

Venue Hire and Insurance

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If you are the owner of a Church property or hall it isn't unusual to receive requests from the public to hire your venue for a function or event. In order to foster a good relationship with the community you are situated in, it is common practice to hire out a Church or Hall to the community for a small fee.

Before you hire out your Venue you should have a careful look at your insurance arrangements:-

What insurance do I have?

Most Churches have Property and Public Liability insurance. If you are one of our clients then your Property policy provides cover for your Buildings and Contents whilst the property is hired out, subject to the terms and conditions of the policy wording. You are also covered for your Liability as a property owner.

What Insurance Should the hirer have?

It is important that all hirers have their own property insurance (It should be clear that *your* policy only covers *your* property) and that they should also have in place a Public Liability policy for at least \$10,000,000 to cover any incidents (Property damage and/or bodily injury) that may occur at the venues whilst it is being hired. You should note that any damages occurring in relation to the event by the hirer, your insurer may exercise their rights to recover their losses from the Hirers. Therefore if uninsured, the Hirer could face significant uninsured costs for damages, turning a fun event into a crippling debt.

For example if a fire was caused by the hirer and the building was burnt to the ground the insurer for the property will seek to recover the loss from the hirer who negligently caused that loss).

Making sure the hirer has adequate Insurance.

For most businesses who hire a venue it is a simple matter of extending their Business Policy to cover the hired venue. For one off and occasional hires for private events the hirer will have to purchase a short term policy.

In both instances it is important that you obtain a Certificate of Currency as proof of cover from all hirers prior to the event. This must also include proof of insurance for anyone the hirer has contracted such as caterers, entertainers, activity providers etc.

Short term policies are often difficult to obtain at a reasonable cost. To assist we have available a "Venue Hirers" policy that is available for a wide range of events including birthdays, weddings, international speakers etc.

Should there be a formal hire agreement?

A hire agreement can be either verbal or written however, verbal agreements can easily be misconstrued and it is always far better to have a written agreement that outlines everyone's expectations before the hire occurs and more importantly when things don't go as planned.

The information provided in this article is General in nature and should not be considered Personal Advice. You should seek advice before making insurance decisions
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