

# Insurance Guidance for Town and Parish Councils

With service devolution comes some additional responsibilities and accountabilities which may require additional insurance. Insurance providers will always deal with requests on a case by case basis and take into account how the service is being delivered, such as by volunteers, staff or contractors or a mixed approach. The formal agreement with West Berkshire Council will specify minimum levels of insurance cover that the Council will require to be in place. Insurance policies can be purchased through insurers or intermediaries like brokers or trade associations.

It is important that each local council talks to their insurance provider at the earliest opportunity to discuss the potential impact of taking on devolved services, on the local council's insurance policies/premiums. In some cases there may be no increase in premium, for example if local council staff undertake recommended training, the local council's insurance company may consider this sufficient mitigation of the risk. By contacting the insurer, each local council will have an opportunity to gather all the information it needs to have an informed discussion about how to cost, manage, mitigate risks and deliver a service. It might be the case that several discussions are required as the service delivery plan is put together.

A local council will need to take advice from their insurer on the following levels of insurance cover:

- **Public Liability Insurance** - the minimum level required is £10 million.
- **Employer's Liability Insurance** - depending on whether the service is delivered by local council employees, volunteers, contractors, or a combination of these. This is particularly important if the devolved service involves potentially dangerous situations, for example, roadside working, working at height and working with chemicals (weed killers). Where a local council already employs staff, this insurance should already be in place but devolved services may require enhanced insurance cover if other people, e.g. volunteers are directly employed by the local council.

In all cases the Council will need to see up-to-date evidence of the appropriate insurance cover finalising arrangements.

## Points to consider

### ***Working with contractors***

Local councils should expect a contractor's own insurance to cover the service to be delivered. During the tendering process all contractors must demonstrate that they have the appropriate cover for the work they will undertake and you should see (and obtain a copy of) their Certificate of Insurance. The contractors Insurance should be at the same levels as mentioned above.

### ***Working with volunteers***

A volunteer will usually be insured by the organisation they are volunteering for. If they are volunteering as an individual, they may already be covered under the terms of other insurance policies they hold. If you are planning to deliver services with volunteers, you should seek advice from Newbury Volunteer Bureau about defining the role and good volunteer management. The insurances held by the local council should include provision for the use of volunteers.

### ***Clustering***

Where local councils work in clusters, they can explore shared insurance policies. Clusters may include local councils which have very different circumstances and levels of risk. If the cluster has a single policy the insurance premiums may be weighted towards the council with the highest liability and most responsibility. In addition; if one council in a cluster has a liability claim taken against it, then there may be an overall increase in the shared premium.

### ***Risk assessments***

A general risk assessment of the planned services should be completed and used as a starting point for discussions with an insurer. As the planning of the services progresses councils will need to put together more detailed risk assessments and amend, add hazards and identify mitigations according to their own local arrangements.

This document is intended as initial guidance only and local councils are strongly advised to discuss their requirements directly with their insurance provider.

Guidance from the Health & Safety Executive (HSE) on Employers' Liability (Compulsory Insurance) Act 1969 can be found on their website: [www.hse.gov.uk](http://www.hse.gov.uk)