or deaths. Payments can cover medical costs or lost income if someone is left incapacitated and unable to work. Some people decide that personal accident insurance is necessary for them because they work in what is perceived to be a particularly risky environment, such as a construction site, or that they know they would struggle to make ends meet if they were involved in an accident and unable to return to work.

Within community rail, this policy could come into force if a volunteer suffered some form of injury, such as from a trip or fall, while carrying out community rail activity. Anyone with existing personal insurance policies should speak to their provider to see if any changes are required to reflect the fact they are now volunteering/working in a railway setting.

Equipment or contents insurance – Business contents insurance can provide cover allowing the replacement of any equipment that is lost or damaged. In community rail, this could range from specialised equipment and tools used for station gardening or maintenance, to the fixtures and fittings of an office or storeroom, or electrical items such as computers, phones or cameras.

Again, you should check with your train operator, and/or host organisation if you are based within a local authority or other organisation, as the responsibility for such insurance may depend on who holds the lease for the building in which the contents are stored.

Some community rail groups will have a responsibility for collecting, displaying and storing items that may be classed as unusual or expensive, and may therefore require an additional 'high-risk' policy element. Such contents could include rare collectible articles, artefacts or memorabilia, pictures, prints and works of art, and other railway-related antiques. This cover would have to be added on top of standard contents insurance that may be provided by the landlord of the building of where the items are kept. As stated above, you should check existing cover with rail industry partners before getting specialist advice on items you deem to be of particular value or importance.

Professional indemnity insurance

This is designed to cover the cost of any claims made against a company or group by a client for any losses they suffer – be they financial or damage to reputation – because of the provision of work or advice. Within community rail, this type of cover is likely to be only relevant to larger organisations, such as more-established community rail partnerships, who may engage in some form of consultancy or advisory work for other groups or businesses. If relevant, you might also consider trustee indemnity insurance, which can cover legal costs and expenses related to claims against individual trustees within your organisation.



Working in or around a station

As stated above, community rail groups working on projects within the station lease area should be covered by their train operator's public liability insurance policy. Where work extends into an area covered by another leaseholder, such as disused platforms or railway buildings under the control of Network Rail, or station approaches that have been adopted by a local authority highways department, the same guidelines may apply, but you should always check that this is the case before starting any activity. See the expert advice section below, on page 7, for further details on how to ensure you are covered properly.

What the rail industry says

Research by the Rail Safety and Standards Board (RSSB), highlighting good practice in station adoption, found that: "There are no special insurance requirements as adopters are allowed to work only in areas that are accessible to the public and they are not allowed on or near the line. Most train operating companies consider that adopters are adequately insured under existing passenger and/or staff cover, and that no separate insurances are required."

Many train operators will offer advice on insurance in the information they provide to community rail groups, such as the example below, taken from the Northern Station Adoption Guide:

"Provided you are working within the area to which the general public has access, and you are part of an approved station adoption scheme, working in accordance with our agreement and code of conduct, you are covered by Northern's insurance arrangements. If as part of your scheme, you are working on Network Rail land, they may be able to arrange for you to be included in their policy, but you must agree this with Network Rail first."

Codes of conduct

To be covered under their public liability insurance, your group will need to comply with all the terms and conditions specified by your train operating company. In many cases, this will include committing to a signed agreement and abiding by a code of conduct. While each individual operator will have their own document, common points that must be followed are likely to include:

- ensuring that the correct permission is sought from the operator before undertaking any work at a station;
- ensuring that no group member acts in such a manner as to bring the train operator, station adoption/community rail movement, or rail industry into disrepute;
- ensuring that no activity is undertaken at a station under the influence of drugs and/or alcohol, or drugs or alcohol brought onto the station site;
- ensuring that no volunteer goes on the track or lineside under any circumstances.

Safety briefings and risk assessments

To abide by the conditions of agreements with train operators, such as the signed terms of a formalised station adoption scheme, and therefore their insurance policy, all volunteers working on stations will need to undergo a safety briefing, usually by a member of staff from the train operating company or individual station team. If any volunteers do not receive the briefing and are involved in an incident, they may not be liable to make any claim.

The briefing will reinforce the message that volunteers working within community rail groups should never put themselves in any situation that poses a risk, to themselves or others, and cover control measures to minimise risks.

