

## PA Employers Liability and Indemnity Insurance

Disabled people who receive funding for their care support through Direct Payments or the Independent Living Funds have the option of using an agency or using their own support staff, usually called Personal Assistants.

If a disabled person pays for the services of a Personal Assistant (PA) then they become an employer and this brings with it responsibilities and legal obligations, **including the legal requirement to have liability insurance**. For example, if your employee is injured whilst helping you, you could be sued in the courts. It doesn't have to be your fault. The fact that the employee suffered injury whilst working for you may be enough for the courts to award compensation to your employee.

Similarly, if your PA causes injury to others outside the home or damages their property, whilst undertaking PA duties for you – you may be liable to pay compensation.

The type of insurance policy that is suitable for PA employers usually provides cover under two main headings, **Employers Liability** and **Public Liability**.

**Employers Liability** protects you against damages and legal costs that arise as a result of claims from any PA suffering an injury or disease due to, and during, their employment by you.

**Public Liability** cover is provided in respect of your legal liability to pay compensation including legal costs for:

- ❖ accidental death or personal injury to any person other than a PA arising from your employment of any PA;

- ❖ accidental loss or damage to third party material property arising from your employment of any PA.

To the best of our knowledge, there are only three companies offering this type of insurance and contact details for these companies and basic information on the policies they offer are shown below.

Although the type of cover they offer is similar there are differences in the extent of cover provided or the exclusions and/or limitations that are placed on each policy. In the circumstances, we recommend that you obtain full details of the cover these companies provide before taking out a policy.

## **1. Fish Insurance**

2-4 Riversway Business Village  
Navigation Way  
Preston PR2 2YP  
Tel: Freephone 0500 432141  
Fax: 01772 733773  
Email: [admin@fishinsurance.co.uk](mailto:admin@fishinsurance.co.uk)  
Website: [www.fishinsurance.co.uk](http://www.fishinsurance.co.uk)

The policy offered by Fish Insurance is called the Independent Living Insurance Policy and the cover is underwritten by a number of insurance companies, Axa Insurance UK plc, Novae Insurance Company Limited and Irwell Insurance Company Limited.

The policy cannot be bought online but to arrange immediate cover payment can be made by credit/debit card through the Freephone number 0500 432141. Alternatively, complete and return the application form to Fish Insurance together with a cheque/postal order or credit/debit card details for the annual premium.

Cover can also be provided on a joint basis for up to 4 people receiving support, provided they live in the same home and are in the same family or partners.

### **Policy details**

There are two levels of cover available under this policy, Basic Cover and Full Cover and the following information gives a brief outline of the type of cover provided. Basic Cover is limited to Employers Liability and Public Liability and Full Cover includes the following types of cover:

- ❖ Employers Liability
- ❖ Public Liability
- ❖ Personal Accident
- ❖ Employment Tribunal legal expenses
- ❖ Employment Tribunal awards
- ❖ Advice service for employment and health and safety matters.

## 1. Basic Cover

**Annual Premium:** £76.65 (This includes cover for both Employers Liability and Public Liability)

**Employers Liability:** This cover has an indemnity limit of £20 Million, including costs and it also covers PAs temporarily assisting you overseas. However, there are a number of Exclusions or Limitations and these include the following:

No cover, except to the extent required by compulsory Employers Liability insurance, for:

- ❖ More than 5 employees assisting at any one moment in time,
- ❖ Awards made outside the UK,
- ❖ You, if you are both an employee and also control the working environment,
- ❖ Contractual liability.

**Public Liability:** This cover has an indemnity Limit of £5 Million, plus costs and it also covers temporary visits overseas and covers damage to leased or rented premises. However, there are a number of Exclusions or Limitations and these include the following:

No cover for liability from:

- ❖ Punitive and exemplary damages,
- ❖ Contractual liability.

You must pay the first:

- ❖ £100 for damage to property of others,
- ❖ £250 for leased or rented premises.

## 2. Full Cover

## **Annual Premium: £134.40**

In addition to the Employers Liability and Public Liability sections included in the Basic Cover policy, the Full Cover policy gives extended cover under both these sections. It also includes cover under the headings of Personal Accident, Employment Tribunal legal expenses, Employment Tribunal awards and an advice service for employment and health and safety matters. Examples of the types of cover provided under these different headings are as follows:

**Personal Accident:** This provides various benefits if you suffer accidental injury ranging from £200 for a broken bone through £2,500 for permanent loss of use of a hand to £10,000 for death. It also provides £50 per day spent as a hospital in-patient receiving treatment for a qualifying condition, but limited to a maximum of £1,000 in all.

However, under this section there is no cover for:

- ❖ Certain dangerous activities,
- ❖ Disease, natural causes and pre-existing medical conditions,
- ❖ Use of drugs, including alcohol, unless as medically prescribed.

**Tribunal Legal Defence Fees:** This covers legal expenses incurred resisting Tribunal applications brought under employment legislation and the cost of Peninsula Business Services Limited handling Tribunal cases.

