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# SUPPORTING COMMUNITY CHARITIES

By SEIB, NAFD preferred insurance provider

**SEIB has been working with funeral directors for decades and knows that the funeral directing family has always recognised the importance of community investment, with many firms doing this by nurturing successful partnerships with local charities and not-for-profit organisations.**

Last year was a year like no other for the UK economy, with many industries experiencing a substantial downturn in trade. Arguably, one of the sectors to be hit hardest has been charities.

As we're all aware, the pandemic has brought with it a number of lockdown restrictions aimed at preventing its spread. These restrictions have led to nationwide cancellations of planned fundraising events, contributing to a 46% reduction in overall donations to non-NHS charities.* This decline has had a dramatic effect, with 39% of charities reporting a deteriorating financial situation.**

Small local charities have been listed as the most vulnerable during this period. The National Council for Voluntary Organisations (NCVO) confirmed that nearly two-thirds of small charities reported that they have already made significant cuts to services, and one in eight expects to face closure within months. Two-thirds are unable to furlough staff because this would mean having to stop providing services.

## How can you help?

Primarily, a business will partner with a charity to give something back, but also because it wants to improve its standing within the community. This can have significant and positive implications for commercial success, because today's customers and employees expect greater social responsibility from businesses.

Partnering with a local charity is not just about making donations though, it goes much wider than that and requires a more thoughtful approach to considering the meaningful impact your business can have on the community in which you live and work.

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For firms already working with a local charity, and those considering embarking on such a partnership, the award-winning website www.neighbourly.com gives some great ideas about how businesses can volunteer time, money and surplus items to local good causes.

## Tips for charities during uncertain times

Colchester-based WRS Insurance Brokers is part of the SEIB family and has been arranging tailored insurance for charities, churches and care providers for over 40 years.

SEIB asked Chris Chapman, the founder and a current director of WRS, for some guidance and advice that might help charities deal with the challenges faced as a result of the pandemic.

Here are Chris's top 5 tips, which you may wish to share with any charities with which your firm has a relationship.

### Tip 1: Review your charity's activities

Step back and look at any areas or activities that need to be changed temporarily. Some projects and non-critical work may have to be put on hold. Focus on your core work and concentrate all your efforts and resources into this.

With many charities seeing a reduction in donations and fund raising activities, it's important to keep your insurance provider updated on your latest estimates for annual income, activity costs and wages per charity activity. Your premium will be based on these figures. Also consider the impact versus profitability of different activity streams, and stop work that has low profitability and little or no impact.

### Tip 2: Use a charity insurance broker

Having an insurance partner that understands your needs is essential. Each charity is unique and finding the right cover can be complicated. Using a broker that specialises in charity insurance will give you the reassurance of having the protection you need in place should the worst happen.

### Tip 3: Make sure all documents/ records are up to date

Have you seen the Statement of Fact or Risk Presentation being used by your insurance provider to arrange cover?


Check that the details about your charity shown on these documents are correct.

### Tip 4: Get your quotes early

Obtain a quotation eight weeks before your renewal date so you can review the terms being offered. Also enquire about paying premiums in monthly instalments in order to spread the cost.

### Tip 5: Use reserves appropriately

Reserves are the funds a charity sets aside to strengthen its resilience against, for example, drops in income or - in this instance - a global pandemic. It's important for charities to have a policy explaining their approach to reserves, and UK Government guidance on this can be found at www.gov.uk

Evaluate your reserves policy and familiarise yourself with how this works. It might be worth spending these funds to help get your charity through this challenging period. Understand what money you have available in your reserves, and how you can use it.

If you, or a charity you work with, want to find out more from Chris, he can be contacted on 01206 760780 or by email to chris@wrsinsurance.co.uk

* Local charities face 'slow death – BBC News, 06 November 2020

** Largest study of voluntary organisations reveals devastating financial impacts of COVID–19 – Nottingham Trent University, 26 October 2020

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## About SEIB

SEIB's experience with the funeral directing industry goes back over 40 years, and we have recently been described by a client as a "funeral director's best friend".

The funeral directing community has made a huge effort to meet the challenge of the pandemic. We want you to know that our team is here to help and our goal, as always, is to provide funeral directors with the insurance protection they need at affordable premiums. To find out more about safeguarding your business with SEIB please contact us by calling 0345 450 0648 or emailing info@seib.co.uk.