

AUTHORITY: The Secretary of State for the Home Department

Schedule A – Insurances

Yarl's Wood IRC

SCHEDULE A - INSURANCES

1. General Requirement

- 1.1 The insurances in this Schedule A (Insurances) shall be maintained by the Service Provider in accordance with Clause 5 of this Contract.
- 1.2 The Service Provider shall name the Authority as a co-insured with any other party maintaining the insurance and;
 - 1.2.1 Provide for non-vitiation protection in respect of any claim made by the Authority as a co-insured in accordance with Schedule A Part 2 Endorsements and;
 - 1.2.2 Contain a clause waiving the insurers subrogation rights against the Authority as co-insured in accordance with Schedule A Part 2 Endorsements and;
 - 1.2.3 Provide for thirty (30) days prior written notice of their cancellation, non-renewal or amendment in accordance with Schedule A Part 2 Endorsements.
- 1.3 Insured parties common to all required insurances in this Schedule A (Insurances):
 - 1.3.1 Authority
 - 1.3.2 Service Provider
 - 1.3.3 Sub-contractors
 - 1.3.4 Sub-contractors and suppliers (for site activities only) of any tier and Sub-contractor agents acting on their behalf
 - 1.3.5 Consultants to 1.3.1, 1.3.2 and 1.3.3 (for site activities only)

Part 1 - Policies To Be Taken Out By The Service Provider From The Periods Specified In This Schedule A.

2. Material Damage “All Risk” Insurance

2.1 Insured Property:

2.1.1 Any property of whatsoever nature or description associated with the Contract that is the property of the Service Provider or for which the Services Provider may be responsible, used for or in connection with the ownership, maintenance and operation of the Removal Centre including the Assets (but not including vehicles otherwise insured under a motor vehicle insurance policy).

2.2 Coverage

2.2.1 “All Risks” of physical loss, damage or destruction to the Insured Property from any cause not excluded, including machinery breakdown and computer breakdown in respect of appropriate equipment.

2.3 Sum Insured

2.3.1 At all times an amount not less than the total reinstatement or replacement value of the Insured Property plus provision to include other cover features and extensions, as appropriate.

2.4 Maximum Deductible

2.4.1 Not to exceed £<Redacted> each and every loss arising as a result of riot, civil commotion, vandalism and malicious damage.

2.4.2 Not to exceed £<Redacted> all other losses.

2.5 Territorial Limits

2.5.1 United Kingdom including whilst in inland transit.

2.6 Period of Insurance

2.6.1 From the Full Operation Date for the duration of this Contract and renewable on an annual basis unless agreed otherwise by the Parties.

2.7 Cover Features & Extensions

2.7.1 Terrorism

2.7.2 Automatic reinstatement of sum insured.

2.7.3 Capital additions clause.

2.7.4 Seventy two (72) hour clause.

2.7.5 European Union local authorities clause.

2.7.6 Professional fees.

2.7.7 Debris removal.

2.7.8 Temporary repairs.

2.7.9 Repair/reinstatement basis of claims settlement with cash option for non-reinstatement at the option of the Authority in the event of contractual non reinstatement.

2.7.10 Waiver of insurers rights to claim under the Riot (Damages) Act 1886.

2.7.11 Plans and documents.

2.7.12 Temporary offsite storage.

2.7.13 Cost of labour and computer time expended in reproducing documents and computer records, including accidental or malicious erasure.

2.7.14 Construction/refurbishment all risks for works up to five hundred thousand pounds (£ **<Redacted>**).

2.8 **Principal Exclusions**

2.8.1 War and related perils.

2.8.2 Nuclear/radioactive risks.

2.8.3 Pressure waves caused by aircraft and other aerial devices travelling at sonic or supersonic speeds.

2.8.4 Wear, tear and gradual deterioration, latent defect, defective design, materials and workmanship but not excluding consequential damage resulting therefrom.

2.8.5 Consequential financial losses.

2.8.6 Cyber risks.

2.8.7 Pollution and contamination to the Insured Property other than arising from an event which itself is not otherwise excluded.

