



POLICY

Drafted by	J. Briscoe	Approved by Board on	April 2017
Date Drafted	April 2017	Last Review	June 2018
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Insurance

Purpose

Valley FM (VFM) Broadcasters Association Radio Inc. is a community radio station that relies on the efforts of volunteers to maintain operations and to broadcast local programs particularly for the residents of the Tuggeranong Valley. VFM's Board has the obligation and responsibility to ensure that the volunteers, activities and functions of the station are covered by insurance for any untoward or adverse event.

Principles

Insurance is not a substitute for risk management. It is a critical element of prudent corporate governance for all organisations not just those in the not-for-profit sector. There is also a perception that not-for-profit incorporated associations, such as VFM, cannot be sued. This is not the case. Incorporation creates a legal entity that is separate from individual members and there have been situations where Board members of unincorporated bodies can be sued as individuals.

Incorporation provides a certain amount of limited liability for members. However, it may not protect the organisation or individual directors in cases where negligence or defamation can be proven. The more VFM can minimise its exposure to risk through rigorous processes and procedures, the better off it will be. For most not-for-profit organisations, including VFM, insurance is an essential component of risk management and a key way to manage losses. Even the most prudent and effective organisations can't foresee everything and prevent accidents from occurring.

Therefore VFM wants to make sure that the people who are part of our organisation are covered for any potential liability, injury or loss. VFM also wants to ensure that its equipment, materials and property are similarly protected. One major reason why insurance is essential is that it to a major degree ensures that the station is not forced to close if ever exposed to a claim. Also, burglaries and thefts are a very real possibility and the effects of losing vital broadcasting and facility equipment would be devastating.

Insurance Cover

VFM has insurance policies for the following categories.

Public Liability Insurance

A public liability insurance policy is necessary for VFM to protect itself against claims of negligence made by third parties in relation to injury or property damage arising from the station's operations. For example, it is likely to cover a person who enters our premises, slips on a wet surface and sustains a serious injury. The policy also covers VFM's volunteer members which requires the station keep detailed records of all volunteers and to establish and communicate clear guidelines setting their roles, responsibilities and activities.

Directors and Officers Liability Insurance

Whilst incorporation does provide some protection to VFM Board members, it does not protect individuals from being sued for acts of negligence. A board member who negligently gives wrong advice, may not be covered by VFM insurance. Where such a case can be proven, the personal assets of negligent board members can be pursued to meet any damages. This is where Directors and Officers Liability Insurance comes in. It is worth noting that generally under such policies the organisation itself is not covered for the wrongful acts. This is generally covered through the public liability insurance.

ValleyFM Specific Property Insurance

This policy covers VFM's physical items against fire, storm damage, accidental damage or theft. VFM takes all steps to minimise the cost of this type of insurance by protecting its property with secure swipe card access system, security lighting and signage.

Personal Accident Insurance (Volunteer Insurance)

Personal accident insurance (or, as it is sometimes known, volunteer insurance) generally covers members, volunteers, officials or participants for any out-of-pocket expenses following accidental injury, disability or death while carrying out work on behalf of VFM. It normally covers loss of income too if the injured person is unable to work as a result of the incident. This is different from public liability insurance which protects the organisation and volunteers against negligence involving third parties.

Professional Indemnity Insurance

Professional indemnity insurance covers individuals against claims for breach of "professional duty" arising out of any negligent act, error or omission committed or alleged to have been committed during the conduct of professional activities.

Workers' Compensation

In almost all cases, a workers' compensation policy is compulsory for organisations that have paid employees. It covers expenses such as wages and medical bills if a person is injured at work. As VFM has only had one part-time employee in recent years this insurance was added to our insurance portfolio but will not be renewed until such time as VFM employs another person. VFM

also makes every attempt to maintain a safe workplace with the aim of protecting any worker from financial hardship in the event of a workplace injury.

Policy

VFM:

- Complies with all insurance requirements stipulated by funders, licences or grants and established insurance company policies, and
- Maintains up-to-date comprehensive insurance policies for:
 - Board members, employees, volunteers and other unpaid persons
 - Personal accident insurance for Board members, volunteers and other unpaid persons
 - Worker's compensation (when required)
 - Public liability
 - Professional indemnity, and
 - Contents e.g. burglary, fire, storm damage or other accidental or third party malicious loss.

The Board may also authorise insurance in other areas from time to time or on a needs basis. The President/Station Manager is responsible for ensuring that all persons and VFM specific equipment are covered by relevant insurances. The President, in consultation with the Board, must ensure that the costs of insurance reflect the market situation and that the policies are renewed no less than 14 days before expiry.

All insurance liability policies are renewed each financial year in consultation with VFM's preferred insurance brokers.

The Treasurer maintains a register of all current and past insurances noting the type of insurance, the exact insurance cover, the actual insurance company, the policy name and number, the annual premium and expiry date and any other specific details e.g. excess payment requirements. All insurance-related papers (register, historical records plus current and past policies) must be retained in the ValleyFM office filing cabinet.

The President/Station Manager shall notify the insurer as soon as practicable after being made aware of any incident that might result in a claim. The President is then required to establish an incident document trail in collaboration with the Treasurer and Secretary.

The insurer shall also be notified of any activities that VFM wishes to undertake outside of normal station operations e.g. outside broadcasts, as such an even may not be fully covered under an existing policy. This may require an additional premium payment which is preferable to attempting to make a claim and finding out that the station and its volunteers are not covered.

Valley FM Compliance Obligations

The Board is responsible for the development, operationalisation and review of this policy. Compliance with the policy is the responsibility of all Board Members and Presenters who are all, by virtue of their membership, volunteers.

Legislation Framework

N/A

References

Our Community Policy Bank available @ [Insurance](#)