



DRIVING INSTRUCTOR & TRAINERS  
**FREQUENTLY ASKED QUESTIONS**

**Waveney**  
**Group Schemes**  
PART OF THE TOWERGATE GROUP  
**Tuition Insurance**

# DRIVING INSTRUCTOR & TRAINERS PROFESSIONAL INDEMNITY & PUBLIC LIABILITY INSURANCE

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Some colleagues have told me I might already have this cover as part of my standard ADI motor insurance policy. How can I find out and, if I do have it, how can I compare that cover with yours? I am about to re-insure my motor cover with either Waveney which I think are the same companies that you are using.

There are no driving tuition car insurance policies in the UK providing professional indemnity insurance as part of the standard motor cover as the risks being covered are not in relation to the requirements of cover as stipulated as being required in the RTA.

The standard £20 Million Public Liability under a motor policy will only compensate third parties where there is a claim that has occurred as an incident either whilst either in or on the vehicle (a motor accident). Motor policies will not pick up the Public Liability whilst away from the vehicle or any incident not related to the RTA cover.

Professional indemnity and Public Liability as provided by the ADINJC picks up claims which you are unable to claim off your motor insurer. The following are examples: -

- False advertising
- Negligent misstatement
- Liable or slander
- Court compensation
- Replacement documentation cover
- Dishonest Acts by your employees
- Errors or omissions in teaching
- Products liability
- Accidental damage or injury to third parties whilst not in the vehicle
- Crisis Management
- Claims in relation to health and safety at work

Waveney provides the following motor liability covers as part of its policy these do not extend to include the Professional Indemnity or Public Liability policy covers offered by the ADINJC.





### **Waveney Group Schemes Cover**

Public liability - £20 million for third party property damage. Unlimited for third party injuries whilst in or on the vehicle

### **DVSA Show Me Tell Me**

It is agreed that this policy is extended to provide cover following liability arising out of the demonstration of the Driver and Vehicle Standards Agency's (DVSA)'s "Show Me-Tell Me" requirements

### **Driving Instructor Liability**

It is agreed that this policy is extended to insure you for your legal liability whilst driving instruction is being provided. It is acknowledged that the driving instructor and pupil are jointly concerned in driving the car and have a duty of care to each other. Driving Instructor Liability ensures that if the pupil suffers an injury because of negligence by the driving instructor both you and the driving instructor will be indemnified by the policy

### **Do I need Professional Indemnity Insurance?**

Many professions need to have professional indemnity insurance as part of their respective industry body's regulatory requirements. The DVSA does not stipulate this condition for driving instructors however it is a prudent measure. Even if you are not obliged to have professional indemnity insurance, without it, you could be liable for thousands of pounds worth of legal fees and compensation payments, not to mention lost income from time spent defending any allegation.

### **What are the core covers provided by the policy?**

The policy provided by the ADINJC provides the following core cover benefits

- £5 Million Professional Indemnity
- £10 Million Public Liability
- £10 Million Products Liability
- £250,000 Legal Defence Costs
- £25,000 Aggregate Crisis Management Cover
- Court Attendance Compensation
- £750 – Any Principal, Partner or Director
- £500 – Any Employee

### **What type of tuition can I provide?**

The policyholder and or the policyholder's members must be engaged in providing the following business activities or working in the capacity of: -

- Driving Tuition/Coaching/Learning/Driving Training
- Road Safety Advice
- Fleet Driver Development Training
- Driving Tuition Association Committee Member
- Member of an advanced driving scheme (ROSPA, IAM) or providing advanced tuition

### **If I take out the cover and then take on a new pupil, provide them with the driving tuition services they paid for, and then they claim my services were sub-standard or incorrect advice was given, am I covered?**

The policy is active from the inception of the ADINJC policy date 1st January 2015 and will provide cover from the date the member joined the scheme.

### **Crisis Containment, what is it and do I need it?**

In our modern world the things we do, both good and bad, appear on social media very quickly. This is great when things are going well but when things go bad or if a pupil feels it has not gone as they planned they quickly take to social media. This can have a very damaging effect upon your business as your good name is what you trade on, either as an individual or a school. Crisis containment is there to assist you by providing professional public relations assistance to create news items and positive messages to get out into the press before any significant damage is done.

### **Can the cover provided be used to include all ADIs within my driving school?**

No, the cover is strictly for the individual ADI. All ADIs in the same school will have to have their own, individual cover.

### **Is this insurance to help me prove my innocence, or to compensate claimants and 3rd parties in the case of me being found to be at fault?**

Both, the intention of the policy is to assist you in defending against claims that may be presented to you by a third party and if compensation is awarded the policy is in place to compensate the third party.

### **Are the insured totals a pot of money shared between all claimants and when its gone-its gone?**

The Professional Indemnity cover will indemnify each individual member up to an annual limit of £5M in respect of claims first made against them and reported to the Insurance Company during the period of insurance. Once the £5M limit has been reached it will not be reinstated until the next renewal of the cover.

The Public Liability cover will, on the other hand, provide an indemnity against legal liability to each member of up to £10M for each and every claim happening during the period of insurance

### **If an ex-pupil of mine claims against me several years after I had given them driving tuition lessons, but before I took out the cover, am I covered?**

### **RETROACTIVE DATE**

For the purpose of this policy the Retroactive date is the inception date of the policy. No claims will be considered by RSA for incidents occurring prior to the retroactive date even if the claim came in after this date.





