



Coverholder at **LLOYDS**

Broker at **LLOYDS**

Recruitment Insurance

**DESIGNED FOR TODAY'S
RECRUITMENT AND
EMPLOYMENT
BUSINESSES**

BROCHURE

JMM is an independent Insurance Broker, Lloyd's Broker and Lloyd's Coverholder with offices in London & Dublin. Since 2004, we have provided speciality insurance programmes to businesses direct and through their intermediaries.

JMM have been serving the recruitment industry for over 15 years and our specialist team have over 90 years combined experience in this area.

Find out more by visiting www.jmmltd.com

LIABILITY INSURANCE OFFERING

AT JMM ONE SIZE DOES NOT FIT ALL.
WE OFFER TWO LEVELS OF COVER
WHICH WE THEN TAILOR TO INDIVIDUAL
REQUIREMENTS

Premier Cover:

For those recruitment businesses that regularly operate outside of the protection of their own standard terms of business, and would save time and money by having automatic contractual protection, thus removing the need to refer each client contract for underwriter approval. Of course, a prudent business still needs to be aware of the contractual obligations it is committing to when signing their client's terms of business.

Premier Cover (and Select Cover) can be enhanced by a Multinational extension to Employers Liability, protecting against overseas claims from personnel who are not UK residents and from State or Social Security Scheme subrogation attempts. Businesses registered outside of the UK can also be included.

Select Cover:

For those recruitment businesses that trade predominantly under the protection of their own standard term of business and therefore appreciate the savings available from accepting a lower level of contractual protection than that in Premier Cover.

Contractual covers can be included on a specified contract basis, so long as the total of non-standard contract work is normally less than 10% of turnover.

The Comfort Of Automatic Contractual Covers Enables A Policyholder To Enter Into Client Contracts With Confidence

JMM concentrate on the following core liability covers:

Employers Liability

Public Liability

Professional Indemnity (optional)

Medical Malpractice Liability (optional)

Driver's Negligence (optional)

WHAT RECRUITMENT INDUSTRY SECTORS CAN JMM COVER?

Most supply sectors including higher risk areas such as construction, rail, aviation, oil & gas, offshore and healthcare.

Managed Service Provision and Recruitment Process Outsourcing.

Even some direct contracting activities such as rail contracting, construction work, healthcare provision services, package works.

WHY JMM OFFER AUTOMATIC CONTRACTUAL PROTECTION



Liability requirements in client contracts can be a legal minefield. They are not always clearly identifiable, and can be incredibly onerous without a recruitment business knowing this is the case. JMM increasingly see the use of **Additional Insured** and **Subrogation Waiver** requirements, **Hold Harmless** agreements, **Indemnity to Principal**, and indemnities for the **Negligence of Placed Personnel**



Even when using best practice processes designed to encourage a client to use the recruitment business's own standard terms of business, human error can mean unwittingly accepting an onerous client contract potentially inviting a catastrophic financial disaster.



Commercial pressure often means that the task of controlling how much contractual liability is acceptable is often out of the recruiter's hands.



IR35 2021 will inevitably lead to contractual change such as umbrella companies limiting their liability to their activities and not taking on the employer role. Recruitment businesses may also become the effective employer.

CLAIMS EXAMPLES THAT HAVE ARISEN FROM CONTRACTUAL OBLIGATION

Public Liability

A construction worker, supplied by a recruiter and driving a lorry owned by the recruiter's client, accidentally allowed some of its load to fall causing a fatal road accident. One year later the motor insurers of the lorry discovered the contract between the client and the recruitment business and established that it gave an indemnity to the client for the negligence of persons supplied. The recruitment business was sued for £2m.

Employers Liability

A recruitment business supplied working teams to a civil engineering client on a contract which required the team members to be employees of the recruitment business. During the contract, several of the workers suffered injuries which led to substantial compensation claims and the recruitment business being sued jointly with their client. The claims were settled, costing several million pounds, with the two insurers agreeing to share liability.

Public Liability

A supplied worker at a newly-completed and unoccupied block of flats left a water tap on the 20th floor running over the weekend. The resultant damage was around £1m. The Recruiter's client made a claim that was aided by a contract indemnity for the negligence of personnel supplied. The recruitment business had limited contractual liability insurance, leaving them to pay the claim.

