

Trust Insurance Arrangements Policy

V6.0

November 2025

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Data Protection Act 2018 (General Data Protection Regulation – GDPR) Legislation

The Trust has a duty under the Data Protection Act 2018 and General Data Protection Regulations 2016/679 to ensure that there is a valid legal basis to process personal and sensitive data. The legal basis for processing must be identified and documented before the processing begins. In many cases we may need consent; this must be explicit, informed, and documented. We cannot rely on opt out, it must be opt in.

Data Protection Act 2018 and General Data Protection Regulations 2016/679 is applicable to all staff; this includes those working as contractors and providers of services.

For more information about your obligations under the Data Protection Act 2018 and General Data Protection Regulations 2016/679 please see the Information Use Framework Policy or contact the Information Governance Team

Royal Cornwall Hospital Trust rch-tr.infogov@nhs.net

1. Introduction

- 1.1. The Trust has a responsibility to safeguard patients, visitors, staff, buildings, and equipment that it uses to provide its services. Although the Trust seeks to minimise the risk of injury or damage, such risks still exist. Therefore, the Trust looks to offset these risks using indemnity cover and in some cases insurance cover or insurance type cover.
- 1.2. Claims management will be in accordance with the Trust's Claims Management Policy (available on the Trust's intranet library). If a claim occurs at local level (e.g., a Ward) then the Claims Management Policy should be followed.

Link to Policy: [Claims Management Policy](#)

- 1.3. The 1990 NHS and Community Care Act allowed Trusts to consider their own risks and, in some circumstances, to take out commercial insurance. The National Health Service Litigation Authority (now known as NHS Resolution) was established in 1995 to cover the NHS Risk, however non-NHS Risk, for example Income Generation risks, were excluded, therefore commercial insurance cover is permitted for the Non-NHS Risk.
- 1.4. The NHS Resolution scheme includes the Clinical Negligence Scheme for Trusts (CNST) that handles all clinical negligence claims and although joining this scheme is voluntary, currently all NHS Trusts in England (including Foundation Trusts) belong to the scheme. The costs of the scheme are met by membership contributions (See below). Additionally, contributions to NHS Resolution include an element towards the Property Expenses Scheme (PES). This covers damage to buildings and contents, and business interruption claims.
- 1.5. This version supersedes any previous versions of this document.

2. Purpose of this Policy/Procedure

The purpose of this document is to clarify the arrangements for dealing with insurance within the Finance Department. In addition, this policy is intended to improve the control over insurance arrangements.

3. Scope

This procedure note provides guidance to managers responsible for making insurance arrangements.

4. Definitions/Glossary

- PFI - Private Finance Initiative
- CNST - Clinical Negligence Scheme for Trusts
- RPST - Risk Pooling Scheme for Trusts
- PES - Property Expenses Scheme
- LTPS - Liabilities to Third Parties Scheme

- NHSR - NHS Resolution

5. Ownership and Responsibilities

5.1. Role of the Financial Accountant and Deputy Financial Controller

The Financial Accountant and Deputy Financial Controller is responsible for:

- Ensuring that adequate non-NHS risk insurance cover is always in place, all legal requirements regarding insurance are met and that the insurance cover provides value for money.

5.2. Role of the Legal Services Department

The Legal Services Department is responsible for:

- Ensuring that adequate NHS risk insurance is in place through NHS Resolution.
- Dealing with NHS risk claims with NHS Resolution.

5.3. Role of Line managers

Line managers are responsible for:

- Ensuring that the guidance contained in this document is followed when making insurance arrangements.

5.4. Role of the Audit Assurance and Risk Committee

The Audit Assurance and Risk Committee is responsible for:

- Reviewing and approving financial policies and procedures as part of its assurance role.

6. Standards and Practice

The permitted commercially indemnified areas are:

6.1. Motor Vehicle Cover

Insurance for Trust vehicles is managed through the Transport service provided by the Cornwall Partnership Foundation Trust. The Royal Cornwall Hospitals NHS Trust contributes to the service to ensure that our vehicles are insured. Claims handling is undertaken through Cornwall Partnership Foundation Trust.

6.2. Private Finance Initiative (PFI)

There are no PFI schemes that the Trust must cover.

