



THE CATHOLIC DIOCESE OF
ARUNDEL & BRIGHTON
EDUCATION SERVICE



DIOCESE OF ARUNDEL AND BRIGHTON
INSURANCE GUIDE
FOR
VOLUNTARY AIDED SCHOOLS

FULLY UPDATED 2020

*With Christ at the centre, we lead and serve in partnership
to secure the long-term future of Catholic education.*

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INTRODUCTION

This guide covers insurance for Voluntary Aided (VA) schools' premises.

Insurance arrangements for academies are different and not covered here; academies should refer to their Catholic Education Trust's documentation for the relevant details.

There are three fundamental principles regarding the insurance arrangements for VA schools: Firstly, Catholic Dioceses need to ensure that schools are insured because:

- a) VA school buildings form part of the Diocesan Trust;
- b) the Diocesan Trustees have legal duties, under both Charity Law and Canon Law, to protect and insure the properties contained within the Trust;
- c) there is no legal duty or contractual obligation on the LA to repair or reinstate a VA school suffering serious damage;

Secondly, VA schools are "maintained" schools (funding comes via the Local Authority) and in all respects (other than premises), LAs should treat VA schools exactly the same as they do all other State schools that the LA is obliged to maintain within the LA's boundaries.

Thirdly, the LA is obliged to provide sufficient funds to each VA school to enable the school to meet all its insurance premium costs. In practice, those funds are either distributed as part of the normal revenue funding or, where insurance is de-delegated (Brighton & Hove) that element relating to premises insurance is re-delegated to VA schools.

The Diocese makes insurance cover available to its VA schools under the policies brokered by the Catholic Insurance Services Limited (CIS), a registered insurance broker owned by the Bishops' Conferences of England & Wales and of Scotland. Contact is always made only with CIS and not the insurance company carrying the risk. As at 2020, the insurer is Zurich.

Since 2020, the government's Risk Protection Arrangement (RPA) has been open to maintained schools to join as an alternative to commercial insurance. The Catholic Education Service has agreed with the RPA measures which protect the Trustees' interests for VA schools and which do not threaten the provision of Catholic education following an event despite other local factors. Accordingly, Diocesan Finance Committee has agreed that VA schools may use RPA to fulfil their insurance obligations should they so wish; schools should make their own decisions as to which route they wish to follow.

If VA schools wish to use any other provision in place of either the CIS scheme or RPA they should discuss this in the first instance with the Diocesan Education Service.

It is, however, essential that the school governors, as guardians of diocesan property, ensures that the premises are properly insured at all times.

BUILDINGS AND CONTENTS

The Diocese now requires that properties are insured for 100% of their replacement value (the DfE can no longer be expected to contribute to any costs).

The property insurance policy issued by the CIS covers the governing body's and Diocesan Trustees' interests only. No cover is afforded to the LA.

Most VA schools use CIS policies for buildings insurance (which includes fixtures and fittings) and obtain contents insurance through the Local Authority.

To identify whether an article is a fixture / fitting or other contents, imagine the building turned upside down. Anything which falls to what was the ceiling is not a fixture or fitting.

DETAILS

For full details of the policy, see the Policy Document or contact CIS. A summary of cover is included below at Appendix One.

A comparison between the RPA route and the CIS / LA route is at Appendix Two

BUILDING WORKS

Automatic cover is provided in respect of Building Contracts with a Contract Value of £1,000,000 or less (including fees, excluding VAT).

Property insurers must be notified of any project or contract involving Hot Works that is over £250,000 in value, (including fees, excluding VAT).

LEGAL LIABILITY

Governors should make sure that they are adequately insured for employers' and public liability risks.

LEGAL LIABILITY IN PARTICULAR INSTANCES

Schools should consider in particular the insurance requirements relating to off-site activities, motor vehicles, third party hire of premises, officers insurance and any other risks which they consider it appropriate to insure against.