**If my pupil claims against me for something they allege occurred on a date prior to my cover, but I believe the advice/tuition was given after I took out cover, am I covered?**

As per above there is no cover for claims that occurred prior to the retroactive date.

**What, type of vehicles am I allowed to provide tuition in?**

There is no restriction on the type of vehicle driven however the clause below should be read which confirms that where a specific insurance is required to comply with the RTA and motor insurance being required then no payments will be made.

Road Traffic Liability the death of or any bodily or mental injury or disease suffered by anyone, unless arising directly from the Insureds breach of a duty of care in the performance of the Business.

**I live and work in Southern Ireland, can I still get this cover?**

Unfortunately, not, this cover is only available for the United Kingdom which includes Northern Ireland.

**How much does Professional Indemnity Insurance cost?**

The cost varies depending upon several factors, including the amount of cover but Waveney have arranged for the ADINJC to have a group cover which substantially reduces the cost for its members. Typically, a standalone policy arranged for a driving instructor offering a similar level of cover to the ADINJC arrangement would cost circa £300pa.

**Policy cover Professional Indemnity**

“Claims made” wording, meaning that the policy covers claims first made against you and notified to us during the Policy Period.

Covers liability at law for damages and claimant’s costs and expenses arising out of the conduct of the Business for:

- breach of professional duty by reason of any neglect, error or omission occurring or committed in good faith;
- dishonesty arising out of any dishonest or fraudulent act or omission on the part of any Employee or Agent;
- libel and slander committed in good faith;
- loss of or damage to Documents in transit or in your custody;
- Defence costs incurred with our written consent are covered in addition to the Limit of Indemnity

Cover is also provided for:

- Costs of replacing or restoring Documents lost or damaged in transit or in your custody up to a maximum of £250,000 during any Period of Insurance.
- Compensation for court attendance in connection with a claim at the following daily rates
- Any principal, partner or director - £750
- Any Employee - £500
- Special benefit clause waiving Insurer’s rights to avoid the policy in the event of innocent non-disclosure at renewal



## Policy exclusions Professional indemnity

- Claims which should be insured under other types of policies, such as Employers' Liability, Public/ Products Liability & Employment Practices Liability.
- Claims where you contract to manufacture, construct, erect or install or supply materials or equipment.
- Contractual penalties or liquidated damages which would be beyond your liability in the absence of such agreement:
- Previous claims or circumstances.
- Nuclear, sonic and supersonic risks.
- Dishonesty of a person after there is reasonable cause for suspicion.
- War & terrorism
- Claims brought in North America
- Damage to Documents caused by computer viruses or hacking (procedures must be in place for the security and daily back-up of electronic documents).

## Policy Cover Public Liability

- Public Liability: Accidental injury to members of the public, or accidental damage to their property.
- Products Liability: Accidental injury or accidental damage to property resulting from products supplied.
- Wrongful arrest or false imprisonment of a member of the public.
- Legal Defence costs in defending proceedings arising from a breach of the Health & Safety at Work Act 1974, the Health & Safety at Work (Northern Ireland) Order 1978 or Part II of the Consumer Protection Act 1987 where there has been no actual injury or damage is covered under a separate section of the Policy. (Limit of Indemnity £250,000 any one period of insurance).
- Crisis Management Cover up to £25,000 in the aggregate

## Policy Exclusions Public Liability

Excludes legal liability:

- Arising from risks that require more specific insurance e.g. Motor, Marine, etc
- Arising in connection with advice, design or specification provided for a fee
- For injury to employees
- Arising from loss of, or damage to, property in your custody or control.
- Caused by pollution, unless sudden and unintended and will usually be a Limit of Indemnity for any one Period of Insurance.
- Arising from contractual liability for products.
- Fines and penalties.
- Defective products and work and the repair, replacement or recall of such products or work.

- Nuclear risks.
- War risks.
- Electronic risks.
- Fear of contracting asbestos related diseases.
- Pre-claim asbestos clean-up costs.
- Other specific events may be excluded by endorsement, or cover may need to be individually assessed.

## General Conditions & Exclusions

- The following apply to your policy as a whole regardless of the specific cover you have selected. For full details of these and other exclusions and limits please read your Policy Wording/Schedule.
- You must, at your own expense, take all reasonable precaution(s) to prevent any occurrence or cease any activity which may give rise to liability under the policy and maintain all buildings, furnishings, works plant machinery and vehicles in reasonable condition.
- Your policy may be subject to excesses, which are the amounts you must pay in the event of each and every claim. Certain claims limits may also apply. These will both be shown in your Policy Schedule.

## How do I report a claim?

All claims should be reported to RSA on the following telephone number: -

- Professional Indemnity 01403 232308
- Public Liability 0800 2947539
- Crisis Management 0800 1979768

## Can you provide me with examples of claims?

Example Claims - financial loss or injury resulting from the following: -

- Providing incorrect advice around the process of applying / sitting a driving examination
- Incorrectly processing such an application for a pupil
- Defamation against another driver trainer and/or driver training school
- Innocently misrepresenting pass rates, misleading or deceptive advertising
- Claims arising from incorrect off-road assessment
- Claims arising from breaches of the rules governing your appointment as a driving instructor or assessor
- If a lorry driver lost his licence as a result of incorrect training, a financial loss may arise from the impact this has on his/her business
- In respect of loss of documents, losing details of pupils or any other client documents in your care.
- Recently a company was found at fault for disclosing

# Waveney Group Schemes

PART OF THE TOWERGATE GROUP

## Tuition Insurance

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