

NFASP MEMBER-ONLY RESOURCE: ADVICE AND SUPPORT

Insurance for Studios Providers and Artists

1. Introduction

Whilst there is some overlap, there is a clear division between insurance taken out by individual artists to cover their own personal requirements, and insurance taken out by studio groups and other organisations that provide studio space to artists, in order to cover the risks associated with doing so.

Individual artists may need to consider public liability insurance (to cover risks to studio visitors or workshop attendees) and employers' liability insurance (if they make use of assistants or helpers, regardless of whether these are paid or voluntary). Individual artists may also wish to insure equipment, materials and artworks, and also consider insuring themselves against loss of earnings.

Depending on how an organisation is constituted, its insurance requirements will vary. Charities have specific legal requirements to fulfil. Other organisations will need to consider their particular circumstances, taking into account whether they employ or make use of voluntary staff, and what public access there is for visitors and events such as open studios. Artist-led studio collectives may be able to negotiate collective public liability insurance for visitors, open studios and even a number of offsite exhibitions and events per year.

This article is intended to get you thinking about the considerations that might apply to your situation, and to provide links to potentially helpful resources. All insurance situations are unique, and you should always seek specific personal advice from a Financial Services Authority (FSA) (www.fsa.gov.uk) regulated insurance broker or other FSA licensed expert.

Before you commit yourself to a particular company's policy, be sure to make a comparison with its competitors. Insurance companies and brokers want *your* business, so use this to your advantage. Telephone conversations with insurers are a good way of clarifying

what is or isn't covered by their policy in your particular circumstances, as policy documents themselves are often written to apply generally to a wide range of situations.

2. Insurance for Individual Artists

2.1 Public Liability Insurance for Individual Artists

At present, there is no legal requirement for artists to have public liability insurance. However, it should be borne in mind that as soon as a member of the public enters your studio, or encounters your artwork in a public place, you are potentially liable for any associated risks. Many studios require artists to have public liability insurance as a condition of their tenancy, and many opportunities—particularly those which involve contact with the public—will specify public liability insurance as a condition of taking up the opportunity.

There are different levels of public liability insurance depending on the activity being undertaken. For example, hosting workshops or working with young people often requires a higher level of insurance than that needed for an exhibition or open studios event. It is important to read carefully any conditions attached to your studio space or opportunities when considering your public liability insurance requirements.

a-n The Artists Information Company provide Product and Public Liability (PPL) insurance inclusive as part of its AIR members scheme. For details of all benefits to AIR members, see: www.a-n.co.uk/join_in/article/472193 and for the AIR PPL insurance FAQ, see: www.a-n.co.uk/air/faqs/single/567125. AIR PPL insurance is intended to cover the circumstances of all practising visual and applied artists, including artists working in ceramics, installation, interactive art, live art and physical performances.

For artists working exclusively in 2D (painting, drawing and photography) the Society for All Artists (SAA) offer public liability insurance as part of their 'gold membership', see: www.saa.co.uk/insurance.aspx.

In addition to these membership schemes, a quick internet search will reveal a variety of insurance companies and brokers offering

public liability insurance for artists. However these may be more expensive, as the membership schemes above use collective purchasing power to secure lower prices.

2.2 Employers' Liability Insurance for Individual Artists

If you employ an assistant or make use of volunteer help or internships, then you are *legally required* to have employers' liability insurance. This is true regardless of whether you pay a wage to your helpers or they give their time voluntarily. The type of work being undertaken by helpers can affect the level of employers' liability required.

For example, administrative or purely computer-based work will usually require a lower level of cover than manual activities. Given the legal requirement for employers' liability insurance it is essential that you seek professional advice to make sure your cover is appropriate to your situation.

The Health and Safety Executive provides information on the legal implications of employing staff in the document "Employers' Liability (Compulsory Insurance) Act 1969: A guide for employers (HSE40)", available on their website at: www.hse.gov.uk/business/elci.htm

Employers' liability insurance is available as one of the bespoke options of the Artists' Insurance Policy (AIP) available from a-n The Artists Information Company. AIP is an optional extra for AIR members (AIR membership is explained in section 2.1 above), providing employers' liability insurance and insurance for artworks, materials, equipment and loss of earnings. Details of AIP can be found here: www.a-n.co.uk/air/article/460147/437352. Employers' liability insurance requires an individual quotation, for which you should fill in the form "AIP Proposal Form for Bespoke Cover".

The Society for All Artists (SAA) offer employers' liability insurance as part of their 'platinum membership', see: www.saa.co.uk/insurance.aspx. As with other SAA insurance, this is only available to artists who work exclusively in two-dimensional media.

As with public liability insurance, an internet search will also reveal other insurance companies and brokers offering employers' liability insurance. A lot of these policies will not be exclusively aimed at artists, so it is important to discuss your situation in detail with potential insurers. To get the best deal it is worthwhile obtaining quotes and discussing policies with a number of competing insurers.