PREMIUMS

The responsibility for paying insurance premiums in relation to VA schools rests with the governors.

Appendix One – Summary of Cover (CIS scheme)

Zurich Municipal – Arundel and Brighton RC Diocesan Corporation Limited

1st April 2020 to 31st March 2021

This is a summary of the significant features, benefits and limitations of the property cover provided to schools by the Zurich Select for Schools policy. The full terms, conditions or exclusions are shown in the Policy Document, which can be obtained from Zurich Municipal.

Type of insurance and cover

When selected, this policy provides indemnity for Buildings and/or Contents against the following events: fire, lightning, explosion, aircraft, riot, civil commotion, malicious persons, earthquake, storm, flood, escape of water, impact, sprinkler leakage, subsidence, ground heave, landslip, theft, accidental damage.

Significant features and benefits

Cover also extends to include the following:

1. Additional costs incurred to comply with government or local authority requirements
2. Capital Additions – Limit £5m
3. Professional fees
4. Removal of debris
5. Temporary Removal of items from the Premises – Limit £25,000
6. Drains, Gutters and Sewers – Limit £10,000
7. Extinguishment Expenses – Limit £5,000
8. External Landscaping – Limit £10,000
9. Replacement Locks – Limit £5,000
10. Loss of Metered Water – Limit £10,000
11. Trace and access – Limit £10,000
12. Property on Temporary Loan – Limit £50,000

Contract Works Insurances:

Automatic cover is provided in respect of Building Contracts with a Contract Value of £1,000,000 or less (including fees, excluding VAT).

Property insurers must be notified of any project or contract involving Hot Works that is over £250,000 in value, (including fees, excluding VAT). This requirement only applies to any building work to your existing school buildings such as refurbishments, reroofing or extensions. It does not apply to

new builds. If the work being undertaken does not involve Hot Works at any stage, insurers only need to be notified if the project value exceeds £1,000,000 (when an additional premium may be payable).

Significant or unusual exclusions or limitations

1. Excess

£50 excess applies each and every loss in respect of Money.

£250 excess applies each and every loss in respect of Fire, Lightning, Explosion, Aircraft, Riot and Civil commotion, Malicious damage, Earthquake, Impact, sprinkler leakage and Theft.

£500 excess applies each and every loss in respect of Storm, Flood, Escape of Water and Accidental Damage

£2,500 excess applies each and every loss in respect of Subsidence.

2.Storm or Flood

Damage caused by frost, subsidence, ground heave or landslip

Damage to movable property in the open, fences and gates

Damage attributable solely to change in the water table level

3.Unoccupied Properties

Damage caused by escape of water or malicious persons in respect of Buildings which are classified as unoccupied under the policy wording

Damage or Business Interruption caused by:

- a. Freezing
- b. escape of water from any tank, apparatus or pipe
- c. Malicious persons (other than fire or explosion) not acting on behalf of or in connection with any political organisation in respect of any unoccupied building

4. Subsidence, Ground Heave or Landslip

The first £2,500 of each and every loss in respect of Buildings.

Damage in respect of patios terraces swimming pools tennis courts walls gates and fences

Damage caused by:

- The normal settlement or bedding down of new structures
- The settlement or movement of made up ground
- Coastal or river erosion
- Defective design or workmanship or the use of defective materials
- Damage resulting from demolition, construction, structural alteration or repair of any property, or groundworks or excavation at the site of the Buildings

5.Theft

Where the Insured or any Employee are involved

Property in the open
Stock in vending machines
From an unattended vehicle

6.Accidental Damage

Inherent Vice or Latent Defect
Wear and Tear
Defective Design or Workmanship
Gradually Operating Causes
Sudden and Unforeseen Damage to Plant
Deliberate Act of Utility
Subsidence, Ground Heave, Landslip
Unexplained Disappearance

7.General Insurance Exclusions

Loss or damage caused by -
 Radiation
 War Risks or Government or Public Authority Order
 Sonic Bangs
 Pollution
 Electronic Risk
 Date Related incidents
 Terrorism (unless specifically included)

Appendix Two – RPA vs CIS / LA

Voluntary Aided Schools Insurance Comparison – RPA vs CIS & LA

NB The RPA provides Property, Liability, Personal Accident, Legal Expenses and Travel cover. These must all be taken as a combined package.

