



Insurance and Work Experience

1. The Association of British Insurers ABI), the British Insurance Brokers Association (BIBA), and Lloyds of London have worked with the Department for Education and its predecessors to ensure that employers taking on students for work experience placements understand what the insurance implications are.
2. The principal risks, which may arise as a result of work experience and other visits 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).
3. The ABI, BIBA and Lloyds 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 bodily injury (that is, they will be covered by the Employers' Liability policy), where the employer is legally liable for a loss. Such placements must conform to the requirements of the Education Act 1996 and any other regulations in force from time to time.
4. Most employers will carry insurance policies that cover most risks arising from work experience, provided that the work experience is in accordance with the normal business practices of the employer. Employers' Liability insurance covers the employer's liability in respect of work-related injuries to employees. This insurance is compulsory by law. The Health & Safety Executive guidance on employers' liability provides further useful information: <http://www.hse.gov.uk/pubns/hse40.pdf>
5. Employers' Liability Policies must provide cover of at least £5million per occurrence, although most policies cover up to £10million. Policies normally cover all conventional employees, contract, casual and seasonal staff as well as temporary staff, including workplace students. Public Liability insurance provides cover for injuries to the public or damage to, or loss of, their property. The term 'public' means anyone other than an employee, so it includes students, volunteers, activity participants, spectators and visitors. Typically, Public Liability policies offer cover of between £2 million and £5 million.
6. In summary, injuries caused to students on work experience, who are undertaking activities in connection with the work of the employer, whether at the place of work or away from it, will be covered by the Employers' Liability insurance policy. Any injuries caused to other employees by students on

work experience should normally be covered by the Employers' Liability policy.

7. Injury to third parties not connected to the employer, such as customers, visitors, or other non-employees, will be covered by Public Liability policies. Student injury arising from other visits to places of employment, such as site visits, meetings, seminars, conferences, etc, would also normally be covered by the employer's Public Liability policy.
8. Any person seeking to give work experience to a student but who does not have an existing Employer's Liability policy (for example sole traders) **must** take out Employer's Liability insurance for the duration of the work experience in order to be covered. A Public Liability policy is not adequate coverage in this case.
9. Damage to the employer's property may 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

10. Employers should notify their insurers of the sorts of activities which students will undertake if those activities are onerous or different from the normal business activities of the employer. In these circumstances employers should make sure they obtain written confirmation that the risk has been accepted.

Placements lasting longer than two weeks

11. For some new qualifications, including diplomas, students may be undertaking work experience placements that last longer than the usual two weeks. There should be no problem with extended placements but the employer will probably be required to provide more detailed information to their insurer in this case.
12. The Department for Education guidance for employers taking on work experience students gives more information about extended placements <https://www.education.gov.uk/publications/eOrderingDownload/1471-2005PDF-EN-01.pdf>. Employers are advised to submit all the details set out in the form shown at Annex A of the guidance. 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.
13. 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 of the above guidance, or an equivalent.