



ISLINGTON SCHOOLS FORUM

Chair: Abi Misselbrook-Lovejoy
c/o Governor Services
222 Upper Street
London N1 1XR

SCHOOLS FORUM

MEETING DATE	26 November 2020
AGENDA ITEM: 7	Risk Protection Arrangement (RPA)
RECOMMENDATIONS	That Schools Forum: a) Notes the report

Information Only Document for Schools/Schools Forum

Background

The next available opportunity for participating schools to exit the Council's provided insurance cover is the financial year beginning 1 April 2022, when the current 5-year policy for the Council's main insurance covers (property and liability) ends. There is an annual opt-out but we are now past the 5-month cut-off point for advising our insurers. Schools that do not wish to be covered by the Council's provided insurance cover from 2022-23 are asked to advise the Council in writing by the end of March 2021 at the latest, as the procurement process for the next period of insurance cover is already underway. It might also be necessary to make variations to the engineering insurance contract if schools decide to procure insurance cover elsewhere.

This note is for information only. It does not constitute advice. Notification of any intention to depart the Council's insurance scheme and any clarification sought on this information note should be directed to:

Steve Walsh
Insurance and Operational Risk Manager
Resources Department
7 Newington Barrow Way
London
N7 7EP
T: 020 7527 4262
E: stephen.walsh@islington.gov.uk

What RPA Covers

This table summarises what RPA covers, with comments for information only when comparing to the Council's provided cover. Schools should also closely read the membership rules for full details of cover or any alternative cover.

RPA Type of risk	RPA Limit	Council comparison and comment
Material damage	Reinstatement value of the property	The Council covers the reinstatement value of the property, plus the costs of site clearance, redesign of the

		school, the school assets. It is not clear if RPA includes this.
Business interruption	£10m any one loss	The Council does not directly cover this. However, it will provide alternative educational facilities until the school is rebuilt. It is possible that £10m would not be sufficient to address the loss of a large school.
Employers' Liability	Unlimited	The Council's limit is £25m.
Third party liability	Unlimited	The Council's limit is £25m.
Governors' liability	£10m any one loss and any one membership year	£5 million, £1m per claim, £5m aggregate.
Professional indemnity	Unlimited	£5 million, £1m per claim, £5m aggregate. However, it is not clear how, if and when this might apply in practice for schools. Islington has this cover for all services.
Employee and third party dishonesty	£500,000	£5 million, £1m per claim, £5m aggregate.
Money	Various, including cash on premises or in transit £5,000	Up to £100,000.
Personal accident	Death and capital benefits £100,000	Up to £1m.
UK travel	Baggage and money £2,000 per person. Cancellation £1,000 per person	Up to £2,500 for property, £1,000 for money. In UK or overseas.
Overseas travel including winter sports	Includes: baggage £2,000 in total per person (inner limits apply), money £750 per person, medical expenses £10,000,000, cancellation £4,000 per person.	Medical and repatriation expenses unlimited. Cancellation up to £5,000 per person.
Legal expenses	£100,000 any one loss and any one membership year	Legal expenses £50,000, personal liability limit £2m.
Cultural assets	£10,000 on any one cultural asset or £250,000 any one multiple loss	Not clear what this refers to. If schools hold 'assets', they should declare them as part of the overall property value and specify what they are.

Further Observations

- Engineering inspections, medical malpractice and cyber are not covered by RPA. This means, as examples, no cover for lifts, air-conditioning or anything mechanical that Zurich currently inspects. Schools would have to procure such services separately.
- No Motor cover, should schools own vehicles.
- No support for schools through the process of making a claim. Islington has procured leading claims handler and loss adjuster firm for claims handling needs and has in-house advice provision too.
- RPA are not clear how litigated claims will be dealt with and this could be a significant cost on top of the annual insurance premium.
- Terrorism cover is also not included by RPA. Islington has a policy for this. Schools would be outside of this if they opt out and again have to decide if they wish to procure such cover separately.