



National Highways Limited

Scheme Delivery Framework (SDF)

ECC Scope

Annex 6

Insurance

September 2021

CONTENTS AMENDMENT SHEET

Issue. No.	Revision No.	Amendments	Initials	Date
0	0	Contract Issue	AJP	Sept 21

LIST OF CONTENTS

1	INSURANCE TABLE	4
1.1	Lot 1.1 and Lot 1.2 General Civil Engineering.....	5
1.2	Lot 2 Specialist Drainage.....	6
1.3	Lot 3.1 and Lot 3.2 Temporary Traffic Management.....	7
1.4	Lot 4.1 and Lot 4.2 Road Restraint System and Fencing	8
1.5	Lot 5 Landscape and Ecology	9
1.6	Lot 6 Road Markings	10
1.7	Lot 7 Road Lighting and Electrical.....	11
1.8	Lot 8 Waterproofing and Expansion Joints.....	12
1.9	Lot 9 Technology (inc Traffic Signals)	13
1.10	Lot 10 Structures and Structural Services	14
1.11	Lot 11 Cathodic Protection	14
2	INSURANCE COVERAGE.....	16
2.1	Contractors “All Risks” Insurance (CAR) (not applicable to Lot 3, Lot 5 and Lot 6)...	16
2.2	Third Party Public and Products Liability Insurance	18
2.3	Professional Indemnity Insurance	20
2.4	Policies to be taken out as required by United Kingdom law	21

1 INSURANCE TABLE

	<p>The <i>Contractor</i> provides the insurances from the Insurance Table and in accordance with the requirements in this Annex 6 (Insurance)</p>
	<p>The <i>Client</i> reserves the right to vary the level of insurance under any call off contract requirement under the Scheme Delivery Framework based upon the insurable risk profile represented by the <i>Client</i> requirement. The <i>Client</i> may also be obliged to take into account the insurance requirements of others (for any work over, under, or in the vicinity of the railway Network Rail may require a third party public and products liability insurance limit of not less than £155,000,000 in respect of any one occurrence, the number of occurrences being unlimited in any annual policy period, and with Network Rail to be as a named insured party in any relevant policy of insurance).</p>

1.1 Lot 1.1 and Lot 1.2 General Civil Engineering	
The minimum amount of cover of insurance against loss of or damage to property (except the <i>works</i> , Plant and Materials and Equipment) and liability for bodily injury to or death of a person (not an employee of the <i>Contractor</i>) arising from or in connection with the <i>Contractor</i> Providing the Works for any one occurrence is	Not less than fifty million pounds (£50,000,000) in respect of any one occurrence without limit to the number of occurrences during any annual policy period but fifty million pounds (£50,000,000) any one occurrence and in the aggregate per annum in respect of liability arising out of products and pollution or contamination liability (to the extent insured by the relevant policy).
The minimum amount of cover of insurance against death of or bodily injury to employees of the <i>Contractor</i> arising out of and in the course of their employment in connection with the contract for any one occurrence is	Not less than ten million pounds (£10,000,000) any one occurrence, the number of occurrences being unlimited during any annual period of insurance or such greater amount as is required by the applicable law for the duration of the contract or such greater period as is required by law.
If the <i>Client</i> is to provide Plant and Materials. The insurance against loss of or damage to the <i>works</i> , Plant and Materials is to include cover for Plant and Materials provided by the <i>Client</i> for an amount of	A sum insured to represent the reinstatement or replacement cost of the relevant insured property
The <i>Contractor</i> provides these additional insurances	
(1) Insurance against	Liability of the <i>Contractor</i> for claims made against it arising out of the <i>Contractor's</i> failure to use the skill and care normally used by professionals providing services similar to the <i>works</i>
Minimum amount of cover is	A limit of indemnity of not less than [five million pounds (£5,000,000)] in respect of any one claim and in the aggregate per annum.

