

## Environmental Impairment Liability

### Frequently asked questions

I'm a tenant farmer, do I still need to purchase environmental impairment liability cover?

The general principal is that "the polluter pays", although often the first action by the authorities (the Environment Agency) is against the land owner. However, if you caused the pollution the land owner will probably direct the authorities to you.

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If I have just purchased a farm which has a historic pollution problem first identified whilst under my ownership, am I still liable?

In the first instance the authorities would contact you as Landowner. If it can be established that you were unaware of the event and the previous owner can be traced they will be responsible for the clean-up (as they were the polluter). If the previous owner cannot be traced, you as the landowner hold ultimate liability for the incident.

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I have just discovered asbestos in my farmland as a result of a hidden buried landfill site on my property from years ago that I was previously unaware of. Is the contamination now being caused by the release of the asbestos covered by my policy?

Yes, if you have environmental impairment liability cover in place at the time you first disturbed the asbestos

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Your policy includes a "retroactive date" of cover. What is this?

Essentially, if you have previously held environmental impairment liability cover with another provider previously & continuously, by moving your policy to FarmWeb you will not lose any of the protection afforded you by the previous policy. Any gradual claims notified that can be identified as occurring within the period since you first bought the cover will be honoured by NIG FarmWeb.

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I'm confused about underground storage tanks as some policies exclude them. What do you define as an underground storage tank?

Our policy makes it clear that the only tanks excluded are tanks that are underground, e.g petrol pump tanks, not those that may just have their foundations sunk in the ground but the rest of the tank above ground. Underground drainage systems are also not excluded from our policy cover.

Are my legal defence costs included in the limit of indemnity?

Yes, the total cost of any claim covered under the policy is up to £1M. This includes all legal defence costs.

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What is the excess I'll have to pay?

It's £500. It's still a lot of money but when you consider the total cost of a claim could run into tens or hundreds of thousands of pounds, it's a small price to pay.

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Crop spraying on third party land is excluded, why?

To be clear, events arising from say, spray drift, or the wrong chemical used would be covered under the public liability sudden & unforeseen pollution wording. The exclusion for gradual would relate to the build-up of chemical over a period of time and in this case, we believe the landowner is responsible as he will have given instructions for the spraying to be carried out in the first place. Remember this exclusion does not affect cover provided to the landowner (who may use a third party for crop spraying).

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Who can bring an action against me?

The answer is anyone! That is anyone with an interest in the environment and the damage it may be subjected to. This could be the Environment Agency, the National Trust, the commercial fish farm just downstream from you, or even a neighbour who may have a water well in his garden. It's important you are fully protected against those events you are unlikely to see as they occur gradually, over a period of time.

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Your policy excludes fly tipping. Where can I find this cover?

It's only the environmental liability wording that excludes fly tipping. Our policy automatically covers you for up to £10,000 any one event, subject to a £250 excess to remove materials dumped or tipped onto you property. The clean-up would be deemed a sudden & unidentified event which would be automatically picked up by the Public Liability wording of the policy.

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How do I notify a claim?

In the same way you currently do. Advise your FarmWeb insurance broker as soon as possible of the incident. There is also an overriding requirement to do this within 30 days of the expiry of the period of insurance.

For more information please visit our website at [www.farmweb.co.uk](http://www.farmweb.co.uk) or discuss with your FarmWeb Insurance Broker.