3. **Business Interruption Insurance**

3.1 **Indemnity**

3.1.1 In respect of:

- a) Loss of anticipated revenue during at least the Minimum Indemnity Period arising from an interruption or interference in the operation of the Project as a result of loss or damage covered under Material Damage “All Risks” Insurance effected in accordance with Schedule A (Insurances) including physical loss or damage which would be indemnifiable but for the application of any deductible;
- b) The economic additional expenditure necessarily and reasonably incurred for the purpose of avoiding or reducing the loss of revenue of the insured’s which without such expenditure would have taken place, during the Minimum Indemnity Period.

3.2 **Sum Insured**

3.2.1 A Revenue amount sufficient to cover the sums the subject of the Indemnity for the Minimum Indemnity Period.

3.2.2 **<Redacted>** (£**<Redacted>**) in respect of additional increased cost of working

3.3 Maximum Deductible

3.3.1 Not to exceed **<Redacted>**.

3.4 Minimum Indemnity Period

3.4.1 Not less than the time taken to reinstate the Removal Centre following a total loss to full operational running including for the avoidance of doubt the time to clear debris, prepare the Site and prepare revised work plans.

3.5 Period of Insurance

3.5.1 From the Full Operation Date and for the duration of the Contract and renewable on an annual basis unless agreed otherwise.

3.6 Cover Features & Extensions

3.6.1 Terrorism.

3.6.2 Denial of access.

3.6.3 Utilities.

3.6.4 Accountants clause.

3.6.5 Automatic reinstatement of sum insured.

3.6.6 Infectious diseases

3.7 Principal Exclusions

3.7.1 Delayed response by a public body or state authority in excess of ninety (90) days

4. Third Party Liability (Including Products Liability)

4.1 Interest

4.1.1 To indemnify the insured in respect of all sums that they may become legally liable to pay, whether contractual or otherwise, (including claimant's costs and expenses) as damages in respect of accidental:

- a) death, bodily injury, illness, or disease contracted by any person;
- b) loss or damage to property; or
- c) interference to property or any easement right of air, light, water or way or the enjoyment or use thereof by obstruction, trespass, nuisance, loss of amenities, happening during the Period of Insurance and arising out of or in connection with the Contract and the provision of the Project.

4.2 Limit of Indemnity

4.2.1 Not less than sixty million pounds (£60m) in respect of any one occurrence, the number of occurrences being unlimited, but in the annual aggregate in respect of pollution and products liability.

4.3 Maximum Deductible

4.3.1 Not to exceed £<Redacted> for each and every occurrence of property damage, (Personal injury claims will be paid in full).

4.4 Territorial Limits

4.4.1 United Kingdom and elsewhere in the world in respect of non manual visits.

4.5 Jurisdiction

4.5.1 Worldwide excluding USA, Canada and Australia.

4.6 Period of Insurance

4.6.1 From the date of the Contract and for the duration of the Contract and renewable on an annual basis unless agreed otherwise.

4.7 Cover Features & Extensions

4.7.1 Cross liability clause.

4.7.2 Contingent motor liability.

4.7.3 Legal defence costs.

4.7.4 Provision of first aid to employees and third parties.

4.7.5 Health and Safety at Work Act(s) clause.

4.7.6 Data Protection Act clause.

4.7.7 Defence, appeal and prosecution costs relating to the Corporate Manslaughter and Corporate Homicide Act clause.

4.7.8 Public Health Act clause.

4.7.9 Defective Premises Act clause.

4.8 Principal Exclusions

4.8.1 War and related perils.

4.8.2 Nuclear/radioactive risks.

4.8.3 Liability for death, illness, disease or bodily injury sustained by employees of the Insured arising out of the course of their employment.

4.8.4 Liability arising out of the use of the mechanically propelled vehicles whilst required to be compulsorily insured by legislation in respect of such vehicles.

4.8.5 Liability in respect of predetermined penalties or liquidated damages imposed under any contract entered into by the Insured.

