

Insurance Handbook for volunteers and staff of the CIOT and ATT

1. This note summarises the insurance cover for volunteers and staff of the CIOT and ATT and is for information only. It is not a legally enforceable contract.
2. This note was last reviewed as part of the annual review of insurance and was agreed on September 23, 2016.
3. CIOT and ATT's insurances are reviewed annually by the Finance Team overseen by the Finance and General Purposes Committee.
4. The insurance year begins on the 1st March.

Background

5. All insurance cover for CIOT and ATT is arranged through its brokers, Packetts (www.packetts.com).
6. The cover is summarised in the table included as Appendix one.
7. The insurance cover has evolved with experience and the changing business of the ATT and CIOT. The history of this evolution is captured in the frequently asked questions in appendix two.

Head of Finance, CIOT and ATT

Director, Packetts

Appendix one - Summary of cover

Covers protecting volunteers / staff acting for and / or on behalf of CIOT / ATT.

Volunteers are described as ...

- Branch officers who organise our 40 or so branches mainly in the UK but also overseas
- Committee members who contribute to our committee work and governance
- CIOT Council members who are also trustees of the CIOT as a charity
- ATT Council members who are also trustees of the ATT as a charity

It is noted that volunteers can carry out more than one role at any one time.

UK Residents	Persons covered	Level of cover	Territorial Limits	Jurisdiction	Notes
Employers Liability	Volunteers/Staff	£10,000,000	Worldwide	UK	
Public Liability	Volunteers/Staff	£10,000,000	Worldwide	Worldwide	
Executive Liability*	Volunteers/Staff	£5,000,000	Worldwide	UK	
Personal Accident	Staff	3 x annual salary	Worldwide	n/a	24 Hour cover
Personal Accident	Volunteers	£50,000	Worldwide	n/a	Whilst commuting to or engaged in CIOT/ATT voluntary work
Travel	Volunteers/Staff	Standard	Worldwide	n/a	Business and incidental holidays** only

Overseas Residents	Persons covered	Level of cover	Territorial Limits	Jurisdiction	Notes
Employers Liability	No cover	n/a	n/a	n/a	Not possible from UK, please insure locally
Public Liability	No cover	n/a	n/a	n/a	Not possible from UK, please insure locally
Executive Liability*	Volunteers/Staff	£5,000,000	Worldwide	UK	
Personal Accident	Volunteers	£50,000	Worldwide	n/a	Whilst commuting to or engaged in CIOT/ATT voluntary work
Travel	Volunteers	Worldwide	Worldwide	n/a	Business and incidental holidays** only

*Personal Liability of a governor, director, council member, officer, manager or trustee of the organisation

**Incidental Holiday shall mean any holiday of up to seven days in duration taken in conjunction with an Insured Business Journey

The following covers protect the organisations and not individuals and is included for reference

	Level of cover	Territorial Limits	Jurisdiction	Notes
Entity Defence	£1,000,000	UK	UK	
Employment Law Protection	£250,000	UK	UK	
Professional Indemnity	£5,000,000	Worldwide	UK	
Employee Dishonesty (Fidelity)	£500,000	UK	n/a	
Cyber & Data Risks	£500,000	Worldwide	UK	£5,000 excess

Errors and Omissions Excepted

Summary of cover only - full cover described in the relevant policy documentation

Appendix two - Frequently asked questions

Who is covered?

8. The '*persons covered*' are volunteers – persons who donate their time and skills without payment – or staff – persons employed by the ATT and/or the CIOT and are paid for their time and services. In this case, staff includes contractors, where relevant, and volunteers include trustees who are a subset of the volunteers. Relevant contractors excludes examiners who are required to make their own arrangements for insurance relating to their work as examiners.

What cover is provided?

9. Refer to Page 2 and 3 for the summary of cover. The benefits detailed in the summary apply to staff as well as volunteers. In most cases the benefits for staff are at least equivalent to the benefits stated for volunteers, the main difference is the Personal Accident section where benefits for employees are stated as a multiple of salary and not as a lump sum.

Are Officers covered?

10. Yes. The term officer is used to mean someone acting in an official capacity and includes volunteers who hold the office of President or similar and other volunteers who as a matter of fact also act in an official capacity. For example, some branch committee members who do not hold the office of chair or similar of the branch committee may from time to time act in an official capacity with the agreement of the Committee. Also officers may also include staff acting in an official capacity.

Does the insurance cover the supply of tax advice?

11. No. The cover provided assumes that the CIOT and ATT do not supply tax advice as stated below in an extract from the front page of the CIOT website :
The Institute itself does not provide tax advice. Our members may provide such advice and other tax services as tax professionals. The only exception to this is our [Low Incomes Tax Reform Group](#) who publish a wealth of information for the unrepresented taxpayer.

