

## Important Notice

The difference between a childcare staff placement agency and a childcare employment business.

### For the purposes of this insurance:

#### A Childcare Staff Placement Agency

A childcare staff placement agency does not employ the childcarers it places. It keeps details of childcarers and puts them in touch with clients who are seeking a childcarer. A childcare staff placement agency, usually charge their client a fee for their services. Their client then pays the placed childcarer direct.

As the placed childcarer is not directly employed by the agency, the agency are not legally responsible for the actions of the childcarer and therefore they cannot cover a placed childcarer for liability insurance, under the Childcare Staff Agency policy. The childcarer should arrange their own public liability cover.

*(Morton Michel can offer a separate, specialist policy to these childcarers, that has been specifically designed to meet their requirements.)*

To protect yourself from allegations of breach of your professional duty, you should recommend in writing to your clients, that any childcarer they employ has current Public Liability insurance with a minimum limit of £1M.

#### A Childcare Employment Business

A childcare employment business directly employs the childcarers it places with clients. A childcare employment business is responsible to the public for the actions of the childcarers it employs; it also has a legal responsibility to the childcarers as employees of the business.

#### What is a directly employed childcarer?

A directly employed childcarer is employed by you to care for children in connection with your business. They must be paid by you and have a written employment contract with you.

A self-employed childcarer is not employed by you and therefore it is not possible for them to be covered under your Childcare Staff Agency policy. As above, with placed staff, they must arrange their own public liability insurance, with a minimum limit of £1M .