



Insurance Program Policy

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OVERVIEW

The University Council has a statutory responsibility, among other things, for overseeing and monitoring the assessment and management of risk.

The University maintains an insurance program as one form of its risk management strategy to balance the retention and transfer of risk. The University transfers part of its risk exposure through insurance cover for specified assets, activities and people, by purchasing insurance cover where it is prudent and appropriate to do so.

The insurance program extends to the University (as defined in the University of Adelaide Act (SA) (1971)) and to specified Named Insureds, including Controlled Entities and Affiliates, to enable the University to better manage and control the risks to which it is exposed. This Insurance Program Policy affirms the University's commitment to protecting its assets, people and activities.

SCOPE AND APPLICATION

This Policy applies to all staff, titleholders, students, and contractors, Controlled Entities and Affiliates and personnel employed by the University's Controlled Entities and or Affiliates. It also applies to other parties that, from time to time an insurer accepts as a Named Insured at the request of the University.

POLICY PRINCIPLES

1. The University transfers risk by purchasing insurance cover from insurers with reputable ratings, reputations and financial capacity to protect its assets, people and activities.
2. The University must act in Good Faith in establishing its insurance program, maintaining insurance obligations throughout the period of cover and disclosing material facts as and when they arise.
3. Named Insureds must comply with University policies, procedures and guidelines; respond to reasonable directions from the University, including participation in the annual declaration and renewal process; and report notifiable events in a reasonable time and manner.
4. With the exception of private or top-up travel insurance, the University prohibits Named Insureds from separately seeking to obtain institutional cover for the University and its Named Insureds, outside the University's centrally managed insurance program.
5. Controlled Entities and some Local Areas (as appropriate) are required to contribute to the approved cost of insurance on a yearly basis.

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6. The University may exercise discretion for the allocation of the insurance Deductible to the Local Area based on an objective assessment.

PROCEDURES

1. Management and placement of insurance

Responsibility:

The University Council is responsible for:

- a) Overseeing and monitoring the assessment and management of risk across the university.

The Vice Chancellor is responsible for:

- b) Approving the placement of insurance and authorise the annual insurance program expenditure.

The Chief Operating Officer is responsible for:

- c) Approving the insurance cost allocation between centralised (centrally retained costs) and de-centralised (recharged to Local Areas) amounts:
 - i. The allocation of the cost of insurance is based on two principles:
 - 1. Baseline – Headcount; and
 - 2. Discretionary Factors
 - Nature of the risk and activity undertaken
 - Demonstrated commitment to risk management and risk mitigation
 - Claims history

The Chief Risk Officer is responsible for:

- d) Designing an insurance program to ensure appropriate risk retention and risk transfer-related strategies are in place.
- e) Designing, implementing and executing a process to obtain relevant data from local administrative and academic areas within the University for the annual Renewal of the insurance program.
- f) Ensuring that the University retains professional broking services to assist in the design, placement and management of the annual insurance program.
- g) Coordinating the procurement and purchase of insurance cover appropriate to the University's risk exposure and risk appetite.
- h) Managing insurance claims where a claim is made against the University or where a claim must be lodged by the University.
- i) Ensuring policy deductibles are appropriately assessed for each risk insured.
- j) Reviewing any request to risk assess Hold Harmless clauses in University contracts.

2. Annual Insurance Declaration

Responsibility: All Named Insureds (at the discretion of Local Area Management)

- a) Participate in the annual insurance declaration and renewal process cooperatively and in the time and manner required and as directed by the Risk Service Branch.
- b) Provide confirmation of all new activities and high value assets, update anything that has changed or ceased, and give advance notice of any new plans, activities, or purchases that may require insurance or impact the insurance program.

3. Notifiable events and claims

Responsibility: All Named Insureds

- a) Report all notifiable events and claims to the Risk Service Branch as soon as it occurs or you become aware of it using the [notifiable event summary and risk assessment form](#).
- c) Report any change in the circumstances of a previously reported notifiable event to the Risk Service Branch.

4. Hold Harmless clauses in contracts

Responsibility: All Named Insureds

- a) Hold Harmless clauses in contracts are not acceptable to the university's insurers. If a hold harmless clause cannot be negotiated out of a contract, a [hold harmless application form](#) must be completed and submitted to Chief Risk Officer for assessment and approval by General Counsel before any activity can commence.

5. Payment of the Insurance Deductible

Responsibility: All Named Insureds

- a) A Local Area may be responsible for contributing to the payment of an insurance Deductible based on an assessment of the following factors:
 - i. Culpability of Loss
 - ii. Approach to mitigation of the loss suffered
 - iii. Cooperation and responsiveness in notification and claims handling
 - iv. Claims history
 - v. Accountability for risk management and risk minimisation
- b) All Local Areas are responsible for the full payment of the insurance Deductible for claims involving the following insurance Policies:
 - i. Travel
 - ii. Expatriate
 - iii. Motor Vehicle
 - iv. Personal Accident
 - v. Marine Cargo
 - vi. Marine Hull
 - vii. Aviation

POLICY DEFINITIONS

Affiliate means any entity wholly or partly owned or controlled by the University, which the insurer accepts as an affiliate or affiliated entity at the request of the University.

Annual Declaration means the process by which the University collects information about its property and activities to declare to the insurer.

Controlled Entities means the University's Controlled Entities from time to time (as that term is defined in Section 50AA of the Corporations Act 2001 (Cth) which the insurer accepts as Controlled Entities at the request of the University.

Deductible means the amount required to be paid by the Named Insured before the insurer will pay the balance of the claim

Good Faith means to act honestly and fairly and avoid any attempt to deceive in assuming and performing contractual obligations.

Hold Harmless means a type of indemnity clause in a contract. Indemnity clauses are written into contracts to transfer risk from one party to another. A 'hold harmless' clause is a commitment by one party to shield the other party from potential loss as well as specified loss, irrespective of who is at fault.

Local Area means the Division/Branch/Faculty/School/Entity responsible and accountable for the loss/claim.

Named Insureds means the University of Adelaide (and includes all staff, titleholders, students, volunteers, contractors); Controlled Entities, including their staff and employees; Affiliates; and other parties that from time to time an insurer accepts as a Named Insured at the request of the University.

Notifiable Event means every known fact, circumstance or event that could result in a claim being made against the University.

Renewal means the process by which the University annually declares its assets, operations, intentions and activities to insurers, and negotiates terms for renewing its insurance.

RMO File/Document Number	2022/7769
Policy Custodian	Chief Operating Officer
Responsible Officer	Chief Risk Officer
Endorsed by	Vice Chancellor's Executive 3 July 2019
Approved by	Chief Operating Officer 4 July 2019 Reviewed and re-affirmed, with minor amendments, by Chief Operating Officer on 16 November 2022
Related Documents and Policies	Risk Management Policy University Volunteer Policy Insurance Guides and resources on the Risk Service Branch Website: https://www.adelaide.edu.au/legalandrisk/insurance/
Related Legislation	University of Adelaide Act 1971 (SA) Insurance Contracts Act 1984 (Cth) Corporations Act 2001 (Cth)
Superseded Policies	Insurance Policy February 2014; d2014/27332 Insurance Program Policy August 2016; d2016/190361 Insurance Program Policy July 2019; d2019/141115
Date Effective	16 November 2022
Next Review Date	15 November 2025
Contact for queries about the Policy	Chief Risk Officer, tel: 8313 0907