PORLOCK PARISH COUNCIL

REPORT – Public Liability Insurance and Third-Party Working Arrangements

Date: 12 May 2026 **Author:** Clerk & RFO

1. Purpose of Report
To provide council with a clear summary of advice received from the Council's insurers regarding public liability insurance and to seek a resolution in respect of third-party working arrangements, in particular existing flower watering and planned gardening agreements.

2. Background
Following a query raised by a councillor regarding the requirement for public liability insurance (PLI) for third parties carrying out planned work packages on behalf of the council, clarification was sought from the Council's insurers.

The advice received draws a clear distinction between:

- **Employees and Volunteers** working under the sole control of the Council, and
- **Contracted Third Parties**, who are not employees or volunteers of the Council.

The nature of the tasks planned or currently undertaken (such as gardening, weed clearance and flower watering agreements) places them within the category of *contracted third-party work*.

3. Insurance Advice Summary
a) Employees and Volunteers
The council's existing Public and Employers' Liability insurance applies **only** where individuals:

- Are working at the sole request of, and under the sole control of, the council
- Use tools, materials and equipment provided by the council
- Are undertaking *low-risk tasks* (e.g. path maintenance, grass cutting or litter collection using non-powered tools, aside from lawnmowers or strimmers) with appropriate Personal Protective Equipment
- Are supported by suitable risk assessments

Additional conditions include:

- Volunteers must be aged 16–80 and physically fit to carry out the work
- Under-16s must be accompanied by an adult and have parental permission
- Use of PPE where appropriate (e.g. goggles for strimmer use)
- Cleaning materials must be of domestic strength only

Where these conditions are met, cover applies under the Council's current policy.

b) Contracted Third Parties
All other works must be undertaken by **contractors**, who are required to:

- Hold their own Public Liability Insurance with a minimum indemnity limit of **£5 million**
- Undertake all hazardous works only where properly insured and professionally competent

The insurer confirmed that where the Council does *not* have full control over how, when, and by whom the work is carried out, the individuals cannot be treated as volunteers for insurance purposes.

4. Current Arrangements Reviewed
The insurer's advice confirms the following position in respect of existing arrangements:

1. **Volunteering activities**
    - Covered under the Council's Public Liability Insurance
    - Review required of volunteer ages and task suitability for those over 80
2. **Flower watering agreements**
    - Classified as third-party contractual arrangements

    - Require the third parties to hold Public Liability Insurance
3. **Gardening and similar tasks**
    - Agreed by Council as contracted third-party work
    - Require Public Liability Insurance

5. Financial Implications
It is proposed that existing flower watering agreements be amended to include the requirement for third-party Public Liability Insurance. To support continuation of these arrangements, an additional budget provision of **£200 (£100 per contract)** is proposed to cover the cost of insurance where necessary.

Council should note that:

- Reimbursement arrangements are not proposed; this is a contractual provision
- Future third-party agreements should be based on quotes for services and clearly include PLI, not hourly rates or "minimum wage" terminology, which risks confusion with employment status

6. Options Considered
Council has previously resolved **not** to pursue an employed or volunteer model for these tasks. Reconsideration of this approach would require:

- Suspension of Standing Orders
- A majority vote of Council
- Reopening of previous decisions

Alternatively, this could be revisited as business as usual during budget setting for 2027/28 if Council wishes.

7. Recommendation
Council is recommended to resolve that the current flower watering agreements be amended to require third-party Public Liability Insurance, and that an additional budget of £200 (£100 per contract) be approved to support the inclusion of this requirement within the existing agreements.