12. The Low Incomes Tax Reform Group (LITRG) is a committee of the Council of CIOT and the staff that work for LITRG are either employed by ATT and CIOT on the same terms as other ATT and CIOT staff or are on secondment from HMRC. The volunteers involved in LITRG are equivalent to the volunteers involved in other ATT and CIOT activities. In the case of LITRG, a higher proportion of volunteers may not be members of the ATT or CIOT.
13. LITRG publishes information which deals with categories of taxpayers not individuals. From time to time LITRG will correspond with members of the public. However, published information and correspondence is always accompanied by disclaimers saying that the information should not be relied upon and the taxpayers should take appropriate professional advice.

What risks are generally covered?

14. The Summary of Cover in appendix one sets out the categories of risks insured using language that is common in the industry; for example, Employers Liability, Public Liability etc.
15. The details of the cover supplied is available from the Director of Finance & Operations.
16. The policy described as Executive Liability replaces what was formally known as a 'Directors' and Officers' policy.

What is the period covered?

17. The cover runs from 1 March until the end of February in the following year and is automatically renewed unless otherwise agreed.

How are claims made?

18. All claims are made via the Head of Finance. Volunteers or staff to report matters accordingly.
19. Any circumstances that may give rise to a claim must be reported to the Head of Finance at the earliest opportunity.

How might claims be declined?

20. Each claim will be assessed against the cover but ATT and CIOT must ensure that matters or circumstances that *might give rise to a claim* are reported to Packetts in a timely manner, otherwise a claim may be invalidated. The annual process for producing the “letter of assurance” from the Head of Finance to the ATT and CIOT Councils will include assurances about circumstances that might give rise to a claim. This process is reinforced in training for staff and volunteers.

What is covered by Personal Accident cover?

21. Accident shall mean a sudden unforeseen and fortuitous identifiable event. Sickness is not included.

22. Refer to summary of benefits for limits.

What Life Cover is included?

23. None.

Are complaints made to the Taxation Disciplinary Board included?

24. If a successful claim is notified then legal expenses cover is provided under the policy to defend the claim. The volunteer must be acting on behalf of the CIOT or ATT at the time of the incident that gave rise to a claim. Packetts will use Insurers’ definitions where possible.

What is the definition of residence?

25. (Country of Permanent) Residence shall mean the country where an Insured Person resides indefinitely or where an Insured Person has the intent to reside indefinitely.

What is the insurance definition of staff and how does this relate to HMRC’s views on PAYE?

26. A member of staff is any person who while working under our control in connection with The Business is:

- a) Under a contract of service or apprenticeship

- b) Under a work experience or training scheme
- c) A voluntary helper
- d) An outworker or homeworker when engaged in work on our behalf.
- e) A governor
- f) A trustee
- g) An outworker or homeworker when engaged in work on our behalf;

Please note that whilst all the above are considered to be “staff” differing Personal Accident and Travel benefits apply depending on the persons duties, as summarised in Appendix one

Are people employed by CIOT’s branches?

27. There are a handful of CIOT paid staff who support the branches, they are covered under these policies.

What is excluded?

28. This question relates primarily to the “Management Risks” covers to which the following (not exhaustive) list applies

- a) Claims brought outside the UK
- b) Funding exclusion
- c) Investment Advice exclusion
- d) Failure of Investments exclusion
- e) Loss of Data (inefficacy of computer program excluded)
- f) Computer Date Recognition Exclusion
- g) Pollution unless arising from negligent advice
- h) Dishonest and malicious acts against third parties
- i) Bodily Injury and Property Damage unless arising from negligent advice
- j) Acting as a trustee of a pension scheme

- k) Claims following takeover or merger of the organisation
- l) Claims for breach of trust committed with reckless disregard
- m) Penalties or liquidated damages
- n) Joint Ventures or Consortia
- o) Products Liability
- p) Trading Losses
- q) Fraudulent or Misuse of any Credit, Debit, Charge and Store Card
- r) Claims made by The Taxation Disciplinary Board Ltd
- s) Fines and penalties and other matters uninsurable under UK law.

Does the insurance cover cybercrime?

29. Cover has been arranged with effect from September 2016. Full details to be provided to CIOT/ATT once documentation is received from Insurers.

Is fraud by a volunteer or staff member covered?

30. Yes – under the “Fidelity” (Employee Dishonesty) policy

What is covered by Public Liability insurance?

31. Legal liability for damages and costs, relating to negligent injury to third parties, or for loss of, or damage to third party property, in the course of our normal business activities.

32. For example, this insurance would cover someone who tripped and injured themselves on CIOT or ATT equipment during a CIOT/ATT branch event, providing that we were negligent in some way.

All subject to the policy terms, conditions and exceptions. E & O E