



Insurance options for DP Employers

Pre-Paid card Network - Taunton

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Premier Care

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Mark Bates Ltd – Home of Premier Care

- Largest provider of direct payments insurance in the UK
- Work with over 300 local authorities and support organisations
- Southern Ireland direct payment pilot
- Trailblazing first to market insurance for PHB clients
- Innovative insurance cover
- Workshop training for customers
- Flexible IT systems to generate bespoke reports for organisations

Using a direct payment to employ

Benefits



Independence

Choice

Control

Payroll,
Insurance?

Employment
law, Pensions?

Barriers





Home Employment (HE) Insurance

- Available in 3 policy options – **Standard @ £61 Plus @ £84** and **Deluxe @ £99**
- All options include, EL,PL and access to MSL 24hr Legal Advice Service plus Indemnity to principal.
- **Redundancy, Legal Expenses and Compensation Awards** cover included in Plus and Deluxe offer.



What is employers liability insurance?



Employers' Liability Insurance

Employers' liability (EL) Insurance provides cover for employer's in the event that an employee is injured at work or becomes ill as a result of their work and seeks compensation.

EL is a legal requirement under the Employers' Liability (Compulsory Insurance) Act 1969.



What is public liability insurance?



Public Liability Insurance

Public liability (PL) Insurance provides cover if a third party (not an employee) suffers injury or damage to their person or property for which an employer is held legally responsible.

If a PA causes injury or damage to a third party arising out of their employment, it is likely that the individual employer would be held liable for their actions.



What is the MSL 24hr Legal Advice Service?



MSL Legal Advice Service

MSL Legal Expenses Limited (MSL LE)

MSL's legal expenses insurance offers protection against the most common legal issues faced by employers.

MSL provide a dedicated team of employment advisors who work exclusively with Premier Care customers and often liaise directly with DP support organisations and Local Authority DP teams.

All Premier Care HE policy holders have access to 24/7 Legal advice from MSL over the phone or via e-mail.



Redundancy



Redundancy Payments

An employee will be entitled to statutory redundancy pay if they have been working for 2 years or more.

They will get:

- half a week's pay for each full year they were under 22
- one week's pay for each full year they were 22 or older, but under 41
- one and half week's pay for each full year you were 41 or older

Length of service is capped at 20 years and weekly pay is capped at £475. The maximum amount of statutory redundancy pay is £14,250.

Care Act Statutory Guidance

12.29.

Specific information should also be given to people about the requirements to have plans in place for redundancy payments....

If the person meets needs by directly employing someone, they will be responsible for all costs of employment including redundancy payments and this should be made clear to people as part of the information and advice process before a decision is made whether to request direct payments. The local authority must ensure that the direct payment is sufficient to meet these costs if it is appropriate for the adult to meet their needs by employing someone.

Care Act Statutory Guidance

12.30.

Normally, if someone dies any employment liabilities will be met by the person's estate, but with direct payments local authorities and adults have freedom to develop their own arrangements for dealing with this issue.

*This could include using any unspent direct payment to contribute to any redundancy costs, **having insurance in place that covers redundancy**, or the local authority agreeing to cover redundancy payments through the direct payment amount.*



Main Reasons For DP Redundancy

- Different Commissioned Service i.e. Residential care home or agency
- Local authority significantly reduce funding, usually by 50% or more
- Service user passes away
- Mismanagement of funds
- Moving to a different area



Legal Expenses and Compensation Awards Cover



When is a PA likely to make a tribunal claim?

- If they think they have been dismissed/treated unfairly or discriminated against with enough evidence to support their claim.
- If they can afford to pay the fees or get them fully or partly waived (remitted)
- If they have legal representation or legal expenses cover or negotiate a no win, no fee arrangement.



Employment tribunal claims

The most common employment tribunal claims made by PAs are;

- **Unfair dismissal**
- **Discrimination**
- **Unfair deductions from pay**

Many claims to an employment tribunal are multi jurisdictional i.e. relate to more than one complaint.



| Jurisdiction | Average award (all successful claims) * |
|--|--|
| Age discrimination | £11,211 |
| Disability discrimination | £17,319 |
| Race discrimination | £17,040 |
| Religious belief discrimination | £1,080 |
| Sex discrimination | £23,478 |
| Sexual orientation discrimination | £17,515 |
| Unfair dismissal | £12,362 |

***HE (plus and Deluxe) pays any award against an employer at tribunal plus legal expenses up to 100K.**



Any Questions