6.3. Non-NHS Risk

- 6.3.1. To manage the Non-NHS Risk for insurance cover, the Trust uses the services of an Insurance Broker, currently Willis Towers Watson.
- 6.3.2. As part of the overall insurance arrangements, the brokerage service advises on additional insurance (additional to that arranged through NHS Resolution). With their knowledge of the insurance market, Willis Towers Watson review the Non-NHS Risk and recommend to the Trust the most appropriate insurance firm at the best value to provide cover.
- 6.3.3. The Financial Accountant and Deputy Financial Controller may need to liaise with the Trust's Legal Services Team on insurance related matters and particularly on any continuing insurance cover and its interaction with NHS Resolution Schemes. Premiums are determined through the broker and there is a payment for the brokerage service.
- 6.3.4. The Trust will periodically test the market for its brokerage services and the Finance department will initiate the market review as appropriate.
- 6.3.5. Current (to 31 March 2026) commercial cover in place is:

Type of Insurance Cover	Company	Amount Insured (£)	Period Covered
Public and Product Liability (including income generation)	Travelers Insurance Company Limited	5,000,000 – Public. (Each incident) 5,000,000 – Product. (Annual total)	1 April 2025 to 31 March 2026
Engineering Inspection	Allianz Insurance Plc	Special conditions apply	1 April 2025 to 31 March 2026
Charitable Trustees	Chubb European Group Limited	1,000,000	1 April 2025 to 31 March 2026
Personal Accident Insurance (See * below) Covers any employee of RCHT excluding ambulance and paramedic staff	American International Group UK Limited (AIG)	30,000,000. Differing benefits payable, dependent upon type of injury	1 April 2025 to 31 March 2026

- 6.3.6. The table above contains brief information only - examination of the relevant insurance policies will identify full information, for example, the limits of indemnity, relevant excesses, and exclusions.
- 6.3.7. *Personal Accident Insurance is an additional insurance that the Trust has decided to purchase to insure its employees. The NHS Resolution schemes do arrange for an element of cover; however, it has been considered in the past that there could be time delays before any compensation would be awarded and a speedier solution for staff was sought. The policy is arranged in the name of the employees of the Trust, as the Trust itself is prohibited from purchasing Commercial Personal Accident Cover. Trust staff are therefore insured for travelling in helicopters (e.g. the trauma team) as non-scheduled aircraft cover.

6.4. NHS Resolution

- 6.4.1. NHS Resolution is responsible for indemnifying claims under its schemes. In addition to dealing with claims as they arise, NHS Resolution has a Risk Management Programme to help raise standards of care in the NHS and therefore reduce the number of incidents leading to claims.
- 6.4.2. Through NHS Resolution's processes the Royal Cornwall Hospitals Trust contributes to the Clinical Negligence Scheme for Trusts (CNST) and to the Risk Pooling Scheme for Trusts (RPST). Our contribution is determined by an annual assessment, based upon a range of factors, such as the type of Trust and the specialties we have. A discount is applied where the Trust meets the relevant risk management standard.
- 6.4.3. The Clinical Negligence Scheme for Trusts indemnifies all clinical negligence claims made against the Trust. If a claim is made, NHS Resolution will manage the claims jointly with the Trust via the Trust's Claim Management Policy.

6.5. Risk Pooling Scheme for Trusts (RPST)

- 6.5.1. There are two separate NHS Resolution schemes covering non-clinical risks:
- The Liabilities to Third Parties Scheme (LTPS) covers employers' liability claims. Examples of such claims are slips and trips, manual handling and bullying and stress claims. Additionally, LTPS covers public and products liability claims. Examples for these could be personal injury to visitors on Trust premises, whilst there is also cover for defamation, professional negligence by employees and liabilities of directors. Excesses are variable ranging from nil to £10,000 dependant on scheme. Schemes with excess limits are:
 - Employer's Liability £10,000.
 - Public Liability £3,000.

