



**National Highways Limited**

# **Scheme Delivery Framework (SDF)**

## **PSC Scope**

### **Annex 6**

#### **Insurance**

**September 2021**

## CONTENTS AMENDMENT SHEET

<b>Issue. No.</b>	<b>Revision No.</b>	<b>Amendments</b>	<b>Initials</b>	<b>Date</b>
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1 INSURANCE TABLE	
	<p>The <i>Consultant</i> provides the insurances from the Insurance Table and in accordance with the requirements in this <b>Annex 6</b> (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>

<b>1.1 Lot 12 Design Services</b>	
<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>Consultant</i>) arising from or in connection with the <i>Consultant</i> Providing the Service 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>Minimum amount of cover for liability of the <i>Consultant</i> for claims made against it arising out of the <i>Consultant's</i> failure to use the skill and care normally used by professionals providing services similar to the <i>services</i>.</p>	<p>Not less than ten million pounds (£10,000,000) in respect of any one claim without limit to the number of claims in any annual policy period, but [ten million pounds (£10,000,000) in respect of any one claim and in the aggregate per annum for liability arising out of pollution or contamination (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>Consultant</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>

2 INSURANCE COVERAGE	
2.1	<b>Not used</b>
<b>2.2 Third Party Public and Products Liability Insurance</b>	
2.2.1	<p>Insured</p> <ul style="list-style-type: none"> <li>• <i>Consultant</i></li> </ul>
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"> <li>• death or bodily injury, illness or disease contracted by any person;</li> <li>• loss or damage to property;</li> <li>• 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;</li> </ul> <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>Consultant</i> maintains the insurance from the <i>starting date</i> until the Defects Certificate or a termination certificate has been issued.</p>

<p>2.2.5</p>	<p>Cover features and extensions</p> <ul style="list-style-type: none"> <li>• Legal defence costs in addition to the limit of indemnity,</li> <li>• Contingent motor vehicle liability,</li> <li>• Health &amp; Safety at Work Act(s) clause,</li> <li>• Data Protection Legislation clause,</li> <li>• Defence appeal and prosecution costs relating to the Corporate Manslaughter and Corporate Homicide Act 2007,</li> <li>• 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 Consultant is legally liable.</li> </ul>
<p>2.2.6</p>	<p>Principal exclusions</p> <ul style="list-style-type: none"> <li>• War and related perils,</li> <li>• Nuclear/radioactive risks,</li> <li>• 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,</li> <li>• Liability arising out of the use of mechanically propelled vehicles whilst required to be compulsorily insured by legislation in respect of such vehicles,</li> <li>• Liability in respect of predetermined penalties or liquidated damages imposed under the contract,</li> <li>• Liability arising from the ownership, possession or use of any aircraft or marine vessels,</li> <li>• Liability arising from contamination and pollution unless caused by a sudden, unintended, unexpected and accidental occurrence,</li> <li>• Events more properly covered under the Professional Indemnity Insurance policy,</li> <li>• Liability arising from toxic mould,</li> <li>• Cyber risks.</li> </ul>

<b>2.3 Professional Indemnity Insurance</b>	
2.3.1	Professional indemnity insurance is required under Lot 1, Lot 7, Lot 9, Lot 10, Lot 11 and Lot 12 only.
2.3.2	Insureds <ul style="list-style-type: none"> <li>• <i>Consultant</i></li> </ul>
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  <i>Consultant</i> maintains this insurance from the <i>starting date</i> until twelve (12) years following Completion the whole of the Services or termination of the contract whichever occurs earlier.
2.3.6	Cover features and extensions <ul style="list-style-type: none"> <li>• Loss of documents and computer records extension</li> <li>• Legal liability assumed under contract, duty of care agreements and collateral warranties,</li> <li>• 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.</li> </ul>
2.3.7	Principal exclusions <ul style="list-style-type: none"> <li>• War related perils,</li> <li>• Nuclear/radioactive risks,</li> <li>• Insolvency of the Insured (as set out in paragraph 2.3.1 above),</li> <li>• 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.</li> </ul>



<b>2.4 Policies to be taken out as required by United Kingdom law</b>	
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>Consultant</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.