

Did your insurance premium rise? Are you looking for an insurance alternative?

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Our Ark exists to enable community-focused organisations to join together and define their own way to protect themselves – creating a true alternative to insurance.

When the property insurance renewal for the Anglican Diocese of North Queensland jumped from \$500,000 to \$2.5 million in a year, despite a long period of time with minimal claims, the archdeacon began to seek alternatives.

The result is [Our Ark Mutual](#), a discretionary mutual designed by insurance experts in collaboration with customers to breathe new life into the proven, customer-owned mutual model. Our Ark launched in December 2020 and now protects \$120 million of the Diocese's assets and is quickly onboarding new customers.

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Charities, community groups, not for profits, aged care providers, schools and childcare, along with faith-based organisations, can protect themselves

“These organisations cannot continuously absorb spiking renewal costs that come with unreasonable exclusions and under service. Each year, we should not have to commit more of our funds to protect operations, assets and how we serve our communities,” Archdeacon Chris Wright said.

Mutuals are more resilient, innovative and stable because every customer is also an owner. Members are driven by their ownership of the organisation and their shared understanding of the industry, its purpose, the risks involved and the ultimate philosophy of delivering the best outcome for their communities.

What's a discretionary mutual?

Discretionary mutuals have long been used in Australia by buying groups as a self-insurance alternative.

The mutual obtains reinsurance, for large claims and catastrophes, the same way an insurer does. Our Ark has reinsurance with the assistance of Willis Re.

Discretionary mutuals provide risk protection instead of insurance – and there are a few differences worth explaining.

As with insurance, risk protection products come with a product disclosure statement (PDS) and a financial services guide (FSG). Plus, risk protection products can only be offered by organisations that have been authorised to do so by ASIC.

Stamp duty and the emergency services levy do not apply to risk protection products, so there are no insurance tax on-costs that are passed on to members. For most organisations, particularly those in New South Wales, this can make a significant difference to the cost of protecting.

Directors serving on the board of a mutual have the legal obligation to act in the best interest of members. A discretionary mutual board also has the discretion to make key decisions, including ones about claims.

When an insurance claim meets all policy terms and conditions, there is a contractual right to have the claim paid. When it only meets some, the claim can be denied.

With risk protection, there is the right to have the claim considered, even if, at first glance, not all conditions are met. The board can consider the totality of a situation and exercise discretion over claims.

Our Ark has a board that understands insurance and community-focused organisations.

The Our Ark board

The chair, Rowan Ward currently serves on the National Injury Insurance Scheme QLD and the Insurance Commissioner's Advisory Committee for Motor Accident Insurance (QLD). He is the former chief actuary of Suncorp.

Chris Wright, archdeacon of the Anglican Diocese, is a member representative on the board. He is also a director of the Trinity Anglican School in Cairns, and active in the local ambulance, schools, childcare and neighbourhood community centres. In 2019 he was awarded a Medal of the Order of Australia for community service.

Charles Pollack, the former chief actuary of Youi and a former principal actuary at Suncorp, is CEO. He is also the CEO of Picnic, the provider of the turn-key mutual solution used by Our Ark to provide underwriting, risk management, regulatory compliance and governance support.

In Sydney, Melinda Snowden, a professional non-executive director with 20 years' experience in financial markets, audit, risk and governance, and Mark Arnold, the chair of Picnic, round out the board.

What risk protection does Our Ark provide?

Currently, Our Ark provides risk protection as an [insurance alternative](#) for property and buildings, contents, money, breakdown of mechanical and electronic equipment, and business interruption.

Unlike insurance, there isn't a singular product disclosure statement (PDS) that every type of organisation must accept. Our Ark determines the needs of different categories of members to provide the risk protection that they need.

This is to cater for the needs of different types of organisations. As an example, business interruption insurance needs may vary considerably between a childcare centre, a school or a church.

Therefore, the PDS for risk protection is designed to cover the risks and needs of each type of member. Then, each member is provided a bespoke quote for the protection – based on their specific operations, assets and other requirements.

Our Ark also helps members take a proactive role to protect their specific assets and manage risks. Insights and recommendations from our actuarial team will empower all members to minimise claims, retain the value of their assets and operations, and keep prices fair.

It's this collective, shared approach to risk management that enables Our Ark members to protect what matters.

A better way to self-insure

When many organisations are considering self-insurance options, the member-owned model provides an alternative that is democratic, professionally governed, and is designed to act for the collective good.

There benefits created by the member-owned business include:

- lower prices from operational efficiencies;
- maximising group buying power for reinsurance;
- providing broad, fair cover with few exclusions;
- the open and transparent operations required by the mutual legal structure;

- members sharing the desire to manage their risks, maintain their assets and reduce claims; and plus
- members keep any resulting profit to increase cover or reduce contributions.

With Our Ark, members share a common cause and understanding of their purpose – the betterment of their communities. And when it comes to protecting this purpose, we're better, together.

Visit www.ourark.com.au or call 1300 687 275 to learn more.



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