- | | |
|------------------------------------|-------------|
| ▪ Products Liability | £3,000. |
| ▪ Directors and officers Liability | NIL EXCESS. |
| ▪ Professional Indemnity | £3,000. |
| ▪ Personal Accident | NIL EXCESS. |

6.5.2. These are managed under the Trust's Claims Management Policy.

- Property Expenses Scheme (PES) provides cover for "first party" losses such as theft or damage to property. We have an excess of £20,000 on our buildings and £20,000 on our contents, with a whole scheme LIMIT of £1,000,000 per each claim. If there were a major loss - for example in a fire, then costs above the £1,000,000 scheme limit would require negotiation with the NHS England. The Property Expenses Scheme cover also includes:

- | | |
|---------------------------------------|---|
| ▪ Property Damage Expense | Excess as above. |
| ▪ Business Interruption
Continuity | Expense / Business
Excess variable*. |
| ▪ Money Expense | Excess variable. |
| ▪ Goods in Transit | Excess variable. |
| ▪ Engineering Expense | Excess variable. |
| ▪ Fidelity Guarantee | Excess variable. |
| ▪ Contract Works Expense | Excess variable. |

6.5.3. Excesses on the schemes noted above vary within the overall excess on the Scheme of £20,000.

6.5.4. In both LTPS and PES claims, the Trust via its Legal Services Team will handle the below excess claims in accordance with the Claims Management Policy. They will liaise with the Financial Accountant and Deputy Financial Controller on any payments to be made and the Finance Department will account for these.

6.5.5. *Business Continuity – this covers 'Loss of Gross profit' (for Income Generation only), increased cost of working and 'Additional Increased Cost of Working' to minimise loss of turnover. Loss of NHS income is not covered by the scheme. Unlike Foundation Trusts, 'standard' NHS Trusts are not permitted to purchase commercial business continuity cover.

7. Dissemination and Implementation

7.1. All persons involved with arranging insurance for the Finance Department should be aware of these guidelines. Therefore, this guidance will be held on the Trust's document library as a source of information for those people.

- 7.2. These guidelines will also be issued by the Financial Accountant and Deputy Financial Controller, to those responsible for arranging insurance for the Finance Department.

8. Monitoring compliance and effectiveness

Information Category	Detail of process and methodology for monitoring compliance
Element to be monitored	Insurance arrangements
Lead	Finance Department
Tool	Internal and external audit reviews
Frequency	Annually
Reporting arrangements	Finance Department
Acting on recommendations and Lead(s)	Senior finance management
Change in practice and lessons to be shared	Required changes to practice will be identified and actioned.

9. Updating and Review

This document will be reviewed and updated every 3 years

10. Equality and Diversity

- 10.1. This document complies with the Royal Cornwall Hospitals NHS Trust service Equality and Diversity statement which can be found in the [Equality Diversity And Inclusion Policy](#) or the [Equality and Diversity website](#).

- 10.2. Equality Impact Assessment

The Initial Equality Impact Assessment Screening Form is at Appendix 2.

Appendix 1. Governance Information

Information Category	Detailed Information
Document Title:	Trust Insurance Arrangements Policy V6.0
This document replaces (exact title of previous version):	Trust Insurance Arrangements Policy V5.0
Date Issued/Approved:	November 2025
Date Valid From:	November 2025
Date Valid To:	November 2028
Directorate / Department responsible (author/owner):	Finance Department: Guy Trevenna, Financial Accountant and Deputy Financial Controller.
Contact details:	g.trevenna@nhs.net
Brief summary of contents:	This policy details the insurance arrangements in place at the Royal Cornwall Hospitals NHS Trust.
Suggested Keywords:	Insurance, Finance, NHS Resolution, NHSLA, CNST, PES, Risk.
Target Audience:	RCHT: Yes CFT: No CIOB ICB: No
Executive Director responsible for Policy:	Chief Finance Officer
Approval route for consultation and ratification:	Audit and Risk Assurance Committee
General Manager confirming approval processes:	Deputy Chief Finance Officer
Name of Governance Lead confirming approval by specialty and care group management meetings:	Chief Finance Officer
Links to key external standards:	Key governance document
Related Documents:	Standing Orders and Standing Financial Instructions
Training Need Identified?	No

Information Category	Detailed Information
Publication Location (refer to Policy on Policies – Approvals and Ratification):	Internet and Intranet
Document Library Folder/Sub Folder:	Finance / Financial Services

