



# Volunteering at your Strata property. Is it worth the risk?

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Strata residents often volunteer for odd jobs around their Strata property. However, they also tend to volunteer with the belief that they're covered for Personal Accident under Strata Insurance if they become injured. Unfortunately this isn't always the case!

Ensure your clients are fully informed of what is covered before volunteering their services, and whether it would instead be smarter to engage a professional contractor.

**While all Strata Insurance policies generally include a Personal Accident section to protect Volunteer Workers in the event they sustain an injury, most are not aware of how limited the cover actually is.**

Many residents living as part of an Owners Corporation (OC) often volunteer to do useful jobs around a Strata property. Whether it be taking rubbish bins out, mowing the lawn or doing a bit of handywork in the common area, volunteering can come in many forms.

Unfortunately however, volunteers can sustain unexpected injuries on the odd occasion.

In this article we explain the insured features of Voluntary Workers cover, but first let's start with the basics.

## What is personal accident cover for Voluntary Workers?

Personal Accident Cover for Voluntary Workers is designed to provide compensation to **any person who voluntarily works on behalf of the OC**, and becomes injured in the course of carrying out their voluntary activity.

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## What is covered under personal accident cover for Voluntary Workers?

Coverage for Personal Accident, under a Strata Insurance policy, generally only applies in very **serious** and **specific circumstances**. This is where confusion can often set in...

To help clarify **what is covered** when it comes to Personal Accident for Voluntary Workers, we have taken an extract from a typical Strata Insurance Product Disclosure Statement below:

*In general: the insurer will pay to a Voluntary Worker, or that person's estate, compensation in the event a Voluntary Worker sustains bodily injury during the period of Insurance:*

*Whilst voluntarily engaged in work on the OC's behalf and;  
caused solely and directly by violent, accidental, external and visible means and;  
which independently of any other cause results in the insured Events listed below:*

1. \$200,000 for death, or loss of the use of two hands, two feet or two eyes;
2. \$100,000 for loss of the use of one hand, one foot or one eye;
3. \$2,000 a week for lost income if totally disabled from engaging in his/her usual employment or business;
4. \$1,000 a week for lost income if partially disabled from engaging in his/her usual employment or business;
5. up to \$500 a week for domestic assistance if totally disabled from engaging in his/her usual employment or business or usual household duties.

In essence, Personal Accident cover **only really applies to cases involving very serious accidents** that have a significant, detrimental impact on quality of life.

It is **not designed to cover minor injuries** like a sprained ankle or broken limb, or the cost of minor treatments that may be required as a result of an injury e.g. physiotherapy.

For more specific information on what is and isn't covered in your clients' particular policies, we suggest talking to your Whitbread broker.



## 3 Important Steps

**If your clients do decide to undertake voluntary work at their Strata property, there are 3 important steps we suggest taking to ensure they're covered for Personal Accident.**

### Before commencing the work:

#### 1. Gain approval from the OC

Before undertaking any voluntary job, it is imperative to obtain **written approval** to volunteer from the OC, or any other party authorised to provide approval on behalf of the OC e.g. the appointed Strata Manager.

#### 2. Make sure their name is recorded by the OC

As a volunteer, it is important that their **name** and the **type of voluntary work** they are performing is noted in official records kept by the OC. Written evidence of their services must exist in order to lodge a claim if they are injured while carrying out voluntary work.

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## 3. No payment of any kind

Your clients **cannot receive any reimbursement for the voluntary work** they are performing.

This may be in the form of monetary payments, 'gifts' or even discounts off OC fees. If any form of payment is received, the work can no longer be defined as voluntary, and they will not be covered under the Personal Accident section of the policy if they become injured.

## Is it worth the risk? Should they just engage a professional contractor?

This is something your clients need to think carefully about, because it is unlikely they will be covered for Personal Accident under a Strata policy unless a very serious injury is sustained.

The Voluntary Workers section of a Strata Insurance policy only provides protection for worst case scenarios e.g. loss of life, loss of a limb, circumstances where partial or total disability occurs. So, after taking all this information into account, we feel the answer should be quite simple...

## If your clients don't feel comfortable with the risk, they shouldn't volunteer their services.

If the work to be undertaken cannot be safely completed by voluntary workers, the best alternative is to request that the OC engage the services of a professional contractor.

**Note:** When engaging a professional contractor, there are a number of necessary things to check from an insurance point of view to make sure the OC's Liability remains protected – [click here to read our essential tips](#).

To read more on the other risks covered by Strata Insurance, [please click here](#).



**Download this article for your clients – click here.**

**For further advice on Personal Accident cover for Voluntary Workers under a Strata Insurance policy, please contact your Whitbread Strata Insurance Specialist or phone us on ph. 1300 424 627.**

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