

How Balens Professional Liability Insurance responds to insurance cover for retreats



BALENS
Specialist Insurance Brokers

By Balens, Specialist Insurance Brokers

Prior to Covid-19 and following the easing of lockdown restrictions, one of the most common questions we are asked is “am I covered for working at a retreat or running/organising a retreat” This article aims to provide clarity on whether cover is included as standard or whether, additional insurance protection is required.

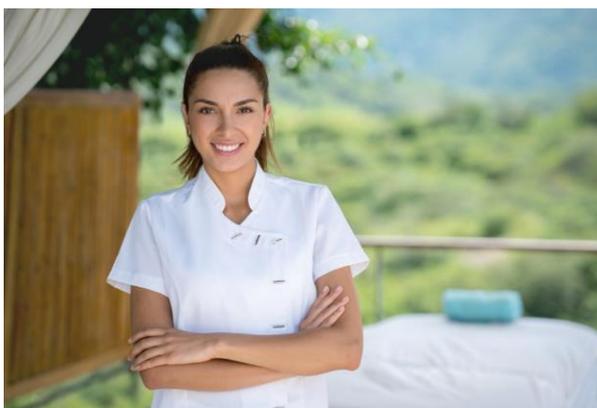
Working or performing/providing therapies, advice &/or classes at a retreat

The Balens Professional liability policy underwritten by Zurich Insurance plc will respond to you **attending** a retreat or similar event to undertake the activities that we have agreed to insure. You must be deemed suitably qualified and accepted for insurance via Balens Ltd (Balens). The level of cover provided is in line with the terms and conditions of the Balens Professional Liability policy.



Organising a Retreat

Many Health, Well-being, Fitness &/or Beauty Professionals expand their business activities outside of offering/performing treatments, therapies, advice or classes and wish to combine the above with the provision of accommodation, meals, sightseeing/entertainment or transportation components. Grouping the above together can create, what is known as a “package holiday” and within this, retreat type events, weekends or short breaks may fall. To organise such events or holidays, businesses often have to undertake additional business activities such as sourcing and booking accommodation, transportation, arranging social activities, advertising/producing brochures, arranging contracts for services with Third Parties etc. Such activities fall outside the standard business description that is covered under the Balens Professional Liability Insurance policy. In short therefore, the above policy **will not provide** cover for any involvement with the Organising of a package holiday, retreat or linked travel arrangements.



Clarification of the above can be found in 2 places within our standard policy wording. The first reference is within the Business Description definition. The standard wording uses the words **Operations of a retreat**. Notice the word Organiser is not used - “Organiser” means “Organiser – business that arranges all elements of a package”. A business could organise all the individual elements of a package themselves (pre-arranged package) or allow the traveller to customise the package (one-trader & dynamic package). Such packages may be then offered for sale,

whether directly or through a retailer. The Professional Liability Policy, will not provide cover for the organisation of any retreat, package or linked Travel Arrangement.

The second reference is within the general exclusion section of the policy wording and relates to the fact that we exclude all cover in relation to Tour Operators legislation. The exclusion clearly states that:

Any claim or liability arising from or in connection with

a) the sale or provision of travel or accommodation, holidays, package tours, excursions, retreats or business trips or

b) from The Package Travel, Package Holidays and Package Tours Regulations Act 1992 or any similar legislation or Statutory is excluded by the policy.

Insurance options

You may ask yourself “what additional insurance protection is available should you need to arrange an insurance policy for the organising of a retreat?” The first thing to consider is, what extra liability will you incur should you decide to embark on the organisation of package holidays and or retreats? Such liabilities and responsibility are covered off under The Package Travel and Linked Travel Arrangements Regulations 2018. You may find it useful to understand the Travel Package regulation provided by the Department of Business, Energy and Industrial Strategy prior to contacting us for guidance – available at: [Package holidays: complying with regulations - guidance for businesses - GOV.UK \(www.gov.uk\)](https://www.gov.uk/guidance/package-holidays-complying-with-regulations-guidance-for-businesses) . We would suggest you read the guidance notes in full. Businesses do fall under the remit of this legislation.

After you have read and digested the information, you may want some guidance on whether you need to consider arranging additional insurance protection. Our Affinities Team are unable to extend the existing Professional Liability Insurance to cater for any of the extra activities mentioned above. However, our Commercial Department do have access to a limited number of Insurers that may be able to source a quotation for you, based on the information provided. There are also other Insurance Brokers/Insurers that are specialists in this class of insurance and it may be worth considering one of these.



Considerations

The following are points to be considered when requesting an insurance quotation.

- The new regulations explicitly places Liability for the performance of the travel services included in the package, **on the organiser** - irrespective of whether the travel services are performed by third parties. Liability also allows travellers to be entitled to compensation for damages and loss of enjoyment. Packages must be financially protected and consumers must be given statutory information.
- It should also be noted that there may be some compliance with Laws that you will need to investigate to ensure you do not now face criminal prosecution – we are unable to guide on this as we are not qualified legal professionals so please source independent guidance for yourself.
- A package is now generally defined as the combination of two or more different types of Travel Services, which are combined for the purpose of the same trip such as including, but not limited to, accommodation, carriage of passengers, car hire. Legislation has been tightened and was updated 1st July 2018 and affected previously unaffected trade sectors, such as; Event Organisers, Hospitality providers. Linked travel arrangements are defined separately and once again may require additional insurance protection
- What contractual arrangements do you enter into with Third Party Companies or businesses and how does this affect your insurance obligations? What do your booking conditions state?

- Premiums start from £450 plus insurance premium tax. There are various sections of cover available, usually and these are:
 - **Professional Indemnity cover** – this protects you against claims for compensation by dissatisfied customers which results in legal liability, following any error and omission as the tour operator. Civil liability insurance is provided.
 - **Public & Products Liability** - cover for legal liability through acts of negligence resulting in injury to third party persons and/or damage to their property for events such as food poisoning, provision of transportation services etc. The organiser is liable.

For both of the above sections of cover, various limits of liability are available. Take into account the type of packages or arrangements you are involved with, e.g. activities offered outside of treatments/therapies and areas that clients may visit, i.e. UK, Europe, USA, Rest of the world. All of the above factors will have an impact on the Insurance Premium.

- Some Insurers offer cover for Employers Liability and Directors & Officers Insurance as well. Please refer to our other articles regarding what cover is provided under these sections of cover.
- Please note that there are significant Exclusions & limitations in any insurance policy. A standard Tour Operators policy will exclude indemnity in respect of any liability arising for any actual or alleged medical malpractice or treatment including counselling or medical advice. Therefore, it is important that you maintain any Professional Liability Insurance or medical insurance, as appropriate.
- Cancellation/abandonment cover is not normally included with a Professional Liability or a Tour Operators Liability policy and unfortunately, an alternative policy may need to be considered in addition to the above. Cover can include any expenses or loss of revenue you may stand to lose if an event you have planned is cancelled, abandoned or postponed.
- May we repeat that there are a limited number of Insurers that specialise in Tour Operators Liability insurance and it should be noted that quotations can be take a while to obtain. An application form will be required to be completed.



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After reviewing the above, if you wish to request that Balens source an insurance quotation for you please, please contact the office accordingly either via e-mail at: Commercial@balens.co.uk, by telephone on 01684 580776 or complete the enquiry form online via [Enquiry Form | Balens](#).

Balens are a *Specialist Insurance Broker* for Health, Well-being, Fitness and Beauty Professionals. Further articles and information regarding insurance and risk management may be found on Balens website at