

SCHEDULE 19:
REQUIRED INSURANCES

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INTRODUCTION

This Schedule 19 (Required Insurances) is made up of two parts:

PART 1 - Policies of insurance to be taken out and maintained by the Contractor and / or for the Contractor to procure the taking out and maintenance of during this Contract and in the provision of the Services; and

PART 2 Policies of insurance to be taken out and maintained by the Contractor and / or for the Contractor to procure the taking out and maintenance of during the period of any Works.

PART 1 Policies of insurance to be taken out and maintained by the Contractor and / or for the Contractor to procure the taking out and maintenance of during this Contract and in the provision of the Services.

1. PROPERTY DAMAGE "ALL RISKS" INSURANCE

1.1 Insureds

1.1.1 Contractor; and

1.1.2 Authority,

each for their respective rights and interests in this Contract.

1.2 Insured property

Any real and personal property of whatsoever nature or description which is the subject matter of this Contract including property of the Contractor or for which the Contractor is responsible including but not limited to property belonging to the Authority.

1.3 Basis of coverage

"All Risks" of physical loss or damage to the insured property from any cause not excluded.

1.4 Sum insured

At all times an amount not less than the total reinstatement or replacement value of the insured property (in **paragraph 1.2 (Insured property)**) plus provision to include other cover features and extensions, as appropriate.

1.5 Territorial limits

United Kingdom.

1.6 Period of insurance

From the Commencement Date and renewable on an annual basis unless agreed otherwise.

1.7 Cover features and extensions

1.7.1 Terrorism;

1.7.2 Automatic reinstatement of sum insured;

- 1.7.3 Capital additions clause;
- 1.7.4 European Union local authorities clause;
- 1.7.5 Seventy-two (72) hour clause;
- 1.7.6 Professional fees;
- 1.7.7 Debris removal;
- 1.7.8 Plans and documents;
- 1.7.9 Repair/reinstatement basis of claims settlement with cash option for non-reinstatement;
- 1.7.10 Authority co-insured status with attendant non-vitiating, waiver of subrogation and notice of cancellation clause; and

1.8 **Principal exclusions:**

- 1.8.1 War and related perils;
- 1.8.2 Nuclear/radioactive risks;
- 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, latent defect, defective design, materials and workmanship but not excluding consequential damage resulting therefrom;
- 1.8.5 Consequential financial losses; and
- 1.8.6 Cyber risks.

1.9 **Maximum deductible threshold**

Not to exceed [Maximum Deductible threshold to be agreed with the bidder] each and every claim. [Bidder note: Not to exceed deductible threshold to be proposed by the bidder in completion of the insurance response table and validated / agreed by the Authority]

2. **Third Party Public and Products Liability Insurance**

2.1 **Insureds**

2.1.1 Contractor; and

2.1.2 Authority,

each for their respective rights and interests in this Contract.

2.2 **Interest**

To indemnify the insureds (in **paragraph 2.1 (Insureds)**) in respect of all sums which the insureds (in **paragraph 2.1 (Insureds)**) shall become legally liable to pay as damages, including claimant's costs and expenses, in respect of accidental:

2.2.1 death or bodily injury to, or sickness, illness or disease contracted by, any person; and

2.2.2 loss of or damage to property,

happening during the period of insurance (in **paragraph 2.4 (Period of insurance)**) and arising out of or in connection with the Services and this Contract.

2.3 **Limit of indemnity**

Not less than fifty million pounds (£50,000,000) *[or any amount set out in the Mini-Competition]* **[Bidder note: £50 million is the minimum limit of indemnity and the Authority will consider if a higher amount is required for larger prisons and / or where the prison is in an urban area on a Call-Off by Call-Off basis]** in respect of any one occurrence, the number of occurrences being unlimited, but fifty million pounds (£50,000,000) *[or any amount set out in the Mini-Competition]* **[Bidder note: as above]** in respect of any one occurrence and in the aggregate per annum in respect of products and pollution liability (to the extent insured by the relevant policy).

2.4 **Period of insurance**

From the Commencement Date and renewable on an annual basis unless agreed otherwise.

2.5 **Cover features and extensions**

2.5.1 Indemnity to principals clause (or equivalent);

- 2.5.2 Legal defence costs;
- 2.5.3 Cross liability clause;
- 2.5.4 Contingent motor liability;
- 2.5.5 Munitions of war;
- 2.5.6 Contractual liability;
- 2.5.7 Provision of first aid to employees and third parties;
- 2.5.8 Health and Safety at Work Act(s) clause;
- 2.5.9 Data Protection Act clause;
- 2.5.10 Defence, appeal and prosecution costs relating to the Corporate Manslaughter and Corporate Homicide Act;
- 2.5.11 Public Health Act clause;
- 2.5.12 Defective Premises Act clause; and
- 2.5.13 Authority co-insured status with attendant non-vitiation, waiver of subrogation and notice of cancellation clause.

2.6 **Principal exclusions**

- 2.6.1 War and related perils;
- 2.6.2 Nuclear and radioactive risks;
- 2.6.3 Liability for death, illness, disease or bodily injury sustained by employees of the insured during the course of their employment;
- 2.6.4 Liability arising out of the use of mechanically propelled vehicles whilst required to be compulsorily insured by legislation in respect of such vehicles;
- 2.6.5 Liability in respect of predetermined penalties or liquidated damages imposed under any contract entered into by the insured;
- 2.6.6 Liability arising out of technical or professional advice other than in respect of death or bodily injury to persons or damage to third party property;

- 2.6.7 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 premises and their contents belonging to the Authority;
- 2.6.8 Liability arising from the ownership, possession or use of any aircraft or marine vessel; and
- 2.6.9 Liability arising from seepage and pollution unless caused by a sudden, unintended and unexpected occurrence.