2.3 Insurance for Artworks, Materials, Equipment and Loss of Earnings

Insurance for artworks, materials, equipment and loss of earnings are also available from insurers. These are especially worth considering if you depend on earnings from your artistic activity for your livelihood.

a-n The Artists Information Company offers various levels of cover for the above as part of its Artists Insurance Policy (AIP). There are four 'off the peg' packages at different price points, or bespoke cover can be arranged to suit your particular needs. Details of AIP can be found here: www.a-n.co.uk/air/article/460147/437352. Basic membership of the Society for All Artists (SAA) provides insurance cover for artworks in exhibitions only (up to £500 per exhibition), see: www.saa.co.uk/insurance.aspx. As with other SAA insurance, this is only available to artists who work exclusively in two-dimensional media.

Once again, an internet search will also reveal other companies and brokers offering business insurance services. A lot of these policies will not be aimed exclusively at artists, so it is important to discuss your particular situation with potential insurers. Again, it is worthwhile obtaining quotes and discussing policies with a number of competing insurers.

3. Insurance for Studio Providers

3.1 Compulsory Insurance for Organisations

Trustees of organisations that are registered charities have a legal duty to make sure their organisation's money and property is kept safe and used correctly for the purposes of the charity. Your national charity regulator will be able to provide you with guidance about the type and level of insurance required for your charity. If

your organisation is based in England or Wales, your regulator will be The Charity Commission (www.charitycommission.gov.uk), or if in Scotland, the OSCR (www.oscr.org.uk).

As is true for individual artists, if your organisation employs paid staff or unpaid volunteers then employers' liability insurance is compulsory. Please read the first two paragraphs of section 2.2 above and visit the linked pages at The Health and Safety Executive website.

The only other compulsory insurance is third party vehicle insurance for any vehicle used by your organisation that is driven or kept on the road.

3.2 Public Liability Insurance for Studio Providers

Public liability insurance is not compulsory, but is strongly recommended. In situations where studio spaces are rented to tenant artists, the organisation's public liability insurance will usually cover visitors to common areas of the studios, and incidents resulting from the actions or inaction of the studio's management. It will not usually cover incidents occurring as a result of artists' effects and practices, for example: injuries caused by artworks or fixtures and fitting for which the artist is responsible. Artists will usually be required to have their own public liability insurance for this, and as a studio provider you should consider whether you will require tenant artists to have their own public liability insurance as a condition of their tenancy.

In studio groups or artists collectives that operate on a membership rather than tenancy basis, it may be possible to obtain public liability insurance for the group and its activities as a whole.

The 'Connect' range from the insurer Ansvar offers insurance for charities, non-profits and community groups, see: www.ansvar.co.uk/insurance-products/connect-products.html. It is important to fully explain your situation and organisational structure to a potential insurer. For example, it may be possible to negotiate 'member-to-member' public liability insurance for your group. This means that individual studio group members would be covered for

injuries caused to them by the actions or negligence of other studio group members—this is something not usually covered by standard public liability insurance for organisations. In a similar manner, depending on your group’s activities, you may also be able to get inclusive cover for a number of onsite or offsite events held by your group over the course of a year.

Public liability insurance for one-off events that fall outside your organisation’s usual remit can be obtained as and when needed from insurers, often at a very reasonable cost.

3.2 Building Insurance for Organisations

Where an organisation occupies a property under a lease, it is important to examine whether the organisation (as the lessee) or the landlord is responsible for the building and repairing any damage that may occur to it. The lease may make certain parts (such as exterior and plumbing) the responsibility of the landlord, but other parts (such as glazing and internal fittings) the responsibility of the lessee. Depending on what you are responsible for, your organisation may wish to consider taking out buildings insurance.

3.3 Contents Insurance for Studio Providers

Contents insurance can be purchased to cover your organisation’s equipment. Depending on the policy in question you are likely to be required to specify and keep the insurer up to date on the details of high value items. It is important to know whether or not your cover is ‘new for old’, what level of excess you will have to pay on any claims you make, and whether you must undertake special security provisions (for example, locking away equipment when the building is unoccupied). Contents insurance will cover the organisation’s equipment, but is unlikely to cover the equipment of tenant artists or studio members.

With contents insurance, it is essential that any given class of contents be insured at their full number and correct value. If you attempt to insure contents at less than their correct value—imagining that it is unlikely that something would happen to *all* of them for example, and therefore thinking that this is an easy way of lowering your premium—this is known as ‘underinsurance’ and, when your loss is valued, your payment will be reduced by the

proportion to which you are assessed to have underinsured.

3.4 Other Insurance for Organisations

There is a wide range of supplementary insurance products available to organisations. These cover many of the eventualities that can cause businesses to experience unexpected dramatic loss—from failure of equipment and loss of data, to legal expenses or staff sickness coverage. Many of these will be unnecessary or prohibitively expensive for your organisation, but further information on these and other aspects of insurance can be found in this guide from the Voluntary Arts Network:

www.voluntaryarts.org/uploaded/map8191.pdf.