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## EXPLANATORY NOTE

*(This note is not part of the Regulations)*

These Regulations consolidate with amendments the Employers' Liability (Compulsory Insurance) General Regulations 1971 (the 1971 Regulations) and subsequent amending regulations made under the Employers' Liability (Compulsory Insurance) Act 1969 (the 1969 Act).

The Regulations supplement the provisions of the 1969 Act relating to the compulsory insurance of risks relating to employees. Regulation 1 contains certain definitions and regulation 2 sets out the conditions which are prohibited for the purposes of the 1969 Act in any policy of insurance relating to employees. Regulation 3 sets the limit of the sum to be insured as not less than five million pounds. Regulation 4 and Schedule 1 place obligations on authorised insurers as to the issue of certificates including the form of certificates. Regulation 4 also imposes obligations on employers in relation to keeping certificates. Regulations 5 and 6 deal with the display and production of certificates of insurance. Regulation 7 deals with the production and inspection of policies of insurance. Regulation 8 imposes a condition on authorised inspectors to produce evidence of their authority if so required when visiting employers' premises. Regulation 9 and Schedule 2 exempt certain classes of employer from the requirements of the 1969 Act. They are principally bodies issued with certificates of exemption by government departments, foreign and Commonwealth governments and certain public bodies. It also exempts employers to the extent that they are required to insure under a compulsory motor insurance scheme by virtue of the fact that their employees are carried on, or are alighting from or are entering into, a vehicle. Regulation 10 and Schedule 3 set out revocations and transitional arrangements. These include arrangements for provisions of the 1971 Regulations to continue to apply to pre-1st January 1999 policies until 1st January 2000 or earlier expiry or renewal; and for enabling the form of certificate under the 1971 Regulations to be used for pre-1st April 1999 policies until 1st April 2000 at the latest.

The principal changes made by the Regulations are:–

- that the sum to be insured is raised from not less than two million pounds to not less than five million pounds;
- the prescribed wording on the certificates gives more information about the cover provided;
- a new provision that certificates are required to be kept for forty years;
- a new power is given to authorised inspectors to require not just the production of the current certificate but also the production of past certificates, and
- employers of offshore employees are required to produce a copy of the relevant certificate of insurance on request from the employee within ten days.

A regulatory impact assessment (“RIA”) of the impact of these Regulations on business and other organisations has been prepared and is available from Health and Safety Sponsorship Division, DETR, Zone 1/C3, Eland House, Bressenden Place, London SW1E 5DU.