1.2 Lot 2 Specialist Drainage	
<p>The minimum amount of cover of insurance against loss of or damage to property (except the <i>works</i>, Plant and Materials and Equipment) and liability for bodily injury to or death of a person (not an employee of the <i>Contractor</i>) arising from or in connection with the <i>Contractor</i> Providing the Works for any one occurrence is</p>	<p>Not less than twenty million pounds (£20,000,000) in respect of any one occurrence without limit to the number of occurrences during any annual policy period but twenty million pounds (£20,000,000) any one occurrence and in the aggregate per annum in respect of liability arising out of products and pollution or contamination liability (to the extent insured by the relevant policy).</p>
<p>The minimum amount of cover of insurance against death of or bodily injury to employees of the <i>Contractor</i> arising out of and in the course of their employment in connection with the contract for any one occurrence is</p>	<p>Not less than ten million pounds (£10,000,000) any one occurrence, the number of occurrences being unlimited during any annual period of insurance or such greater amount as is required by the applicable law for the duration of the contract or such greater period as is required by law.</p>
<p>If the <i>Client</i> is to provide Plant and Materials.</p> <p>The insurance against loss of or damage to the <i>works</i>, Plant and Materials is to include cover for Plant and Materials provided by the <i>Client</i> for an amount of</p>	<p>A sum insured to represent the reinstatement or replacement cost of the relevant insured property</p>

1.3 Lot 3.1 and Lot 3.2 Temporary Traffic Management

The minimum amount of cover of insurance against loss of or damage to property (except the *works*, Plant and Materials and Equipment) and liability for bodily injury to or death of a person (not an employee of the *Contractor*) arising from or in connection with the *Contractor* Providing the Works for any one occurrence is

Not less than ten million pounds (£10,000,000) in respect of any one occurrence without limit to the number of occurrences during any annual policy period but ten million pounds (£10,000,000) any one occurrence and in the aggregate per annum in respect of liability arising out of products and pollution or contamination liability (to the extent insured by the relevant policy).

The minimum amount of cover of insurance against death of or bodily injury to employees of the *Contractor* arising out of and in the course of their employment in connection with the contract for any one occurrence is

Not less than ten million pounds (£10,000,000) any one occurrence, the number of occurrences being unlimited during any annual period of insurance or such greater amount as is required by the applicable law for the duration of the contract or such greater period as is required by law.

1.4 Lot 4.1 and Lot 4.2 Road Restraint System and Fencing

The minimum amount of cover of insurance against loss of or damage to property (except the *works*, Plant and Materials and Equipment) and liability for bodily injury to or death of a person (not an employee of the *Contractor*) arising from or in connection with the *Contractor* Providing the Works for any one occurrence is

Not less than twenty million pounds (£20,000,000) in respect of any one occurrence without limit to the number of occurrences during any annual policy period but twenty million pounds (£20,000,000) any one occurrence and in the aggregate per annum in respect of liability arising out of products and pollution or contamination liability (to the extent insured by the relevant policy).

The minimum amount of cover of insurance against death of or bodily injury to employees of the *Contractor* arising out of and in the course of their employment in connection with the contract for any one occurrence is

Not less than ten million pounds (£10,000,000) any one occurrence, the number of occurrences being unlimited during any annual period of insurance or such greater amount as is required by the applicable law for the duration of the contract or such greater period as is required by law.

If the *Client* is to provide Plant and Materials.

The insurance against loss of or damage to the *works*, Plant and Materials is to include cover for Plant and Materials provided by the *Client* for an amount of

A sum insured to represent the reinstatement or replacement cost of the relevant insured property

1.5 Lot 5 Landscape and Ecology

The minimum amount of cover of insurance against loss of or damage to property (except the *works*, Plant and Materials and Equipment) and liability for bodily injury to or death of a person (not an employee of the *Contractor*) arising from or in connection with the *Contractor* Providing the Works for any one occurrence is

Not less than ten million pounds (£10,000,000) in respect of any one occurrence without limit to the number of occurrences during any annual policy period but ten million pounds (£10,000,000) any one occurrence and in the aggregate per annum in respect of liability arising out of products and pollution or contamination liability (to the extent insured by the relevant policy).

The minimum amount of cover of insurance against death of or bodily injury to employees of the *Contractor* arising out of and in the course of their employment in connection with the contract for any one occurrence is

Not less than ten million pounds (£10,000,000) any one occurrence, the number of occurrences being unlimited during any annual period of insurance or such greater amount as is required by the applicable law for the duration of the contract or such greater period as is required by law.