4.8.6 Liability arising out of technical or professional advice (given for a fee) other than in respect of death or bodily injury to persons or damage to third party property.

4.8.7 Liability arising from the ownership, possession or use of any aircraft or marine vessel.

4.8.8 Liability arising from seepage and pollution unless caused by a sudden,

OFFICIAL – SENSITIVE

unintended and unexpected occurrence.

4.8.9 Liability arising from toxic mould.

4.8.10 Liability arising from asbestos.

4.8.11 Liability in respect of medical malpractice

Part 2: Policies To Be Taken Out Or Procured By The Service Provider And Maintained During The Period Of Any Works In Excess Of £500k.

1. Contractors “All Risks” Insurance

1.1 Insured Property

1.1.1 The permanent and temporary works, materials, goods, plant and equipment for **incorporation** in the works (other than constructional plant, tools, accommodation and equipment belonging to or the responsibility of the Service Provider or its Sub-contractors) and all other property used for or for use in connection with works associated with the Contract.

1.2 Coverage

1.2.1 “All risks” of physical loss, damage or destruction to the Insured Property including terrorism unless otherwise excluded.

1.3 Sum Insured

1.3.1 At all times an amount, not less than the full reinstatement or replacement value of the Insured Property, plus provision to include cover features and extensions, as appropriate.

1.4 Maximum Deductible

1.4.1 Not to exceed £<Redacted>. for each loss in respect of claims for defective design, materials and workmanship; and

1.4.2 in respect of all other claims, £<Redacted> for each and every claim, save for additional costs of completion which shall be a determined <Redacted>% co-insurance.

1.5 Territorial Limits

1.5.1 United Kingdom including offsite storage and during inland transit.

1.6 Period of Insurance

1.6.1 From the date of the comment of any building or demolition work on a site until the completion of the works and thereafter in respect of any defects liability until expiry of the defects liability until expiry of the defects liability period.

1.7 Cover Features & Extensions

1.7.1 Munitions of war clause.

1.7.2 Automatic costs of completion clause.

- 1.7.3 Professional fees clause.
- 1.7.4 Debris removal clause
- 1.7.5 Seventy two (72) hour clause.
- 1.7.6 European Union local authorities clause.
- 1.7.7 Free issue materials clause.
- 1.7.8 Ten percent (10%) escalation clause.
- 1.7.9 Automatic reinstatement of sum insured clause
- 1.7.10 Loss minimisation.
- 1.7.11 Plans and specifications clause.
- 1.7.12 Faulty design, workmanship and materials DE5 or LEG3.

1.8 Principal Exclusions

- 1.8.1 War and related perils (United Kingdom insurance market agreed wording).
- 1.8.2 Nuclear/radioactive risks (United Kingdom insurance market agreed wording).
- 1.8.3 Pressure waves caused by aircraft and other aerial devices travelling at sonic or supersonic speeds.
- 1.8.4 Wear, tear and gradual deterioration.
- 1.8.5 Consequential financial losses.
- 1.8.6 Cyber risks.
- 1.8.7 Inventory losses, fraud and employee dishonesty.

2. Construction Third Party Liability Insurance

2.1 Interest

2.1.1 To indemnify the insured in respect of all sums that they may become legally liable to pay whether contractually or otherwise (including claimant's costs and expenses) as damages in respect of accidental:

- a) death, bodily injury, illness, or disease contracted by any person;
- b) loss or damage to property;
- c) interference to property or any easement right of air, light, water or way or the enjoyment or use thereof by obstruction, trespass, nuisance, loss of amenities,

happening during the Period of Insurance and arising out of or in connection with the works.

2.2 Limit of Indemnity

2.2.1 Not less than [to be determined relative to the size and scope of any relevant works] in respect of any one occurrence, the number of occurrences being

unlimited, but in the aggregate in respect of pollution liability.