The validity of insurance policies may also be dependent on groups such as yours working with rail industry partners to ensure the correct risk assessments or method statements are in place. Key, basic rules covered by such assessments could include:

- Working a safe distance from the platform edge and at heights
- Working safely with or near electricity, e.g. overhead power lines
- Signing in and out of stations before/after work
- Observing the correct procedures for disposing waste, including hazardous material
- Following the correct accident reporting procedures
- Preventing slips, trips, or falls, for both volunteers and other station users
- Working safely with specialised equipment, e.g. gardening tools
- The safe use of any chemicals or solvents, e.g. cleaning materials
- Wearing the correct protective equipment, e.g. hi-vis clothing
- Not entering areas marked as private or unauthorised access



Working outside the station environment

While community rail groups can work with rail industry partners to ensure that appropriate insurance cover is provided when working in stations, there are also considerations when working in other locations. You may find yourself working more commonly in environments by no means limited to areas just outside the vicinity of stations e.g. extending maintenance work out on to the public highway, or expanding gardening activities beyond the reach of station boundaries.

If you are delivering activity within the facilities of partner organisations, or using external venues for meetings, then you may be asked for proof of your own public liability insurance policy before partners will enter into any working arrangements.

Taking part in and exhibiting at local events can be beneficial in engaging the community and reaching out to wider audiences, but it is also important to ensure you have appropriate cover to be accountable for any incidents that may occur. For example, if someone falls and injures themselves on any equipment surrounding your stall or stand, they could be entitled to claim compensation, potentially from your group, rather than the event organiser.

Appropriate public liability insurance would cover community rail groups against compensation claims for injury or property damage from any third party, and many event organisers will now ask for proof of public liability to be provided before you can take part in or exhibit at events. For one-off events, such as annual carnivals and agricultural shows, you may want to consider a simple policy that provides cover for as little as 24 hours.

If you are attending events or working externally on a more regular basis, you should consider speaking to a broker to devise a more comprehensive policy, such as one incorporating employers' liability and personal injury insurance. Further cover, such as a specific events insurance policy, would be advisable if you are regularly organising and running your own events, particularly outside of station environments, to guard against potential issues such as unforeseen cancellation or abandonment, or property damage.

If volunteers are using their own vehicles to travel to and from events, meetings, or any community rail activity, you need to ensure they have an adequate and appropriate level of cover, checking that they discuss and arrange this with their personal motor insurance provider. As you will share responsibility for their safety while driving for any 'work' purposes, you also need to take steps to ensure they will drive safely, responsibly and fully within the law.



Examples of policies held by community rail groups

The following examples provide a sample of the insurance cover currently held by ACoRP members. Names have been withheld, but the groups consist of community rail partnerships and station adoption groups of varying sizes, in different locations, involved in a diverse range of activities.

Case study 1: A large community rail partnership covering several lines

The partnership operates as a not-for-profit limited company, with voluntary directors and a team of paid employees. Staff run a varied annual programme of activities, involving work in schools, on stations, and at events in non-railway settings. The group also coordinates meetings at external venues throughout the year.

The partnership has insurance policies titled 'specialist insurance for charities and the voluntary sector' with charity underwriting. It also has the following additional policies:

- Employers' Liability – Limit of £10million;
- All Risks, Computer Equipment – Limit of less than £10,000;
- Group Personal Accident – Limits of Death, £10,000, Disablements, £10,000;
- Commercial legal protection – Limit of £100,000.

The combined premium for all of the above, including all taxes and fees, was just over £750 in 2017/18. The partnership did not take out premises' insurance, as office space at stations was provided by its partner train operating companies and included in their cover.

Case study 2: A small community rail partnership operating along the length of a predominantly rural line

The partnership is a not-for-profit company limited by guarantee, governed by voluntary directors and employing one paid officer on a part-time basis. It also has a number of shareholders who pay a small annual subscription fee. The organisation is involved in running various events and activities in station settings, including an educational programme for schools.

The partnership has the following policies with a local insurance broker, underwritten by a large international PLC:

- Public Liability Insurance – Limit of £5million, with an extension covering educational activity;
- Employers' Liability Insurance – Limit of £10million (no excess);
- Professional Indemnity Insurance – Limit of £250,000;
- Management Liability Insurance (for directors of the limited company) – Limit of £25,000
- Money insurance – Limit of £25,000;
- Damage to property policy, covering contents of buildings it leases from the train operator.

The current annual premium for the full package outlined above is £500.

Case study 3: A small community rail partnership operating along sections of various lines serving one county

The partnership is a community interest company, governed by a board of voluntary stakeholders and partners and employing one full-time community rail officer. The organisation runs a regular schedule of events and meetings to promote increasing usage of the line.

The organisation has a community groups, charities and trustees combined insurance certificate, underwritten by an international PLC.

- Employers' Liability Insurance – Limit of £10million
- Public/Products Liability Insurance – Limit of £5million
- Legal expenses product covering; employment disputes and compensation awards, legal defence, contract disputes, debt recovery, property protection, personal injury, tax protection, legal advice services, tax advice service, counselling services, charity commissions investigations – Limit of indemnity £250,000 per insured incident (with a £500 excess), and £1million per period of insurance.

The total annual premium for combined policy was just under £300 for 2018/19.