1.6 Lot 6 Road Markings	
<p>The minimum amount of cover of insurance against loss of or damage to property (except the <i>works</i>, Plant and Materials and Equipment) and liability for bodily injury to or death of a person (not an employee of the <i>Contractor</i>) arising from or in connection with the <i>Contractor</i> Providing the Works for any one occurrence is</p>	<p>Not less than ten million pounds (£10,000,000) in respect of any one occurrence without limit to the number of occurrences during any annual policy period but ten million pounds (£10,000,000) any one occurrence and in the aggregate per annum in respect of liability arising out of products and pollution or contamination liability (to the extent insured by the relevant policy).</p>
<p>The minimum amount of cover of insurance against death of or bodily injury to employees of the <i>Contractor</i> arising out of and in the course of their employment in connection with the contract for any one occurrence is</p>	<p>Not less than ten million pounds (£10,000,000) any one occurrence, the number of occurrences being unlimited during any annual period of insurance or such greater amount as is required by the applicable law for the duration of the contract or such greater period as is required by law.</p>

1.7 Lot 7 Road Lighting and Electrical

<p>The minimum amount of cover of insurance against loss of or damage to property (except the <i>works</i>, Plant and Materials and Equipment) and liability for bodily injury to or death of a person (not an employee of the <i>Contractor</i>) arising from or in connection with the <i>Contractor</i> Providing the Works for any one occurrence is</p>	<p>Not less than twenty million pounds (£20,000,000) in respect of any one occurrence without limit to the number of occurrences during any annual policy period but twenty million pounds (£20,000,000) any one occurrence and in the aggregate per annum in respect of liability arising out of products and pollution or contamination liability (to the extent insured by the relevant policy).</p>
--	---

<p>The minimum amount of cover of insurance against death of or bodily injury to employees of the <i>Contractor</i> arising out of and in the course of their employment in connection with the contract for any one occurrence is</p>	<p>Not less than ten million pounds (£10,000,000) any one occurrence, the number of occurrences being unlimited during any annual period of insurance or such greater amount as is required by the applicable law for the duration of the contract or such greater period as is required by law.</p>
--	--

<p>If the <i>Client</i> is to provide Plant and Materials. The insurance against loss of or damage to the <i>works</i>, Plant and Materials is to include cover for Plant and Materials provided by the <i>Client</i> for an amount of</p>	<p>A sum insured to represent the reinstatement or replacement cost of the relevant insured property</p>
---	--

The *Contractor* provides these additional insurances

<p>(1) Insurance against</p>	<p>Liability of the <i>Contractor</i> for claims made against it arising out of the <i>Contractor</i>' failure to use the skill and care normally used by professionals providing services similar to the <i>works</i></p>
------------------------------	--

<p>Minimum amount of cover is</p>	<p>A limit of indemnity of not less than five million pounds (£5,000,000) in respect of any one claim and in the aggregate per annum,</p>
-----------------------------------	---

1.8 Lot 8 Waterproofing and Expansion Joints

The minimum amount of cover of insurance against loss of or damage to property (except the *works*, Plant and Materials and Equipment) and liability for bodily injury to or death of a person (not an employee of the *Contractor*) arising from or in connection with the *Contractor* Providing the Works for any one occurrence is

Not less than twenty million pounds (£20,000,000) in respect of any one occurrence without limit to the number of occurrences during any annual policy period but twenty million pounds (£20,000,000) any one occurrence and in the aggregate per annum in respect of liability arising out of products and pollution or contamination liability (to the extent insured by the relevant policy).

The minimum amount of cover of insurance against death of or bodily injury to employees of the *Contractor* arising out of and in the course of their employment in connection with the contract for any one occurrence is

Not less than ten million pounds (£10,000,000) any one occurrence, the number of occurrences being unlimited during any annual period of insurance or such greater amount as is required by the applicable law for the duration of the contract or such greater period as is required by law.

If the *Client* is to provide Plant and Materials.