2.3 Maximum Deductible

2.3.1 Not to exceed £<Redacted> each and every occurrence of third party property damage.

2.4 Territorial Limits

2.4.1 United Kingdom and elsewhere in the world in respect of non manual visits.

2.5 Jurisdiction

2.5.1 Courts of England and Wales.

2.6 Choice of Law

2.6.1 This insurance shall be governed in accordance with the laws of England and Wales.

2.7 Period of Insurance

2.7.1 From the date of comment of any building or demolition work on the site until the completion of the works and thereafter in respect of any defects liability until expiry of the defects liability period.

2.8 Cover Features & Extensions

2.8.1 Munitions of war.

2.8.2 Cross liability clause.

2.8.3 Contingent motor vehicle liability.

2.8.4 Legal defence costs.

2.8.5 Indemnities to principals clause

2.9 Principal Exclusions

2.9.1 War and related perils (United Kingdom insurance market agreed wording)

2.9.2 Nuclear/radio active risks (United Kingdom insurance market agreed wording)

2.9.3 Liability for death, illness, disease or bodily injury sustained by employees of the Insured.

2.9.4 Liability arising out of the use of the mechanically propelled vehicles whilst required to be compulsorily insured by Legislation in respect of such vehicles.

2.9.5 Liability in respect of predetermined penalties or liquidated damages imposed under any contract entered into by the Insured.

2.9.6 Liability in respect of loss or damage to property in the care, custody and control of the Insured but this exclusion is not to apply to all property belonging to the Authority that is in the care, custody and control of another Insured.

2.9.7 Events more properly covered under a professional Indemnity Insurance policy.

2.9.8 Liability arising from the ownership, possession or use of any aircraft or marine

vessel.

2.9.9 Liability arising from seepage and pollution unless caused by a sudden, unintended and unexpected occurrence.

2.9.10 Losses indemnified under any Contractors "All Risks" Insurance policy.

2.9.11 Liability arising from toxic mould.

2.9.12 Liability arising from asbestos.

2.9.13 Cyber risks.

PART 4 - FORM OF BROKERS' LETTER OF UNDERTAKING

(To the Authority)

Dear Sirs,

We confirm that the insurances (the "Insurances") are in effect on and in respect of the risks set out in the attached cover notes as at the date hereof. Terms defined in the Contract for the provision of operation, management and maintenance services entered into between [xxx] and Her Majesty's Principal Secretary of State for the Home Department on [date of Contract] (the "Contract") shall have the same meaning in this letter.

Pursuant to instructions received from the Service Provider and in consideration of your approving our appointment or continuing appointment as brokers in connection with the insurances covered by this letter, we hereby undertake in respect of the interests of the insured Parties and the Authority in the insurances referred to in the attached cover notes, binder or certificate from [the insurers/us]:

1. to use our reasonable endeavours to incept each policy substantially in the forms detailed in Schedule A (*Insurances*) to the Contract and to have each endorsed substantially in the forms attached hereto and to notify you promptly where we fail to do so;
2.
 - (i) to advise you promptly upon receipt of notice of any material changes, which we know to be material notification to us, which are proposed to be made in the terms of the Insurances and which, if effected, would result in any material reduction in limits or coverage (including those resulting from extensions) or in any increase in deductibles, exclusions or exceptions,
 - (ii) to notify you at least thirty (30) days prior to the expiry of these Insurances if we have not received instructions from the Service Provider to negotiate renewal, and, in the event of our receiving instructions to renew, to advise you promptly of the details thereof, and
 - (iii) to notify you at least thirty (30) days prior to ceasing to act as brokers to the Service Provider (unless owing to circumstances beyond our control we cannot give such notice in which case we shall notify you promptly upon becoming aware that we shall cease, or that we have ceased, so to act);
3. to advise you without unreasonable delay:
 - (a) if any insurer cancels or gives notice of cancellation of any of the Insurances and in any event at least thirty (30) days before such cancellation is to take effect (unless owing to circumstances beyond our control we are unable to do so in which case we shall notify you promptly upon becoming aware of such cancellation or notice of cancellation);
 - (b) of any act of omission or of any event of which we have knowledge and which might reasonably be foreseen as invalidating or rendering unenforceable in whole or in part the Insurances; and
 - (c) of any claim under any of the Insurances notified to us (and to advise the Service Provider of any such claim);
4. to disclose to the insurers (in confidence) and to you any fact, change of