2.7 Territorial limits

United Kingdom.

2.8 Maximum deductible threshold

Not to exceed [Maximum Deductible threshold to be agreed with the bidder] in respect of each and every third party property damage claim (personal injury claims to be paid in full).
[Bidder note: Not to exceed deductible threshold to be proposed by the bidder in completion of the insurance response table and validated / agreed by the Authority]

3. INSURANCES REQUIRED BY APPLICABLE LAW

The Contractor is required to meet its United Kingdom and all other statutory insurances required by applicable Legislation in full. Insurances are required to comply with all statutory requirements including, but not limited to, United Kingdom employers' liability insurance and motor third party liability insurance.

PART 2 Policies of insurance to be taken out and maintained by the Contractor and / or for the Contractor to procure the taking out and maintenance of during the period of any Works.

1. CONTRACTORS "ALL RISKS" INSURANCE

1.1 Insureds

1.1.1 Contractor; and

1.1.2 Authority,

each for their respective rights and interests in this Contract.

1.2 Insured property

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 Contractor or its sub-contractors) and all other property used for or for use in connection with Works.

1.3 Basis of coverage

"All Risks" of physical loss or damage to the insured property (in **paragraph 1.2 (Insured property)**) from any cause not excluded.

1.4 Sum insured

At all times an amount not less than the total reinstatement or replacement value of the insured property (in **paragraph 1.2 (Insured property)**) plus provision to include other cover features and extensions, as appropriate.

1.5 Territorial Limits

United Kingdom.

1.6 Period of insurance

From the date of the commencement 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 and extensions

- 1.7.1 Terrorism;
- 1.7.2 Munitions of war clause;
- 1.7.3 Automatic costs of completion clause;
- 1.7.4 Professional fees clause;
- 1.7.5 Debris removal clause;
- 1.7.6 Seventy two (72) hour clause;
- 1.7.7 European Union local authorities clause;
- 1.7.8 Free issue materials clause;
- 1.7.9 Ten percent (10%) escalation clause;
- 1.7.10 Automatic reinstatement of sum insured clause;
- 1.7.11 Loss minimisation;
- 1.7.12 Plans and specifications clause;
- 1.7.13 Faulty design, workmanship and materials DE5 or LEG3; and
- 1.7.14 Authority co-insured status with attendant non vitiation, waiver of subrogation and notice of cancellation clause.

1.8 Principal exclusions

- 1.8.1 War and related perils;
- 1.8.2 Nuclear/radioactive risks;
- 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, latent defect, defective design, materials and workmanship but not excluding consequential damage resulting therefrom;
- 1.8.5 Consequential financial losses; and

1.8.6 Cyber risks.

1.9 Maximum deductible threshold

1.9.1 £[(as agreed between the Contractor and the Authority dependent on the scope of the relevant Works agreed in accordance with **Schedule 16 (Change Protocol)**)] for each loss in respect of claims for defective design, materials and workmanship; and

1.9.2 in respect of all other claims, £[(as agreed between the Contractor and the Authority dependent on the scope of the relevant Works agreed in accordance with **Schedule 16 (Change Protocol)**)] for each and every claim.

2. CONSTRUCTION THIRD PARTY LIABILITY INSURANCE

2.1 Insureds

2.1.1 Contractor

2.2 Interest

To indemnify the insureds (in **paragraph 2.1 (Insureds)**) in respect of all sums which the insureds (in **paragraph 2.1 (Insureds)**) shall become legally liable to pay as damages, including claimant's costs and expenses, in respect of accidental:

2.2.1 death or bodily injury to or sickness, illness or disease contracted by any person; and

2.2.2 loss of or damage to property,

happening during the period of insurance (in **paragraph 2.4 (Period of insurance)**) and arising out of or in connection with the Works.

2.3 Limit of indemnity

Not less than £[(as agreed between the Contractor and the Authority dependent on the scope of the relevant works agreed in accordance with **Schedule 16 (Change Protocol)**)] in respect of any one occurrence, the number of occurrences being unlimited, but £[(as agreed between the Contractor and the Authority dependent on the scope of the relevant works agreed in accordance with **Schedule 16 (Change Protocol)**)] in respect of pollution liability (to the extent insured by the relevant policy).

2.4 Period of insurance

From the date of commencement 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.

2.5 Cover features and extensions

2.5.1 Indemnity to principals clause (or equivalent);

2.5.2 Munitions of war;

2.5.3 Legal defence costs;

2.5.4 Cross liability clause; and

2.5.5 Contingent motor liability.

2.6 Principal exclusions

2.6.1 War and related perils;

2.6.2 Nuclear and radioactive risks;

2.6.3 Liability for death, illness, disease or bodily injury sustained by employees of the insured during the course of their employment;

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

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

2.6.6 Liability arising out of technical or professional advice other than in respect of death or bodily injury to persons or damage to third party property;

2.6.7 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 premises and their contents belonging to the Authority;

2.6.8 Liability arising from the ownership, possession or use of any aircraft or marine vessel; and

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

2.7 Maximum deductible threshold

£[(as agreed between the Contractor and the Authority dependent on the scope of the relevant works agreed in accordance with **Schedule 16 (Change Protocol)**)] in respect of each and every third party property damage claim (personal injury claims to be paid in full).