The insurance against loss of or damage to the *works*, Plant and Materials is to include cover for Plant and Materials provided by the *Client* for an amount of

A sum insured to represent the reinstatement or replacement cost of the relevant insured property

1.9 Lot 9 Technology (inc Traffic Signals)

<p>The minimum amount of cover of insurance against loss of or damage to property (except the <i>works</i>, Plant and Materials and Equipment) and liability for bodily injury to or death of a person (not an employee of the <i>Contractor</i>) arising from or in connection with the <i>Contractor</i> Providing the Works for any one occurrence is</p>	<p>Not less than ten million pounds (£10,000,000) in respect of any one occurrence without limit to the number of occurrences during any annual policy period but ten million pounds (£10,000,000) any one occurrence and in the aggregate per annum in respect of liability arising out of products and pollution or contamination liability (to the extent insured by the relevant policy).</p>
<p>The minimum amount of cover of insurance against death of or bodily injury to employees of the <i>Contractor</i> arising out of and in the course of their employment in connection with the contract for any one occurrence is</p>	<p>Not less than ten million pounds (£10,000,000) any one occurrence, the number of occurrences being unlimited during any annual period of insurance or such greater amount as is required by the applicable law for the duration of the contract or such greater period as is required by law.</p>
<p>If the <i>Client</i> is to provide Plant and Materials. The insurance against loss of or damage to the <i>works</i>, Plant and Materials is to include cover for Plant and Materials provided by the <i>Client</i> for an amount of</p>	<p>A sum insured to represent the reinstatement or replacement cost of the relevant insured property</p>
<p>The <i>Contractor</i> provides these additional insurances</p>	
<p>(1) Insurance against</p>	<p>Liability of the <i>Contractor</i> for claims made against it arising out of the <i>Contractor's</i> failure to use the skill and care normally used by professionals providing services similar to the <i>works</i></p>
<p>Minimum amount of cover is</p>	<p>A limit of indemnity of not less than five million pounds (£5,000,000) in respect of any one claim and in the aggregate per annum.,</p>

1.10 Lot 10 Structures and Structural Services

<p>The minimum amount of cover of insurance against loss of or damage to property (except the <i>works</i>, Plant and Materials and Equipment) and liability for bodily injury to or death of a person (not an employee of the <i>Contractor</i>) arising from or in connection with the <i>Contractor</i> Providing the Works for any one occurrence is</p>	<p>Not less than twenty million pounds (£20,000,000) in respect of any one occurrence without limit to the number of occurrences during any annual policy period but twenty million pounds (£20,000,000) any one occurrence and in the aggregate per annum in respect of liability arising out of products and pollution or contamination liability (to the extent insured by the relevant policy).</p>
<p>The minimum amount of cover of insurance against death of or bodily injury to employees of the <i>Contractor</i> arising out of and in the course of their employment in connection with the contract for any one occurrence is</p>	<p>Not less than ten million pounds (£10,000,000) any one occurrence, the number of occurrences being unlimited during any annual period of insurance or such greater amount as is required by the applicable law for the duration of the contract or such greater period as is required by law.</p>
<p>If the <i>Client</i> is to provide Plant and Materials. The insurance against loss of or damage to the <i>works</i>, Plant and Materials is to include cover for Plant and Materials provided by the <i>Client</i> for an amount of</p>	<p>A sum insured to represent the reinstatement or replacement cost of the relevant insured property</p>
<p>The <i>Contractor</i> provides these additional insurances</p>	
<p>(1) Insurance against</p>	<p>Liability of the <i>Contractor</i> for claims made against it arising out of the <i>Contractor's</i> failure to use the skill and care normally used by professionals providing services similar to the <i>works</i></p>
<p>Minimum amount of cover is</p>	<p>A limit of indemnity of not less than five million pounds (£5,000,000) in respect of any one claim and in the aggregate per annum,</p>

1.11 Lot 11 Cathodic Protection

<p>The minimum amount of cover of insurance against loss of or damage to</p>	<p>Not less than twenty million pounds (£20,000,000) in respect of any one occurrence</p>
--	---

