

BEDFORD COLLEGE
(University of London)

M E M O R A N D U M

To: Mrs. M. Ferguson

From: The Secretary

21 July 1982

INSURANCE COVER - NURSING STUDIES

I have at last had a letter from Mrs. R.Y. Sutton of the Middlesex Hospital, in which she makes the following points:

- 1. Last year, you and Mr. Hoy, Director of Nurse Education, and she met to discuss the problem and agreed that our students should be issued with honorary contracts by the Hospital - a copy of which you have. The wording was jointly agreed and the contracts were issued to our students with, as far as Mrs. Sutton is aware, no problems.
- 2. The Middlesex Hospital have just received the attached advice from the DHSS and as a result discussed the question with their legal adviser, who has suggested that a form of wording to be added to the honorary contract, can be agreed, in which the Hospital would expect to recover from the College any compensation awarded against the Hospital in the case of an incident involving one of our students. Mrs. Sutton thinks that any such liability could be met through our insurance policies, if necessary with an extra premium.

The following action seems to be indicated therefore. Could you possibly let me have a copy of the honorary contract. I am writing to the Middlesex asking for a draft form of wording to be added to it and will, if necessary, consult our own Solicitors thereon. I am checking as to whether our policies cover or could be made to cover this sort of liability.



S.M. ABRAHAM



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Dr 08

Telex 832153 Telephone 01-263 8380

Administrators of:
Regional Health Authorities
District Health Authorities

Secretaries of:
Special Health Authorities
Boards of Governors

Your reference

Our reference

Date OTH 3
30 June 1982

Dear Sir

EMPLOYERS' LIABILITY (COMPULSORY INSURANCE) ACT 1969

1. This Act requires every employer carrying on any business in Great Britain to insure under an approved policy with an authorised insurer against liability for bodily injury or disease sustained by his employees, and arising out of and in the course of their employment in Great Britain in that business.
2. The Act came into force on 1 January 1972 by virtue of the Employers' Liability (Compulsory Insurance) Act 1969 (Commencement) Order 1971 (SI 1971/1116) and the Employers' Liability (Compulsory Insurance) General Regulations 1971 (SI 1971/1117).
3. The practice of government not to insure its risks commercially is not affected by the Act because it does not bind the Crown. The extension of this non-insurance rule to include certain bodies where the cost of meeting premium payments would otherwise fall directly or indirectly on the Consolidated Fund still obtains. It is not intended that such bodies should take up commercial insurance for the purposes of the above Act and this is provided for under Regulation 3a of the Employers' Liability (Compulsory Insurance) Exemption Regulations 1971 (SI 1971/1933) as amended by the Employers' Liability (Compulsory Insurance) (Amendment) Regulations 1974 (SI 1974/208). The amended Regulation exempts from the insurance requirements any body which holds a certificate issued by a government department stating that, should a claim arise which the body is unable to meet out of its own resources, the claim would be satisfied out of "money provided by Parliament".
4. A certificate in respect of your authority is enclosed. This supersedes any previous certificate which might be held covering employers' liability under the 1969 Act.
5. The wording of the certificate is required by Statute. It does not, however, imply any change from the established policy that health authorities shall meet all contingencies, including payments made under legal liability, from their notified cash limits. The Department does not maintain any contingency reserve centrally to meet such liabilities. We do not foresee any circumstances which will require the Department to meet any liability under this provision. Health Authorities will be expected to re-order their priorities and meet any such claims from their cash limit.
6. I enclose a copy of the letter and certificate for the Treasurer.

Yours faithfully

M G LILLYWHITE

ENCL



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Telex 831719, Telegrams: Health, London SE1 8SU
Telephone: 01-703 0300 ext

Your reference

Our reference

Date

June 1982

EMPLOYERS' LIABILITY (COMPULSORY INSURANCE) ACT, 1969

In accordance with the provisions of Regulation 2(a) of the Employers' Liability (Compulsory Insurance) (Amendment) Regulations 1974, the Secretary of State for Social Services hereby certifies that any claim established against the Bloomsbury Health Authority in respect of any liability to the Authority's employees of the kind mentioned in section 1(1) of the Employers' Liability (Compulsory Insurance) Act, 1969 will, to any extent to which it is otherwise incapable of being satisfied by the aforementioned employer, be satisfied out of moneys provided by Parliament.

M G LILLYWHITE
Assistant Secretary

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