Case study 4: A small station friends' group operating on a semi-urban station

Members work regularly on the station tending gardening, landscaping and community art projects. The group has an insurance policy with the Royal Horticultural Society (RHS), underwritten by the National Farmers Union, consisting of:

- Employers' Liability Insurance – Limit of £10million;
- Public Liability Insurance – Limit of £5million.

Including a membership fee to the RHS, the cover costs £105 per year.

Case study 5: A mid-sized station friends' group operating on a semi-urban station

Members work regularly on station improvement schemes and community arts projects and events on the station, including involving local schools.

The group state that insurance for their normal activities at the station is provided by the train operator, meaning they don't require separate insurance on a routine basis. However, when promoting the work of the friends' group at external events e.g. local carnivals/fetes, the group are required to take out standalone public liability insurance, with an average daily rate from a local broker quoted at around £75 per day in 2017/18.

What the experts say

If your group is considering or seeking insurance cover for community rail activities, you should speak to an appropriate, qualified broker for advice. Many brokers are experienced in providing policies for groups operating in the voluntary and community sectors, with some familiar with the needs of groups operating specifically within community rail.

Mark Browne, the managing director of South Yorkshire-based insurance firm J.M. Glendinning, who has experience in working with ACoRP and community rail groups, offers the following advice:

To groups working within community rail in general, particularly larger groups, e.g. community rail partnerships – “Based on their activities, they are going to require public liability cover and possibly employers’ liability, which is a legal requirement if so required. Depending on the type of events and/or activities they organise, and the possible number of attendees, we would dictate the level of indemnity limit and breadth of public liability cover required.

“We would probably recommend a starting limit of £2million, but this may need to be as high as £5million, and unless they are all doing the same things, each one would need independent advice from a broker like ourselves. Going online and buying a basic public liability policy would not be appropriate.

“The employers’ liability could come into play as the ‘groups’ still have a responsibility to those persons under their direction, whether employed or volunteer. The standard limit of indemnity for this cover would be £10million. Other covers that may need consideration could be professional indemnity (errors or omissions) and/or trustees liability covers. Again, each one would have to be assessed independently.”

To smaller groups who have adopted or work at their local station, or those just starting out in community rail – “If they think they have protection under a local authority or train operating company then they need to obtain evidence of that, as all too often people make assumptions which are incorrect, and it’s not until something happens that they find this out, but it is then too late. These types of groups would need to check that their liability insurance is covering ‘manual’ work. Some liability policies are rated on a ‘headcount’ basis and again these groups would need to check how any liability cover provided has been rated to make sure it is fit-for-purpose.

“We would suggest that any new groups make sure they seek the independent advice of a broker like ourselves who would fully understand all the activities they are engaging in, which in turn would make sure they are sourcing a fit-for-purpose liability policy. They should not make assumptions or attempt to purchase a liability policy directly from an online insurer with whom they are not receiving any advice or direction from.”

Summary

Due to the differing structures of community rail organisations and groups, there are an array of insurance arrangements in existence throughout the movement. For example, some community rail partnerships are covered via being hosted by an external organisation such as a local authority, whereas others have developed more tailored policies depending on their individual make-up and governance. Smaller groups, such as station adoption groups, may be more similar in the type of cover required, but this still varies depending on the range of activities they are involved in.

ACoRP is currently looking at potential options for a 'group' deal for members to buy insurance, however as individual CRPs and station groups have such varied needs any offer may still not suit everyone or result in a discount. We therefore advise you to seek guidance from an independent insurance broker to make sure any cover you purchase is appropriate and affordable. One such supplier who provide ACoRP with its own insurance and work with a number of CRPs is J.M. Glendinning's South Yorkshire office and they are happy to work with any ACoRP member on potential cover for their organisation. You can contact them on **01226 761195** and speak to Mark Browne or Adrian Plowman.

Some key points to remember

- It is **vital** that all volunteers and staff have the necessary insurance cover when performing any duties linked to community rail. This applies when working in a station setting, and also at any external events or meetings;
- There are various types of insurance relevant to working in community rail, and you **must** ensure that all activity undertaken by your group is covered accordingly. Key policies to consider for the minimum and most basic level of cover will include public liability and employers' liability insurance;
- Before taking out any insurance policy for community rail activity, **always** speak to an independent broker or qualified professional to seek appropriate advice;
- Before finalising any policies, **check** the level of cover provided by your train operating company (or other relevant partners or host organisations) to avoid any duplication and unnecessary expense. For example, community rail groups working on approved projects within the station lease area should be covered by their train operator's public liability insurance;
- Even if some of your activities may be covered by rail industry partners' insurance, it is your responsibility to make sure that you are suitably covered for all your activities. **Never** assume you are covered by others' insurance without proof of such cover. If in doubt, check.

