

25. Insurances

Preamble

The insurance of school property and activities is an essential service and statutory requirement, which has been delegated to schools. These Financial Regulations seek to provide a common process, which will ensure that all risks are continually reviewed and adequate cover provided. Detailed guidance on insurance cover and procedure is set out on the Insurance Team's Intranet pages and also under Key Insurances intranet pages under Business Services to Schools.

See also:

Keeping Your Balance page 21 and The Standards Questionnaire section N

Regulations

- 25.1. The intranet pages set out the compulsory insurance cover that can be arranged by the CFO. The cover is provided to schools on a whole package basis. In addition to the perils, which are compulsory, schools can also extend the perils to include the additional insurance options.
- 25.2. If a school opts out of the central insurance cover, the minimum requirement for independent cover will have to be met. Schools must follow the procedure for contract and tenders laid down in Standing Orders as to Contract for Schools with Delegated Budgets. A specimen policy will have to be forwarded to the Insurance Team, (Resources) for inspection.
- 25.3. A notice period of twelve months must be given if a school intends to arrange independent insurance cover¹.
- 25.4. Where the school shares the premises with another user, the local authority reserves the right to veto an individual agreement when agreement cannot be reached between the parties concerned².
- 25.5. Where appropriate, the CFO shall, in consultation with the Governing Body and Headteacher, effect such insurance cover as deemed necessary by him/her and approved by the appropriate committee of the local authority and shall deal with all claims, in consultation with the Director for Children Services necessary, under the local authority's insured or self-insured programme.

¹ Effective date of replacement policy 1st April.

² Any subsequent costs will be borne by the school's budget share.

- 25.6. Governing Bodies shall be free to take out additional insurance to indemnify against those risks not covered.
- 25.7. It is the responsibility of the Governing Body to assess all risks (including risks not covered by insurance schemes) and to determine the approach and implementation of the County Council's Risk Management Policy within their own school, having regard to advice from the CFO and other specialist officers (e.g. Fire Prevention and Health and Safety).
- 25.8. Headteachers shall inform the CFO within the specified time limit of any incident which will, or has the potential to, become an insurance claim, using the procedures laid down by the CFO for each class of insurance. Failure to do this could result in the local authority and the school being unable to claim at a later date.
- 25.9. In the case of a major fire, flood or explosion affecting the local authority's property, or any accident resulting in death or major injury to an employee or other person, the Headteacher shall telephone the Insurance Team, (Resources) immediately and follow this up with the relevant report form.
- 25.10. The Headteacher shall notify all other losses of an insurable nature to the CFO in line with the specific policy requirement set out against the relevant policy on the Insurance intranet pages.
- 25.11. Each Headteacher shall notify the CFO of the extent and nature of all significant new risks to be insured and any alterations affecting existing insurable risks. CFO shall also review annually the adequacy of insurance cover generally.
- 25.12. The Governing Body shall annually review all insurances in respect of the school. The school shall be responsible for reviewing the value of all school buildings owned by the local authority, except in so far as may be agreed otherwise in writing with the CFO, for insurance purposes and shall notify the CFO accordingly.
- 25.13. Neither the Headteacher nor the Governing Body shall grant indemnity against any loss without prior consultation with the CFO and Director of Law & Governance concerning the terms of any indemnity which the local authority or Governing Body is requested to give and which potentially impacts on the local authority's insured or self-insured arrangements.
- 25.14. The local authority and schools must comply with the civil justice procedures, which came into force with effect from 16 April 1999. Detailed guidance on the application of the procedures is set out in Key Insurances Intranet pages under Business Services to Schools.

25.15. A36 – Risk Management of the Financial Manual of Guidance contains details that should be considered as part of a risk management policy statement.