

2.5 - Schools Insurance 2021/22

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1 Purpose

- 1.1 To inform the Schools Forum of the MKC insurance offer for 2021/22.

2 Recommendations

- 2.1 To **note** (maintained members) the options for insurance for 2021/22 and engage with their sectors ahead of the de-delegated budget proposal being brought forward to the January 2021 Schools Forum for decision.

3 Background

- 3.1 At the beginning of the year, the DfE announced that the Risk Protection Arrangement (RPA) previously only offered to academy schools, was to be extended to include maintained schools from 1 April 2020. At that point in time, the LA had not received the full information on the scheme and therefore maintained schools were advised to remain with the LAs insurance provider for 20/21, delivered through LGSS due to uncertainty about what the RPA would cover and to what extent.
- 3.2 During 2020/21, Insurance Services have undertaken work to fully understand the RPA scheme being offered, policy cover, exclusions, inclusions and premiums in order to provide schools with more information to base their decision on. We also have recently reviewed our own insurance arrangements and include details in this report of our offer for 2021/22. The framework we access insurance services through, has recently been retendered and as a result, a reduction in price has been achieved.

4 Considerations

The RPA (Risk Protection Arrangement)

- 4.1 It is important to note that the RPA is not an insurance policy, it is an arrangement, whereby resources are pooled with the funds held and managed by the DfE /

treasury. The current cost of entering the arrangement is £18 per pupil (prices are not yet confirmed for 2021/22). When a maintained school joins the arrangement, the LA automatically becomes a member of the arrangement and can access the policy if required (for example in the case of an issue relating to buildings).

4.2 If schools wish to access the RPA instead of the LA insurance policy, the following should be considered:

- The RPA does not offer cover statutory inspections often known as engineering inspections. By law, schools must make sure that statutory inspections are done so this will need to be arranged separately.
- Motor vehicles are not covered under the policy so this would need to be sourced separately, at an additional cost (i.e. the school will need to take out their own motor vehicle policy).
- The RPA only covers contract work e.g. roofing, expansion projects to a maximum of £250,000 - this is not deemed to be an adequate level of cover. If the school were undertaking works of this nature, they would be required to seek additional cover at their own cost.

Our Insurance Offer

4.3 MKC accesses insurance cover via a national procurement framework it collaborates on with Solihull MBC and others. Following the competition, we are able to provide assurance that the level of protection available via a single supplier meets the demands and needs of schools and offers value for money. The three-year contract has been awarded to Zurich, starting from April 2021.

4.4 The new policy provides a comparable level of core cover as the RPA, noting that the RPA on some liability covers provides an unlimited indemnity (which we do not consider is necessary). However, the level of protection that the LA insurer is able to provide for schools contract works is significantly higher. We also have the ability to add on supplementary items to the main policy (for example motor cover) which then does not require the school to source its own policy.

4.5 In addition to comparable cover and rates the LA is able to provide schools the ability to access added value services, these include;

- Zurich Risk Advisor – a digital risk self-assessment, review and management tool which provides a structured self-assessment for the review and management of risks and allows users to access guides to manage risks.
- Safer Schools App – an online platform that enables schools, pupils and parents to access a wealth of resources to support safeguarding practices
- LA Insurance Services – a dedicated contact to provide guidance and support in respect of insurance queries and issues with claims.

4.6 The price will be £17.75 per pupil in the first year and £18 per pupil in the second and third year, which on a comparable basis to the RPA, represents great value (and

greater cover). Schools will also benefit from having access to the insurance service that supports the LA, who will be on hand to provide extra advice.

- 4.7 The per pupil price is inclusive of insurance premium tax. The price per school will be updated each year to reflect the actual number of pupils based on the previous October census, i.e. the 2021/22 price will be based on the October 2020 census.

Table 1: Pricing Schedule Comparison

Policy	£ per pupil	Example based on 500 pupils, per annum
MKC 20/21	£31.86	£15,930
RPA 20/21	£18.00	£9,000
MKC 21/22	£17.75	£8,875
MKC 22/23 & 23/24	£18.00	£9,000

- 4.8 For both the LA insurance policy and the RPA scheme, schools will need to take out additional cover for engineering and motor insurance. The current premium charge for these is assessed based on the extent of equipment inspected and the number of vehicles so the price varies school to school. Under the RPA scheme this will need to be sourced directly by the school and is likely to be at higher rates than those available via the LA. For the LA policy this will be undertaken by the insurance team. As this does not apply to all schools, those affected should contact the insurance team directly.
- 4.9 In order to secure the MKC insurance policy at the rates we have outlined, we require all maintained schools to sign up to the policy, for three years so we are requesting full de-delegation rather than individual sign up of schools. In the current year, all but 3 of the schools take up their insurance arrangements via MKC. The 3 schools that do not, have their own policies which they have sourced separately. In these cases we would require these schools to transfer over to the MKC policy when their current policy comes to an end.

5 Recommendation

- 5.1 The cost of insurance via MKC is competitive in value comparable to that of the RPA and includes additional cover in some cases as well as providing schools with support and advice, which will not be available should schools take up the RPA. Therefore, it is recommended that all MK maintained schools delegate funding to cover the cost of the insurance services to be provided from 1 April 2021 for a three-year term as this offers appropriate and secure levels of cover at a competitive price.
- 5.2 It is proposed that a survey is undertaken with all maintained schools to seek their feedback on the proposals and that a vote is taken with school’s forum members in January on whether to de-delete from 2021/22. A decision must be made on this date in order for the contract to be in place in time for April 2021. If the forum

majority does not agree, schools will need to source their own arrangements before April 2021.

Appendices

Appendix 1 – Support offered by Insurance Services (see page 5)

Appendix 2 - [Protecting Water Pipes from Freezing Temperatures](#)

Appendix 3 - [Zurich Risk Advisor](#)

Appendix 4 - [Zurich - Selsey Academy Hot Works Case Study](#)

Appendix 5 - [Zurich - Campaign for Safer Schools](#)

Insurance Services to Schools and Academies 2021-22

From December 2020 insurance services will be provided to schools by Cambridgeshire County Council Insurance Services working in partnership with Milton Keynes Council. We specialise in high quality cost-efficient insurance packages for local authority schools and academies across Cambridgeshire, Northamptonshire and Milton Keynes.

For schools, we make sure that all risks are identified and managed through appropriate insurance programmes.

For Milton Keynes maintained schools and our academy clients, we are working with Midlands Academy Insurance Group (MAIG), and have access to an insurance framework agreement with Zurich Municipal who are leading insurers in the industry.

Schools

Service	What's Included
Claims administration	Whilst the school will be required to make their claim direct with the insurer we are on hand to support and advise the school in relation to any service issues or queries they may have. In the event of disputes over claim progression we are able to review the case and as appropriate make representations to the insurer and work with both parties to achieve an agreeable outcome.
Insurance policy management	We will undertake to ensure that school operational risks are appropriately insured using a combination of external and internal insurance arrangements. We regularly undertake reviews of insurance requirements to ensure that policies and sums insured remain appropriate. We undertake annual insurance renewal and any mid-term policy adjustment processes
Insurance advice and guidance	We will provide schools with insurance related advice in respect of any projects or activities that schools are thinking of undertaking including; <ul style="list-style-type: none"> • Advice regarding insurance levels in contracts • Advice regarding insurance requirements for extended school activities • Advice regarding the implementation of new learning projects (i.e. outside classroom areas)

Contact details:

Your dedicated contact for schools insurance queries will be:
Louise Torrance 01223 699113
insurance@cambridgeshire.gov.uk