Version Control Table

Date	Version Number	Summary of Changes	Changes Made by
September 2009	V1.0	New document introduced to clarify insurance arrangements	Garry Cooper, Senior Finance Manager
November 2009	V1.0	Approved by Audit Committee	Approval only
October 2011	V2.0	Refresh of document to reflect current procedure	Guy Trevenna, Financial Accountant and Deputy Financial Controller
July 2014	V3.0	Refresh of document to reflect current procedure	Guy Trevenna, Financial Accountant and Deputy Financial Controller
August 2019	V4.0	Refresh of document to reflect current procedure	Guy Trevenna, Financial Accountant and Deputy Financial Controller
November 2022	V5.0	Refresh of document to reflect current procedure	Guy Trevenna, Financial Accountant and Deputy Financial Controller
October 2025	V6.0	Refresh of document to reflect current procedure	Guy Trevenna, Financial Accountant and Deputy Financial Controller

All or part of this document can be released under the Freedom of Information Act 2000.

All Policies, Strategies and Operating Procedures, including Business Plans, are to be kept for the lifetime of the organisation plus 6 years.

This document is only valid on the day of printing.

Controlled Document.

This document has been created following the Royal Cornwall Hospitals NHS Trust [The Policy on Policies \(Development and Management of Knowledge Procedural and Web Documents Policy\)](#). It should not be altered in any way without the express permission of the author or their Line Manager.

Appendix 2. Equality Impact Assessment

Section 1: Equality Impact Assessment (EIA) Form

The EIA process allows the Trust to identify where a policy or service may have a negative impact on an individual or particular group of people.

For guidance please refer to the Equality Impact Assessment Policy (available from the document library) or contact the Equality, Diversity and Inclusion Team
rcht.inclusion@nhs.net

Information Category	Detailed Information
Name of the strategy / policy / proposal / service function to be assessed:	Trust Insurance Arrangements Policy V6.0
Directorate and service area:	Finance
Is this a new or existing Policy?	Existing
Name of individual completing EIA (Should be completed by an individual with a good understanding of the Service/Policy):	Guy Trevenna, Financial Accountant and Deputy Financial Controller
Contact details:	g.trevenna@nhs.net

Information Category	Detailed Information
1. Policy Aim - Who is the Policy aimed at? (The Policy is the Strategy, Policy, Proposal or Service Change to be assessed)	To clarify the Trust's arrangements in respect of insurance.
2. Policy Objectives	To ensure that staff and managers are aware of the Trust's insurance arrangements.
3. Policy Intended Outcomes	Improved control over insurance.
4. How will you measure each outcome?	Internal Audit periodic reviews will assist in this area together with local management reviews.
5. Who is intended to benefit from the policy?	The Trust, through improved accounting for insurance.

Information Category	Detailed Information
6a. Who did you consult with? (Please select Yes or No for each category)	- Workforce: Yes - Patients/ visitors: No - Local groups/ system partners: No - External organisations: No - Other: No
6b. Please list the individuals/groups who have been consulted about this policy.	Please record specific names of individuals/ groups: Audit Committee.
6c. What was the outcome of the consultation?	Agreed - This is not a person-related document.
6d. Have you used any of the following to assist your assessment?	National or local statistics, audits, activity reports, process maps, complaints, staff or patient surveys: No.

7. The Impact

Following consultation with key groups, has a negative impact been identified for any protected characteristic? Please note that a rationale is required for each one.

Where a negative impact is identified without rationale, the key groups will need to be consulted again.

Protected Characteristic	(Yes or No)	Rationale
Age	No	
Sex (male or female)	No	
Gender reassignment (Transgender, non-binary, gender fluid etc.)	No	
Race	No	
Disability (e.g. physical or cognitive impairment, mental health, long term conditions etc.)	No	
Religion or belief	No	
Marriage and civil partnership	No	

Protected Characteristic	(Yes or No)	Rationale
Pregnancy and maternity	No	
Sexual orientation (e.g. gay, straight, bisexual, lesbian etc.)	No	

A robust rationale must be in place for all protected characteristics. If a negative impact has been identified, please complete section 2. If no negative impact has been identified and if this is not a major service change, you can end the assessment here.

I am confident that section 2 of this EIA does not need completing as there are no highlighted risks of negative impact occurring because of this policy.

Name of person confirming result of initial impact assessment: Guy Trevenna, Financial Accountant and Deputy Financial Controller.

If a negative impact has been identified above OR this is a major service change, you will need to complete section 2 of the EIA form available here:
[Section 2. Full Equality Analysis](#)