

UI Business Protocol Statement

University Infrastructure's Insurance Requirements

This document outlines the minimum insurances that UI requires be effected and maintained by:

- consultants; and
- building contractors.

If a contract or agreement is to have Insurance less than the amounts outlined below, then the lesser amount must be approved by the Director, Strategy and Assurance.

CONSULTANTS

PUBLIC LIABILITY INSURANCE

The University requires consultants and similar contractors (other than building contractors, discussed below) to have their own annual Public Liability insurance per the amounts below:

Size of Consultancy	Contract Value (Aggregate)	Limit any one occurrence and in the aggregate for products
Large > 200 employees	>\$25m	\$20m (\$50m project specific, if requested)
Medium > 20 employees	\$10m to \$25m	\$20m
Small < 20 employees	<\$10m	\$10m
Advisory / Boutique (1 person)	Not Applicable	\$5m
Independent Chair	Not Applicable	Not Applicable

PROFESSIONAL INDEMNITY INSURANCE

The University requires consultants and similar contractors (other than building contractors, discussed below) to have their own annual Professional Indemnity insurance per the amounts below:

Discipline / Service Type	Category 1	Category 2	Category 3	Runoff Period
Size of consultancy	Limits of indemnity any one claim and in the aggregate with at least one automatic reinstatement of limit			
Large > 200 employees	\$20M	\$10M	\$10m	7 years
Medium > 20 employees	\$10M	\$10M	\$10m	7 years
Small < 20 employees	\$5M	\$5M	\$5m	7 years
Advisory / Boutique (1 person)	\$5m	\$5m	\$2m	7 years
Independent Chair	Not Applicable	Not Applicable	\$1m	7 years

Disciplines / Service Types

Category 1 Fire Engineer, Structural Engineer, and Electrical Engineer.

Category 2 Geotechnical and Civil Engineer, Quantity Surveyor, Hydraulic Engineer, and Mechanical Engineer, and Façade Engineer.

Category 3 Architectural, Design and Documentation, Planning, Environmentally Sustainable Design (ESD), Building and Land Surveying; WHS and QA specialist, Project Management, and All other consultants and affiliated contractors.

For example:

- If a Small Consultancy firm is doing work involved in the Category 1 Disciplines, then the Small Consultancy firm is required to have \$5m of Professional Indemnity insurance.
- If a Large Consultancy firm is doing work involved in the Category 2 Disciplines, then the Large Consultancy firm is required to have \$10m of Professional Indemnity insurance.

BUILDING CONTRACTORS

CONTRACT WORKS AND PUBLIC LIABILITY INSURANCE

If the value of a construction contract is less than \$25M, then the University has an annual insurance policy which covers public liability and loss or damage to the works.

If the value of a construction contract is greater than \$25M, then the University takes out Principal Controlled Insurance on a project by project basis which covers public liability and loss or damage to the works.

There is no requirement for a contractor to have contract works Insurance as the entity is covered under the University's policies described above.

The University's policies insure the contractor for liability arising out of their construction activities for the University. There is no need for a contractor to charge the University for DIC (Difference in Conditions) on a contract works or public liability insurance policy, as the University's policies are as broad as the market will offer.

In the event of a third party (including the University) taking action against the contractor for injury or damage caused by the contractor's actions, the contractor can choose whether to claim under his own policy or that of the University.

PROFESSIONAL INDEMNITY INSURANCE AND CONTRACTOR'S POLLUTION LIABILITY INSURANCE

Based on the aggregate contract value of the construction contract, the contractor is required to have the following amounts of Professional Indemnity Insurance and Contractor's Pollution Liability insurance:-

Contract Value (Aggregate)	Contractor's Pollution Liability	Professional Indemnity	
	Limit per Pollution Incident and in the aggregate during every 12 months of Insurance.	Limit any one claim and in the aggregate plus at least 1 automatic reinstatement	Runoff Period
>\$25m	\$10m	\$20m	7 Years
\$10m to \$25m	\$10m	\$10m	7 Years
<\$10m	\$10m	\$5m	7 Years

Because the University does not purchase Environmental Liability insurance, it needs the protection of the Contractor's Pollution Liability Insurance. Most major contractors hold an annual Contractor's Pollution Liability Insurance policy covering all projects they undertake. Evidence of this Insurance should be provided as part of the tendering/procurement process, and the University's construction contracts will require contractors to maintain any such insurance.