However, there is a limit of £100,000 per event and £2 Million overall, including costs. There is also a requirement under this section that you should first seek and follow advice from Peninsula Business Services Limited and continue to do so.

**Tribunal Awards and Compensation:** This covers basic and compensatory awards by a Tribunal for unfair dismissal and unlawful discrimination. It also covers:

- ❖ Economic settlements reached before reaching a hearing,
- ❖ Others not specifically named as the insured but under the circumstances are deemed to be the employer.

However, there is no cover unless you have first sought and followed advice from Peninsula Business Services Limited and continue to do so. In addition, there is no cover for:

- ❖ Redundancy payments, breach of contract or other items properly payable (e.g. wages) and awards for automatic unfair dismissal,
- ❖ Dismissal cases if there is not a valid policy in force until the conclusion of any appeal.

**Telephone advice:** This cover provides advice 24 hours a day, 365 days a year on:

- ❖ Employment matters,
- ❖ Health and safety matters,

whether or not you have complied with the requirements of seeking and following advice.

You can also access Peninsula's website at [www.peninsula-uk.com](http://www.peninsula-uk.com) to obtain copies of template employment policies and contracts, working documentation, employment law updates and legal case precedents.

## **2. Home Care Insurance Services**

30/34 Norwood

Beverley

East Yorkshire HU17 9EY

Freephone: 0800 458 3301

Tel: 01482 882223

Fax: 01482 872035

Email: [homecare@mmib.co.uk](mailto:homecare@mmib.co.uk)

Website: [www.homecareinsurance.co.uk](http://www.homecareinsurance.co.uk)

The policy offered by Home Care Insurance Services (the trading name of Marchant McKechnie Insurance Brokers & Independent Financial Advisers) is called the Direct Care Policy and the cover is underwritten by Zurich Insurance Company.

Immediate cover can be arranged by making a payment by credit/debit card through the Freephone number 0800 458 3301. Alternatively, complete and return the application form to Home Care Insurance Services together with a cheque or postal order for the annual premium. The policy can also be bought online through the above website or through the direct site – [www.directcareinsurance.co.uk](http://www.directcareinsurance.co.uk)

Cover can also be provided on a joint basis for up to 4 people receiving support, provided they live in the same home and are in the same family or partners.

## **Policy details**

**Annual Premium:** £68.75 (from 1 November 2008)

**Employers Liability:** This cover has an indemnity limit of £20 Million. There are a number of extensions within this cover, for example legal costs, including those arising from criminal charges brought under the Health and Safety at Work Act 1974 are included. It also covers PAs temporarily working overseas.

**Public Liability:** This cover has an indemnity Limit of £5 Million. There are a number of extensions within this cover, for example liabilities incurred in connection with the Health and Safety at Work Act 1974 and contractual liability are included. The cover also applies world-wide.

There are a number of exclusions or limitations and these are detailed in the policy document. For example, under the Public Liability section, damage to property owned or held in trust by you is not covered except for:

- ❖ personal effects
- ❖ buildings temporarily occupied by you
- ❖ premises hired, leased, rented or lent to you under agreement, which you would not be responsible for in the absence of such agreement.

### **3. Ellis Bates Insurance Brokers**

Adam House  
Ripon Way  
Harrogate  
North Yorkshire HG1 2AU  
Tel: 01423 724518  
Fax: 01423 566303  
Website: [www.ellisbatescare.com](http://www.ellisbatescare.com)

The policy offered by Ellis Bates is called the Service Users Liability Policy and the cover is underwritten by Ansvar Insurance Company Limited.

The policy can be bought online through the Ellis Bates website. All that you need to do is to answer some questions then pay the annual premium and print off your own schedule and policy

document. Alternatively, if you do not have access to the internet, you can obtain an application form directly from Ellis Bates.

### **Policy details**

**Annual Premium:** £70

**Employers Liability:** This cover has an indemnity limit of £10 Million (£5 Million if terrorism is involved) There are a number of extensions within this cover, for example Health and Safety at Work cover where the costs are limited to £500,000 and Court Attendance Expenses where there is a limit of £250 per day per person.

**Public Liability:** This cover has an indemnity Limit of £5 Million. There are a number of extensions within this cover, for example Health and Safety at Work cover where the costs are limited to £500,000 and Court Attendance Expenses where there is a limit of £250 per day per person.

There are a number of exclusions to the cover and these are detailed in the policy document. For example, under the Public Liability section, contractual liability is excluded, as are any offshore activities.

**The inclusion of these companies should not be considered as a recommendation. The role of this factsheet is to provide individuals with options and choices.**

**This factsheet is available in other formats, including large print, Braille, tape and computer disk. The information is also available to people on our website: [www.gcil.org.uk](http://www.gcil.org.uk)**

Glasgow Centre for Inclusive Living  
117-127 Brook Street Glasgow G40 3AP  
Tel: 0141 550 4455 Fax: 0141 550 4858  
Textphone: 0141 554 6482  
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