

## AdviceUK Insurance Services

### Frequently Asked Questions

**Q: Why do we need Professional Indemnity Insurance?**

A: AdviceUK is committed to its members being able to provide skilled and appropriate advice to anyone who needs it. However, when mistakes are made it is important that the client should not be even more disadvantaged, and that any claims for compensation can be met without putting the resources of the centre and the personal assets of the management committee at risk.

**Q: What will the AdviceUK scheme cover our service for?**

A: AdviceUK professional indemnity insurance will cover you for any negligent act, error or omission in the course of providing voluntary advice, counselling, mediation and advocacy services on social welfare matters. We have deliberately used the term “social welfare matters” in the policy wording in order to make the scope of our policy as broad as possible. This enables us to cover a wide range of advice subjects, including: consumer rights, environment, mental health, community care, family law, planning, debt/money, health rights, welfare/housing benefits, drugs/alcohol, housing, prisoners’ rights, education, homelessness, employment, immigration/nationality and energy.

The policy will also cover your centre for legal liabilities arising from libel & slander and loss of documents. AdviceUK has ensured that the policy will also protect individuals working in the service against liabilities that may fall personally against them. In addition the policy provides compensation for costs and expenses incurred for attending court. On occasion a claim may be made which is groundless or unjustified and which may ultimately fail to prove breach of professional duty. Nevertheless, substantial costs and expenses may have been incurred in defence of such a claim, and these will still be insured. This insurance will not cover claims made against the service for any wrongful act committed in the role of trustee, director or officer. Separate Trustees, Directors and Officers cover is available for that purpose.

**Q: Does the policy cover counselling?**

A: Some advice services describe what they do as counselling (although this is less and less the case). We've therefore made sure that our scheme mentions counselling, but our insurers are clear that they are only covering counselling insofar as it relates to social welfare matters, e.g. debt counselling. Our scheme does not provide treatment risk cover for therapeutic/emotional types of counselling. If this is one of the activities provided by your organisation you should arrange separate insurance.

**Q: We are a care and repair type centre. We provide advice on housing renovation grants and we sometimes get involved in getting works done. Does the policy cover all of that?**

A: No. This policy specifically relates to information, advice and related assistance, such as representation. It does not extend beyond that to cover actual conduct or supervision of works. For example, it does not provide cover against claims for negligent oversight of any building project, the cost of corrective works or personal accidents (e.g. from tripping over some poorly completed piece of repair work).

The type of cover required for these types of risks is quite different – something of the kind that will be carried by architects, clerks of works, builders etc. and expertise in those areas would need to be demonstrated in order to get the cover. If we cannot arrange the type of cover you need we will direct you to appropriate brokers.

**Q: We are authorised to perform debt relief orders/ act under the debt arrangement scheme in Scotland. Does this insurance cover these activities?**

A: Yes. All activities for those licensed and registered to perform these activities are covered by the policy.

**Q: How much are we covered for?**

A: You can opt for indemnity of £250,000; £500,000; £1,000,000 and £2,000,000 or more by special arrangement. The level of indemnity you choose applies to each and every claim.

**Q: Is there a policy excess?**

A: In most cases we will not apply a policy excess. However, if an excess is applied (e.g. where we consider the work being done to be of unusually high risk) then this will be made clear when a quotation is provided.

**Q: When will our cover start?**

A: Your cover will begin the day we receive your correctly completed proposal form. Please note that we cannot arrange retrospective cover.

**Q: What if we need to increase our cover?**

A: If you take on more workers and this changes the category of cover you need, or if you wish to increase your level of indemnity, you should inform us in writing and we will invoice you for any extra premium or send you an additional form to complete, as appropriate. We cannot arrange retrospective cover, so you need to let us know straight away.

**Q: What if we have barristers, solicitors or accountants giving advice to our clients?**

A: If you have paid or volunteer solicitors giving advice you must ensure that all people with practising certificates – whether they choose to practice or not – are insured as solicitors, either by your centre or the solicitors' partnerships.

Solicitors working in not –for– profit agencies are required by the Solicitors regulatory authority to have cover which is “reasonably equivalent” to the level of cover set for those working in private practice. If a solicitor is employed as such (or identifies as a solicitor while volunteering) a minimum level of cover (currently £1m is required. This rule does not apply if a solicitor is only identified as a volunteer.

If a barrister is not insured by the Bar Mutual Indemnity Fund then your service should insure them. If your service has a barrister, you will need to supply details with your proposal form.

A person who does not have a practising certificate is not allowed to act as a solicitor, and therefore should not be giving advice as one, or be referred to as one in any information or publicity about your centre.

If you have volunteer solicitors, or barristers advising your clients on behalf of your centre you should establish with them whether the advice they give to your clients will be covered under their firm's insurance. If you do not insure them and they are not protected by their own insurance, any claim arising from advice they have given would fall directly on your service.

If you wish to insure more than 10 solicitors, barristers or (this is usually misunderstood) you must submit a proposal form along with the following information:

- Date of establishment
- Number of solicitors, barristers, accountants offering advice
- Estimate of number of persons to whom you gave advice in the last 12 months

**Q: What about outreach work?**

A: This insurance will cover any advice given at locations outside of the advice centre, providing the advice is still being given on behalf of the insured organisation.

**Q: What if we want to make a claim?**

A: It is very important that you notify us as soon as you become aware of a claim, or circumstances that may give rise to a claim. If a claim – or potential claim – arises, you should [contact us](#) asap to inform us. or send a covering letter to AdviceUK. We will then contact you to discuss the details of the matter and provide guidance. When you apply for this insurance we will send you a sheet: "What to do in the event of a claim or potential claim".

**Q: What do we do if we want to cancel our policy, can we get a refund?**

A: If you wish to cancel your policy mid-term for any reason, you should inform us in writing. Please note that AdviceUK is not able to refund any of your premium if you cancel your cover before the expiry date.