

Agenda Item 10 (iii)

Enclosure 10

**Health and Care Professions Council
21 March 2018**

Insurance Disclosures

To note

From Andy Gillies, Director of Finance

Council, 21 March 2018

Insurance disclosures

Executive summary and recommendations

Introduction

Our insurance policies renew on 1 April. The Insurance Act 2015 includes a statutory duty to make a fair presentation of the risk, replacing a similar previous common law duty. The Act requires us to make a disclosure to the insurer including information which is material to the insurance contract which we know, or ought to know.

Information material to the insurance contract which HCPC is deemed to “know or ought to know” is that which anyone in senior management knows, and information which would be revealed by a reasonable search. Information which we have disclosed to the insurers in previous years does not need to be disclosed to them again.

The process for gathering information includes a discussion of this paper at EMT in February and declarations from each EMT member and each Band B manager. While it is unlikely that a Council member will know any information which one or more EMT members do not also already know, the paper is also presented to Council to ensure that the Insurance Act duty is met.

Additionally, as a condition of our Directors and Officers cover, which protects Council members and employees against claims that can be brought against them as individuals (for example, health and safety claims), the individuals are required to declare any prior claim made against them under similar policies, or any prior bankruptcy or insolvency.

The process will be repeated annually.

Decision

Council is asked to note the duty to make a fair presentation of risk. Council members are asked to consider whether they know of any information which may require disclosure to the insurers, and if so, to inform the Finance Director. Examples are attached at appendix 1.

Resource implications

None

Financial implications

None directly

Appendices

Appendix 1: information which may require disclosure

Date of paper

13 March 2018

Appendix 1: information which may be known by Council members and which may require disclosure to the insurers

If Council members are aware of any information which they think may be material to the insurers **and** may not already be disclosed to the insurers, they should raise the matter with the Finance Director. If the information is confidential, they can approach our insurance broker directly: Mark Brown, Lockton, mark.brown@uk.lockton.com

The following are examples (not an exhaustive list)

- Any investigation into HCPC by an authority outside the normal course of business (ie not including our annual audits by the PSA and the NAO)
- Any significant planned change in business activity or processes
- Any circumstances/dispute/grievance/accident which could give rise to a claim, not already notified to the insurers
- For the purpose of our Directors and Officers cover, Council members are also required to disclose details of any legal proceedings which have been brought against them in their personal or professional capacity, including any proceedings brought against them during a previous employment, or against a company of which they were a director. For example, any proceedings under health and safety legislation, or insolvency, bankruptcy, or proceedings to enforce a debt. Note that this requirement to disclose covers Council members' entire adult life.

The process of asking Council members to consider whether they have any relevant information will be repeated annually. If Council members become aware of any potentially relevant information part way through a year, they should raise the matter with the Finance Director.