

5 Insurance

1. The principal risks, which may arise as a result of student visits to workplaces are:
 - a. injury to the students themselves;
 - b. injury to others on the premises (employees, visitors, customers, etc);
 - c. injury to others who are not on the premises (including customers and members of the general public);
 - d. damage to, or loss of, employers' property; and
 - e. damage to, or loss of, other property (e.g. the student's, or a customer's property).
2. Most employers will carry insurance policies that cover most risks arising from student visits, provided that the insurers know in advance the type of activity planned. This is a matter of conforming to the basic principle of disclosing to insurers material facts that may affect the terms of the policy.
3. The Association of British Insurers (ABI), the British Insurance and Investment Brokers Association and Lloyd's of London have agreed that, as a matter of convention, students on work experience placements should be treated as employees for the purposes of insurance against personal injury (that is, they will be covered by the Employers' Liability policy). Such placements must conform with the requirements of the Education Act 1996 and the insurer must always be notified.
4. Student injury arising from other forms of attachment would normally be covered – like all injuries to visitors – by the employer's Public Liability policy. Any injuries caused to employees by students should normally be covered by the Employers' Liability policy.
5. Any injuries caused to employees or students, provided they arise out of activities undertaken in the employer's name, should normally be covered by the employer's Public Liability policy or Employers' Liability policy.
6. Any damage to the organisation's property should normally be covered by the employer's material damage policy. Damage to anyone else's property on the premises should normally be covered by the employer's Public Liability policy.

NOTIFICATION OF RISK

7. As a matter of basic principle, employers should notify their insurer(s) of the sorts of activities which students will undertake, and should make sure they obtain written confirmation that the risk has been accepted.
8. In the case of more, or less, frequent visits and also short visits by groups of students to the workplace, it should be enough to notify the insurer(s) once and in broad terms. Cover should then become a formality, and will probably not involve any adjustment to premiums (or, at most, a minimal one). Employers might find it helpful to use the specimen form in Annex A.

PLACEMENTS LASTING LONGER THAN TWO WEEKS

9. There has been some concern that employers' insurance policies may not cover students on longer work placements. The agreement referred to above (see para 3) was based on the assumption that placements will last for about two weeks. However, in the light of new measures to motivate disaffected young people through extended work experience, the DfES contacted the ABI to discuss the insurance implications of longer placements. The ABI have confirmed that there should be no problem with extended work experience placements, as long as the insurer has been notified of the placement details, including the duration.
10. Longer attachments, including those associated with National Vocational Qualifications (NVQ) or General National Vocational Qualifications (GNVQ), will inevitably call for more detailed information. In those cases, employers are advised to submit all the details set out in the form shown at Annex A (although whether or not the form itself it used is a matter for the employer). Even if the activity is likely to be recurring, it should be enough to inform the insurer on one occasion. There may be some adjustment to premiums, but it is still likely to be very small in relation to the overall size of the premium.

CHECKS ON EMPLOYERS' INSURANCE

11. Work experience organisers are not expected to check the fine print of employers' insurance policies, but they should check, in broad terms, that relevant cover is in place. Organisers are recommended, in advance of placements, to ask employers to complete the checklist reproduced at Annex B, or an equivalent.