<p>property (except the <i>works</i>, Plant and Materials and Equipment) and liability for bodily injury to or death of a person (not an employee of the <i>Contractor</i>) arising from or in connection with the <i>Contractor</i> Providing the Works for any one occurrence is</p>	<p>without limit to the number of occurrences during any annual policy period but twenty million pounds (£20,000,000) any one occurrence and in the aggregate per annum in respect of liability arising out of products and pollution or contamination liability (to the extent insured by the relevant policy).</p>
<p>The minimum amount of cover of insurance against death of or bodily injury to employees of the <i>Contractor</i> arising out of and in the course of their employment in connection with the contract for any one occurrence is</p>	<p>Not less than ten million pounds (£10,000,000) any one occurrence, the number of occurrences being unlimited during any annual period of insurance or such greater amount as is required by the applicable law for the duration of the contract or such greater period as is required by law.</p>
<p>If the <i>Client</i> is to provide Plant and Materials. The insurance against loss of or damage to the <i>works</i>, Plant and Materials is to include cover for Plant and Materials provided by the <i>Client</i> for an amount of</p>	<p>A sum insured to represent the reinstatement or replacement cost of the relevant insured property</p>
<p>The <i>Contractor</i> provides these additional insurances</p>	
<p>(1) Insurance against</p>	<p>Liability of the <i>Contractor</i> for claims made against it arising out of the <i>Contractor's</i> failure to use the skill and care normally used by professionals providing services similar to the <i>works</i></p>
<p>Minimum amount of cover is</p>	<p>A limit of indemnity of not less than five million pounds (£5,000,000) in respect of any one claim and in the aggregate per annum.</p>

2 INSURANCE COVERAGE	
2.1 Contractors “All Risks” Insurance (CAR) (not applicable to Lot 3, Lot 5 and Lot 6)	
2.1.1	<p>Insureds</p> <ul style="list-style-type: none"> • <i>Contractor</i> • <i>Client</i> <p>As co-insured parties each for their respective rights and interests in the contract.</p>
2.1.2	<p>Insured property</p> <p>The permanent and temporary works, materials, goods, Plant and Materials and Equipment for incorporation in the <i>works</i> (plus constructional plant, tools, accommodation and equipment belonging to or the responsibility of the <i>Contractor</i>) and all other property used or for use in connection with <i>works</i> associated with the contract.</p>
2.1.3	<p>Basis of cover</p> <p>"All Risks" of physical loss, damage or destruction to the Insured property (as set out in paragraph 2.1.2 above) unless otherwise excluded.</p>
2.1.4	<p>Territorial limits</p> <p>United Kingdom including offsite storage and during inland transit including by roll on roll off ferry.</p>
2.1.5	<p>Period of insurance</p> <p>The <i>Contractor</i> maintains the insurance from the <i>starting date</i> until the Defects Certificate or a termination certificate has been issued.</p>

<p>2.1.6</p>	<p>Cover features and extensions</p> <ul style="list-style-type: none"> • Terrorism, • Munitions of war clause, • Additional costs of completion clause, • Professional fees clause, • Debris removal clause, • Seventy-two (72) hour clause, • European Union local authorities' clause, • Free issue materials clause, • Ten percent (10%) escalation clause, • Automatic reinstatement of sum insured clause, • Loss minimisation, • Plans and specifications clause, • Guarantee maintenance or extended maintenance to the extent available, • Payments on account, • Temporary repairs, • Offsite storage and repairs, • Fire Joint Code of Practice, • <i>Client</i> co-insured status with attendant, non-vitiation and waiver of subrogation protection.
<p>2.1.7</p>	<p>Principal exclusions</p> <ul style="list-style-type: none"> • War and related perils, • Nuclear/radioactive risks, • Pressure waves caused by aircraft and other aerial devices travelling at sonic or supersonic speeds, • Wear, tear and gradual deterioration, • Consequential financial losses, • Cyber risks, • Inventory losses, fraud and employee dishonesty, • Faulty design, workmanship and materials DE5 or LEG3/06.