Professional Indemnity

A surveyor was used by a recruiter to work for a client on a contract basis. A large property damage claim occurred, shortly after which the client went into administration leaving the recruitment business next in line to be pursued by the claimant.



PREMIER COVER HIGHLIGHTS

(minimum policy premium £15,000)

Employers Liability

- Includes claims arising from placed personnel, regardless of their employment status
 - Contractual Liability
 - Additional Insured and Subrogation Waiver requirements in client contracts
 - Indemnity to Principal
 - Offshore
- Multinational cover for:
- i. claims by any State or Social Security or similar scheme for subrogation against the Assured
 - ii. claims from employees or placed personnel who are not ordinarily resident in the UK which are settled under the relevant countries' workers compensation law
 - iii. difference in conditions and difference in limits protection from policies issued to the Assured overseas

Public Liability

- Contractual Liability
- Additional Insured and Subrogation Waiver requirement in client contracts
- Indemnity to Principal
- Residual Employers Liability

Drivers Negligence

- Drivers aged 21 and above
- Full licence is required but any country of issue is acceptable.

Medical Malpractice Liability

- Negligence of Placed Personnel - The Assured's vicarious liability beyond the wrongful supply cover provided under Professional Indemnity (excludes contractual liability).
- Direct Work - The Assured's liability from direct risks such as domiciliary care and independent living support. Contractual liability is excluded where it goes beyond the normal duty of skill and care.

Optional extensions:

- Contractual Liability
- Gap Indemnity for nurses who work outside of the NHS (where an indemnity is provided) but where the Royal College of Nursing (RCN) indemnity does not operate for the nurse. For example, if the nurse is employed but doesn't receive an indemnity from the healthcare provider, umbrella company or recruitment business.



QUALITY
IS THE BEST
BUSINESS
PLAN

PREMIER COVER HIGHLIGHTS

Professional Indemnity

- Professional Negligence of the Assured (wrongful supply)
- Vicarious Liability from the professional negligence of placed personnel
- Contractual Liability for the professional negligence of placed personnel
- Dishonesty of Employees and placed personnel
- Breach of Confidentiality including contractual liability for placed personnel
- Intellectual Property Rights including contractual liability for placed personnel
- Libel and Slander including contractual liability for placed personnel
- Payment of Withheld Fees
- Medical Malpractice Liability – claims due to wrongful supply

Premier Cover (and Select Cover) Standard Extensions

- Reputational Injury
- Advertising Liability
- Data Protection Act 2018
- Agency Workers Regulations
- Environmental Statutory Liability
- Vendors Coverage
- Innocent Non-Disclosure

SELECT COVER

(minimum policy premium £10,000)

Should **Select Cover** be appropriate for the recruitment business the premium charged will be less than for **Premier Cover**.

This is achieved by removing from **Premier Cover** the covers listed on the next page due to the Assured trading under the protection of its own standard terms of business. However, where a client of the Assured requires the terms of business to be based on that client's contract (termed a non-standard contract) then **Select Cover** can include those removed covers on request of the Assured in exchange for additional premium.

We normally only consider a limited amount of such non-standard contracts under **Select Cover** up to 10% of turnover.

JMM do not need to review each contract.

A terms of business policy condition will apply to **Select Cover**.

SELECT COVER

Covers Removed in Select Cover:

Employers Liability

- Additional Insured and Subrogation Waiver

Public Liability

- Additional Insured and Subrogation Waiver
- Contractual Liability. Unless it would have attached in the absence of an agreement

Professional Indemnity

- Vicarious Liability from the professional negligence of placed personnel
- Contractual Liability for the professional negligence of placed personnel
- Dishonesty of placed personnel
- Breach of Confidentiality - contractual liability for placed personnel
- Intellectual Property Rights - contractual liability for placed personnel
- Libel and Slander - contractual liability for placed personnel

Copies of the policy documents for the full terms, conditions and exclusions are available on request from your Insurance Broker

Standard Terms of Business Condition

This will apply to Employers Liability, Public /Products Liability and Professional Indemnity requiring the Assured to ensure that business is conducted on their Standard Terms of Business.

Standard Terms of Business means a contract where the Client indemnifies the Assured for any liability to, or arising out of Placed Personnel

Premier Cover & Select Cover are underwritten by JM Marketing Ltd on behalf of Newline Syndicate 1218 at Lloyd's and Newline Insurance Company Ltd both part of Odyssey Group Holdings, Inc.,





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