Where CIS arranges Property cover only with Zurich Municipal, VA schools usually participate in LA arrangements for their other insurances. As LA arrangements vary between different authorities, we are unable to set them out in detail below.

Type of Cover	RPA Offering	CIS & LA Arrangement	RPA	CIS & LA
Premium Payable	Current Cost £18 per pupil Guaranteed until 31 st August 2020	CIS cost based on size of the school buildings LA cost often based on size of budget	✓	✓
Insurance Premium Tax	Not payable on the RPA cost	Payable on Insurance Premiums at 12%	✓	
Buildings & Contents Insurance	All risks reinstatement agreement Membership Rules	All risks insurance protection Contract of insurance	✓	✓
Will the cover option rebuild a Catholic school?	RPA membership rules wording: “The availability of places in neighbouring schools shall not have any bearing on the reinstatement or replacement of property (including property belonging to the Trustees) under the Rules.”	Insurance policy wording: “In the event of Damage occurring during the period of insurance the insurer will pay to the insured the value of the property at the time of its Damage or the cost of repair of the Damage or at the insurer’s option indemnify the insured by reinstatement, replacement or repair.”	✓	✓
Property Claim Excesses	Claim excesses £250 for primary £500 for secondaries £1,000 for subsidence	Claim excesses £0 for fire, lightning, explosion & aircraft £250 for theft, malicious damage & impact £500 for storm, accidental or water damage £2,500 for subsidence	✓	✓
Extensions of Property Cover	Money cover up to £5k - £50 or £100 excess Goods in Transit up to £50,000 Cultural assets cover up to £10,000	Money cover up to £5k - no excess Goods in Transit up to £25,000 Cultural assets covered as declared to insurers	✓	✓
Terrorism Property Damage Insurance	Terrorism cover included as standard	Terrorism cover not included as standard	✓	

Type of Cover	RPA Offering	CIS & LA Arrangement	RPA	CIS & LA
Building Works Insurance	Cover for contracts up to £250k, not aware of any support for contracts above £250k	Cover for contracts up to £1M, can arrange cover for larger projects when required		√
Business Interruption Insurance (increased costs to keep the school running due to an insured event)	£10M limit over a 36-month period Claim excesses £250 for primary, £500 for secondaries	£4M, £7M or £8.5M limit over a 36 or 48-month period No additional claim excess	√	√
Loss of Revenue Insurance (loss of hiring income due to an insured event)	Do not offer Loss of Revenue cover	Loss of Revenue cover available		√
Financial Loss to the school due to employee dishonesty or third party fraud	Limit of Indemnity £500,000 Claim excesses £250 primary, £500 secondary	Arranged by Local Authority Fidelity Guarantee often an available option	√	√
Employer's & Public Liability	Unlimited, no excess	Arranged by Local Authority	√	√
Governors' Liability (covers financial losses from alleged maladministration)	Limit of Indemnity £10M, no excess	Arranged by Local Authority	√	√
Professional Indemnity (covers alleged breaches of professional duties)	Unlimited, £1,000 excess	Arranged by Local Authority	√	√
Legal Expenses (legal costs from employment disputes, contract disputes, tax investigations, etc.)	Limit of Indemnity £100,000 Covers legal challenges in respect of school exclusions and admissions, no cover for pursuing debt recovery Claim excesses £250 primary, £500 secondary	Arranged by Local Authority or external provider Important for schools to receive HR and employment support	√	√
Personal Accident (compensation for accidental bodily injury whilst acting for the academy in the UK)	Limit of Indemnity £100,000 for Employees, Governors, Trustees, Volunteers and Pupils	Depends on Local Authority offer	√	