2.2 Third Party Public and Products Liability Insurance	
2.2.1	<p>Insured</p> <ul style="list-style-type: none"> • <i>Contractor</i>
2.2.2	<p>Interest</p> <p>To indemnify the Insured (as set out in paragraph 2.2.1 above) in respect of all sums that the Insured (as set out in paragraph 2.2.1 above) may become legally liable to pay whether contractually or otherwise (including claimant's costs and expenses) as damages in respect of accidental</p> <ul style="list-style-type: none"> • death or bodily injury, illness or disease contracted by any person; • loss or damage to property; • 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; <p>happening during the Period of insurance (as set out in paragraph 2.2.4 below) and arising out of or in connection with the contract.</p>
2.2.3	<p>Territorial limits</p> <p>United Kingdom and elsewhere in the world in respect of non-manual visits.</p>
2.2.4	<p>Period of insurance</p> <p>The <i>Contractor</i> maintains the insurance from the <i>starting date</i> until the Defects Certificate or a termination certificate has been issued.</p>
2.2.5	<p>Cover features and extensions</p> <ul style="list-style-type: none"> • Legal defence costs in addition to the limit of indemnity, • Contingent motor vehicle liability, • Health & Safety at Work Act(s) clause, • Data Protection Legislation clause, • Defence appeal and prosecution costs relating to the Corporate Manslaughter and Corporate Homicide Act 2007, • Indemnity to principals clause under which the <i>Client</i> is indemnified in respect of claims made the <i>Client</i> in respect of death or bodily injury or third party property damage arising out of or in connection with the contract and for which the <i>Contractor</i> is legally liable.

2.2.6

Principal exclusions

- War and related perils,
- Nuclear/radioactive risks,
- Liability for death, illness, disease or bodily injury sustained by employees of the Insured (as set out in paragraph 2.2.1 above) arising out of the course of their employment,
- Liability arising out of the use of mechanically propelled vehicles whilst required to be compulsorily insured by legislation in respect of such vehicles,
- Liability in respect of predetermined penalties or liquidated damages imposed under the contract,
- Liability arising from the ownership, possession or use of any aircraft or marine vessels,
- Liability arising from contamination and pollution unless caused by a sudden, unintended, unexpected and accidental occurrence,
- Events more properly covered under the Professional Indemnity Insurance policy,
- Losses indemnified under the Contractors "All Risks" Insurance (CAR) policy required by the contract,
- Liability arising from toxic mould,
- Liability arising from asbestos,
- Cyber risks.

2.3 Professional Indemnity Insurance	
2.3.1	Professional indemnity insurance is required under Lot 1, Lot 7, Lot 9, Lot 10 and Lot 11 only.
2.3.2	Insureds <ul style="list-style-type: none"> • <i>Contractor</i>
2.3.3	Interest To indemnify the Insured (as set out in paragraph 2.3.1 above) for all sums which the Insured (as set out in paragraph 2.3.1 above) shall become legally liable to pay (including claimant's costs and expenses) as a result of any claim or claims first made against the Insured (as set out in paragraph 2.3.1 above) during the Period of insurance (as set out in paragraph 2.3.4 below) by reason of any act, error and/or omission arising from or in connection with professional services, advice, design and or specification relevant to the contract.
2.3.4	Territorial limits United Kingdom
2.3.5	Period of insurance The <i>Contractor</i> maintains this insurance from the <i>starting date</i> until twelve (12) years following Completion the whole of the Works or termination of the contract whichever occurs earlier.
2.3.6	Cover features and extensions <ul style="list-style-type: none"> • Loss of documents and computer records extension • Legal liability assumed under contract, duty of care agreements and collateral warranties, • Retroactive cover from the date of the contract or retroactive date no later than the date of the contract in respect of any policy provided on a claims made form of policy wording.
2.3.7	Principal exclusions <ul style="list-style-type: none"> • War related perils, • Nuclear/radioactive risks, • Insolvency of the Insured (as set out in paragraph 2.3.1 above), • Liability for death, illness, disease or bodily injury sustained by employees of the Insured (as set out in paragraph 2.3.1 above) arising out of the course of their employment.

2.4 Policies to be taken out as required by United Kingdom law	
2.4.1	Parties to the contract are required to meet their statutory insurance obligations in full. Insurances required to comply with all statutory requirements including, but not limited to, employers' liability insurance and motor third party liability insurance.
2.4.2	The limit of indemnity for the employers' liability insurance shall not be less than ten million pounds (£10,000,000) any one occurrence, the number of occurrences being unlimited during any annual period of insurance or such greater amount as is required by the applicable law for the duration of the contract or such greater period as is required by law.
2.4.3	The statutory insurances to contain an indemnity to principals clause in respect of claims made against the <i>Client</i> arising out of the performance of the <i>Contractor</i> of his duties under the contract.
2.4.4	The insurance shall be maintained from the date of the contract throughout the period of the contract.