

Shaw Trust Direct Payments Support Services

Information Sheet 4: Obtaining Insurance

Sheet Outline:

- Employer's Insurance
- Vehicle Insurance

Outcome:

- To increase awareness of Insurance obligations and how to apply

Employer's Insurance

(Source: www.hse.gov.uk and www.businesslink.gov.uk)

Most employers are required by law to insure against liability for injury or disease to their employees arising out of their employment.

As an employer, you have a legal responsibility towards your employees and the public. You could be held legally liable and risk being sued if an employee or a member of the public is injured as a result of your negligence or breach of duty.

Liability insurance is designed to pay any compensation and legal costs that occur if an employer is found to be at fault. If you employ anyone it is most likely that you will need to have Employer's Liability Compulsory Insurance (ELCI).

ELCI requires employers carrying out business in the UK to insure their liability to their employees for bodily injury or disease sustained in the course of their employment in the UK.

For further information please see HSE's Employer's Liability (Compulsory Insurance) Act 1969, which is available from the DPSS or from www.hse.gov.uk

Speak to your Support Officer for information and support about how to access funds and apply for insurance

You can explore the option of obtaining appropriate cover through your existing insurance company and there are also a number of specialist

companies that offer policies specifically for people who employ their own Personal Assistants for example the 'Personal Assistant Employment Protection Policy' supplied through Fish Insurance.

As with any type of insurance cover, there will be exceptions in the policy. The following points may be worth noting:

- The policy may not cover situations where the employer receives support/care in the PA's home;
- The employer should take reasonable care to ensure the safety of their employees. Ideally the employer should ensure that the PA has received any necessary training to carry out specific work duties – e.g. moving and handling;
- The policy may not cover the costs associate with a tribunal hearing or any subsequent costs awarded;
- The policy may not cover situations where the PA was not being paid a wage or expenses e.g. a volunteer;
- The policy may only cover employment for up to a maximum of 5 employees working at any one time;
- Injury to a PA may be excluded unless specifically detailed in the personal accident cover; and
- Damage to property may be excluded (though this is normally covered under Household insurance).

This list gives just a few of the potential considerations in selecting an insurance policy. A full list of conditions and exceptions will appear in the Policy document from whichever insurance company you choose to use and you should spend time carefully examining and understand your policy before you sign up.

Vehicle Insurance

(Source: www.businesslink.gov.uk)

Sometimes you may ask an employee to use their car, or your car, whilst at work.

If you use motor vehicles on the road, you must purchase at least third-party motor insurance. This covers your business' liability for personal injury to someone else or damage to property. You may also want to purchase comprehensive insurance to cover damage to or theft of your own vehicle.

Sometimes employees use their own vehicles in their job. If this is the case for you then, make sure that insurance for all such vehicles has been extended to include business use (i.e. 'Class 1 Business Use' explicitly stated on the Insurance Policy). It may be a good idea for you to ask for a copy of the policy document and check that this has been included. It is the

responsibility of the PA to check and arrange appropriate insurance and also normally to pay any additional premium that is requested by their car insurance company. Many car insurance companies already contain 'Class 1 Business Use' within the standard policy whereas others may charge between £25 and £100 per year in which case it is often a good idea to seek quotes from other providers as this is an extremely competitive market.

If the Personal Assistant is to use your vehicle to carry out employment duties you must ensure that your own vehicle policy insures the PA to do this.

Vehicle Checks and Servicing

(source: www.directgov.gov.uk/Motoring)

Every vehicle in the UK needs to be tested each year to ensure that it complies with roadworthiness standards. If you have a vehicle that is more than three years old, it will need an MOT test each year to ensure that it meets at least the minimum road safety and environmental standards.

Weekly checks for all vehicles:

- washing and cleaning your vehicle, particularly in winter, to ensure the windows, lights and door mirrors are clean;
- checking and topping up fluid levels such as engine coolant, engine oil and brake fluid;
- checking the condition of the tyres for damage, air pressure and tread;
- checking that all lights work and light correctly;
- ensuring wiper blades are in good order and the windscreen washer fluid bottle is full; and
- checking the exhaust system is in sound working order.

Servicing the vehicle:

The manufacturer's routine service intervals vary from manufacturer to manufacturer and vehicle to vehicle, depending on type of vehicle and type of engine. Full details of the service requirements are normally detailed in the owner's manual supplied with the vehicle.

Speak to your Support Officer for the Vehicle Checklist which you may wish to use and adapt for your own situation or go to:

www.shaw-trust.org.uk/dp