Type of Cover	RPA Offering	CIS & LA Arrangement	RPA	CIS & LA
Travel Insurance for School Trips off-site (UK)	Possessions and money cover of up to £2,000 for each person Cancellation and curtailment cover of up to £1,000 per person	Depends on Local Authority offer	✓	
Travel Insurance for School Trips Abroad	Comprehensive cover recently added to the RPA	Depends on Local Authority offer	✓	
Motor (for school vehicles/minibuses)	Not available	Arranged by Local Authority		✓
Engineering Inspections - meets any statutory duty to inspect certain plant and lifting equipment	Not available	Arranged by Local Authority		✓
Staff Absence/ Maternity Cover	Not available	Depends on Local Authority offer		
Cyber Insurance	Not available	Depends on Local Authority offer		
Termination Conditions	Three months' notice before the end of the Membership Year	At the end of the policy year or any long-term agreement		

Points to Note

- The RPA is not a contract of insurance. It is the Government backed insurance alternative established originally for academies but extended to all state-maintained schools from 1 April 2020.
- Commercial insurance contracts should be in the joint names of the Governing Body and the Trustees to protect the Trustees' interests as owners of the school buildings. The RPA Membership Rules also acknowledge the Trustees' interests.
- On conversion, new academies are automatically signed up to the RPA unless they opt out. Other schools are likely to have to sign up by completing an online form. In all cases, before joining the RPA the school must obtain the permission of the Trustees as owners of the school buildings.
- Some forms of insurance are statutory requirements. Schools are exempt from the requirement to have Employers' Liability insurance and to display an EL Certificate. However, motor and/or engineering insurance are statutory requirements for schools and must be arranged by all schools in the RPA.

- If transferring to the RPA from commercial insurance, schools must notify their existing insurers of any incidents that could give rise to a claim under their professional negligence or governors' indemnity policies. These policies are likely to be on a claims-made basis and so the insurers must be notified during the policy period of any potential claims for the policy to respond.
- Local Authorities are likely to provide local support services to schools as add-ons to the insurance protections arranged with them. It is important for a school to understand what role the Local Authority would continue to play for them if they joined the RPA.

Appendix Two – CONTACTS

1. For advice or guidance on all insurance matters contact:

Catholic Insurance Services Ltd

Suite 5, Oxford House

Oxford Road

Thame

OX9 2AH

Telephone: 01296 422030

Contact form at: <https://catholicinsuranceservice.co.uk/contact-us/>

Email: enquiries@catholicinsuranceservice.co.uk

Office hours: Mon to Fri, 9am to 5pm

Emergency out of hours: Sedgwick 0345 604 8580

2. Claim notification

If you want to make a claim, please contact Zurich Municipal's claims handling team directly or call on 01252 387694. Claims are to be notified as soon as possible, with full details to be provided within 30 days of the claim (7 days in respect of riot or malicious damage) including supporting evidence in writing. The Police must be notified as soon as possible in the event of theft or malicious damage.

The Catholic Insurance Service Ltd. team closely oversee insurers' handling of all claims made under the CIS Scheme policies to ensure that schools' positions are properly protected, their views are heard and to provide them with support and guidance so that they are able to understand and respond effectively to the legal process.

To discuss any aspect of a claim, or a situation which might give rise to a claim, please contact CIS. For guidance on making a claim under any of the CIS Scheme policies, please log in to the Members' Area.

3. For liability or third party claims or accidents/fatalities:
- a. First contact your LA Legal/Education Department
 - b. Then notify the Catholic Education Service:
 - St Philip Howard Centre
 - 4 Southgate Drive
 - Crawley
 - West Sussex
 - RH11 6RP
 - Tel: 01293 511130
 - Fax: 01293 616945
 - email: schools@abdiocese.org.uk