OFFICIAL – SENSITIVE

circumstance or occurrence which we know to be material to the risks insured against under the Insurances promptly when we become aware of such fact, change of circumstance or occurrence (always providing that the foregoing shall not act to vary or displace the duty of disclosure of the insured Parties);

5. to hold the insurance slips or contracts for the relevant Insurances (the “Policies”) with any renewal thereof or any new or substitute Policies (in each case, issued only with your consent), to the extent held by us;
6. forthwith to notify you and any other nominated broker of whom we are aware who is placing insurance in respect of the Contract of any matters which come to our attention and which could reasonably be expected to be material in the context of the other policies required to be maintained under the Contract conditions.

The above undertakings are given:

- (a) subject to our lien on the policies referred to above for premiums due under the policies and subject to any insurers’ right of cancellation (if any) following default in excess of thirty (30) days in payment of such premiums, but we undertake to advise you as soon as practicable if any such premiums are not paid to us by the due date and to give you reasonable opportunity of paying such amounts of such premiums outstanding before notification of cancellation on behalf of the insurers; and
- (b) subject to our continuing appointment for the time being as insurance brokers to the Service Provider (such appointment continuing in any event until the expiry of the relevant claims period).
- (c) subject to our aggregate liability to any persons companies or organisation who acts in reliance on this letter in respect of the Insurances for this Project, for any and all matters arising from them and the contents thereof shall in any and all events be limited to the sum of twenty million pounds (£20m), even if we are negligent. We do not limit liability for our fraud.

This letter shall be governed by and construed in all respects in accordance with English law.

Yours faithfully

<Redacted>

Attachment: Endorsements

Attachment: Endorsements

PART 4: POLICY ENDORSEMENTS

5. General

5.1 Unless the context otherwise requires defined terms set out in the following endorsements shall have the meaning set out in this Contract.

Endorsement 1

Cancellation Clause

This policy shall not be cancelled or terminated before the original expiry date is to take effect except in respect of non-payment of premium.

The insurer shall by written notice, advise the Authority:

1. at least thirty (30) days before any such cancellation or termination is to take effect;
2. at least thirty (30) days before any reduction in limits or coverage or any increase in deductibles is to take effect; and
3. of any act or omission or any event of which the insurer has knowledge and which might invalidate or render unenforceable in whole or in part this policy.

Endorsement 2

Multiple insured/Non-Vitiating Clause

Each of the parties comprising the insured shall for the purpose of this policy be considered a separate co-insured entity, insured on a composite basis, with the words "the insured" applying to each as if they were separately and individually insured provided that the total liability of the insurers under each section of this policy to the insured collectively shall not (unless the policy specifically permits otherwise) exceed the limit of indemnity or amount stated to be insured under that section or policy. Accordingly, the liability of the insurers under this policy to any one insured shall not be conditional upon the due observance and fulfilment by any other insured party of the terms and conditions of this policy or of any duties imposed upon that insured party relating thereto, and shall not be affected by any failure in such observance or fulfilment by any such other insured party.

It is understood and agreed that any payment or payments by insurers to any one or more of the insureds shall reduce, to the extent of that payment, insurers' liability to all such parties arising from any one event giving rise to a claim under this policy and (if applicable) in the aggregate.

Insurers shall be entitled to avoid liability to or (as may be appropriate) claim damages from any insured party in circumstances of fraud misrepresentation non-disclosure or material breach of warranty or condition of this policy (each referred to in this clause as a "Vitiating Act") committed by that insured party save where such misrepresentation non-disclosure or breach of warranty or condition was committed innocently and in good faith.

For the avoidance of doubt it is however agreed that a Vitiating Act committed by one

OFFICIAL – SENSITIVE

insured party shall not prejudice the right to indemnity of any other insured who has an insurable interest and who has not committed the Vitiating Act.

Insurers hereby agree to waive all rights of subrogation and/or recourse which they may have or acquire against any insured party (together with their employees and agents) except where the rights of subrogation or recourse are acquired in consequence of a Vitiating Act in which circumstances insurers may enforce such rights against the insured responsible for the Vitiating Act notwithstanding the continuing or former status of the vitiating party as an insured.

Notwithstanding any other provision of this policy or any other document or any act and/or omission by any insured party insurers agree that:

1. no party other than the Authority has any authority to make any warranty, disclosure or representation in connection with this policy on behalf of the Authority;
2. where any warranty, disclosure or representation is required from the Authority in connection with this policy, insurers will contact the Authority in writing (in accordance with Endorsement 3 to the Contract) and set out expressly the warranty, disclosure and/or representation required within a reasonable period of time from the Authority (regarding itself); and
3. save as set out in a request from insurers to the Authority in accordance with 2. above, the Authority shall have no duty to disclose any fact or matter to insurers in connection with this policy save to the extent that for the Authority not to disclose a fact or matter would constitute fraudulent misrepresentation and/or fraudulent non-disclosure.

Endorsement 3

Communications

All notices or other communications under or in connection with this policy shall be given to each insured (and the Authority) in writing or by facsimile. Any such notice will be deemed to be given as follows:

1. if in writing, when delivered;
2. If by facsimile, when transmitted but only if, immediately after transmission, the sender's facsimile machine records a successful transmission has occurred.

The address and facsimile number of the Authority for all notices under or in connection with this policy are those notified from time to time by the Authority for this purpose to the Service Provider at the relevant time. The initial address and facsimile number of the Authority are as follows:

To:	The Authority:
Address:	Home Office Commercial Delivery 2nd Floor, Bedford Point 35 Dingwall Road Croydon, CR9 2EF

OFFICIAL – SENSITIVE

Facsimile No: 020 8603 8030

Attention: Senior Commercial Delivery Manager

It is further agreed that a notice of claim given by the Authority or any other insured shall in the absence of any manifest error be accepted by the insurer as a valid notification of a claim on behalf of all insureds.

Endorsement 4

Loss Payee (applicable to Material Damage “All Risks” Insurance)

Subject to the provision of Clause 4.7 and Clause 5.5 all relevant proceeds of this policy shall be payable without deduction or set-off to the Insurance Proceeds Account.

Endorsement 5

Primary Insurance

It is expressly understood and agreed that this policy provides primary cover for the insured parties and that in the event of loss destruction damage or liability covered by this policy which is covered either in whole or in part under any other policy or policies of insurance effected by or on behalf of any of the insured parties the insurers will indemnify the insured parties as if such other policy or policies of insurance were not in force and the insurers waive their rights of recourse if any against the insurers of such other policy or policies of insurance.

Endorsement 6

Claims Negotiation Rights

Notwithstanding any claim conditions contained herein, the insurers agree that the Authority has the right to settle and negotiate any claims received from third parties subject to prior consultation with the Service Provider and insurers on any claim exceeding ten thousand pounds (£<Redacted>) and provided that, where the exercise of this right by the Authority results in a settlement in excess of that which would otherwise have been payable in respect of any such claim, the Authority shall not be entitled to any indemnity from insurers to the extent of such excess.

Notice of claim by the Authority and any other party entitled to indemnity under this policy shall in the absence of manifest error be accepted by Insurers as a valid claim subject to the full terms of the policy.

Endorsement 7

The insurers agree to waive any right they may have (as subrogee or otherwise) to bring any claim under the Riotous Assemblies (Scotland) Act 1822 or the Riot (Damages) Act 1886 in respect of:

1. any damage to; or
2. any monies paid for or in respect of

the Removal Centre, the site or any Assets.

This waiver is binding upon each of the insurer's successors and permitted assigns and is expressly provided for the benefit of any Police and Crime Commissioner in the

OFFICIAL – SENSITIVE

United Kingdom and the statutory successors of any such Police and Crime Commissioner, each of which may enforce such waiver against the Insurers and/or their successors and permitted assigns (as appropriate).