

ANNEX 6
INSURANCE

The following insurance is arranged by the Local Education Authority.

a) Buildings

Providing cover for the risks of damage by Fire, Lightning, Explosion, Aerial Devices, Riot and Civil Commotion, Storm, Flood, Bursting or Overflowing of Water Pipes or Cisterns, Theft, and Impact by own and third party vehicles and animals, both for its own benefit, and that of Governing Bodies.

The perils of, Storm, Flood, Bursting or Overflowing of Water Pipes or Cisterns, and Impact are separately subject to an excess of £250 applying in respect of each and every claim. Theft cover is subject to an excess of £500 applying in respect of each and every claim.

Uninsured losses fall to be borne either by the Authority or Governing Body concerned according to the division of their respective responsibilities as detailed in Annex 7 covering Repairs and Maintenance.

b) Consequential Loss

Providing cover for additional costs of operating, necessarily arising as a consequence of one of the perils insured for the buildings. The cover is subject to an indemnity limit of £50,000 per claim, and an indemnity period of 12 months following the incident giving rise to each claim.

c) Contents

The insurance position for contents is precisely similar to that for buildings, except that Theft cover does not apply.

The Authority provides an optional scheme to insure IT related and high value equipment on an "All-Risks" basis i.e. covering theft and accidental or malicious damage or loss.

d) Employers Liability

Providing cover, subject to an indemnity limit of £25m, for legal liabilities of the Authority and Governing Bodies incurred to employees, and arising as a result of death, injury or disease suffered in the course of their employment. The cover applies in respect of all employees in Controlled and Voluntary Aided Schools.

The cover includes the costs of representation at a Coroner's or Fatal Accident Inquiry, and costs incurred in defence of a prosecution brought under the Health and Safety at Work Act 1974.

e) Public Liability

Providing cover, subject to an indemnity limit of £25m, for legal liabilities of the Authority and Governing Bodies incurred to third parties, and arising as a result of death, injury, disease, or physical loss of or damage to property, including as a result of products supplied. The cover for liabilities arising from loss or damage to property operates also in respect of employees.

The cover includes the costs of representation at a Coroner's or Fatal Accident Inquiry, and costs incurred in defence of a prosecution brought under the Health and Safety at Work Act 1974.

The full policy benefits extend to indemnify individual employees and volunteers in respect of liabilities and costs incurred personally, as a result of actions properly undertaken in the course of their duties for the Authority or Governing Body.

f) Officials Indemnity

Providing cover, subject to an indemnity limit of £10m, for legal liabilities of the Authority and Governing Bodies incurred to third parties in the absence of any physical injury, or loss or damage being sustained.

NB 1. All liability policies include in full all external costs incurred in the investigation or legal defence of a claim.

NB 2. All relevant policies include an "Indemnity to Principals" clause.

NB 3. Liability insurances extend to cover liabilities in respect of incoming work trainees, and any liabilities that may attach in respect of outgoing trainees. For all placements not arranged via Future Steps Ltd. schools should ensure that an appropriate indemnity form is completed, and that the insurances and Health and Safety procedures of work experience providers are thoroughly checked before placements commence.

NB 4. Whilst the Authority's liability policies described above cover liabilities arising from defective equipment it should be understood that such cover does not extend to indemnify the supplier or hirer of such equipment. Governors should regard the vetting of suppliers or hirers for suitability, including their insurance arrangements, as part of their responsibilities.

g) Libel and Slander

Providing cover, subject to an indemnity limit of £2m, for legal liabilities of the Authority and Governing Bodies for defamation arising from utterances in good faith in the course of business. Governors are responsible for a contribution of 10% of any compensation payable.

h) Fidelity Guarantee

Providing cover, subject to an indemnity limit of £2m, for losses incurred by the Authority or Governing Bodies as a result of dishonesty of employees or Governors.

i) Money

Providing cover for readily negotiable money i.e. cash, stamps etc. subject to the following limits: -

- a) In direct transit to or from bank accompanied by 2 persons - £2,500
- b) In direct transit to or from bank accompanied by 1 persons - £1,000
- c) In a strong room or ground-anchored safe - makers' or Internal Audit recommended limit, - not exceeding £5,000
- d) In a wall or none ground-anchored safe- makers' or Internal Audit recommended limit, - not exceeding £1,000
- e) In any other circumstances - £100

NB. Cover for School Funds Money is limited to £1,000 in total.

Cover includes damage by theft or attempted theft to safes, equipment for carrying money, and employees' clothing and personal effects.

i) Personal Accident

The Authority provides a scheme of lump sum benefits for all staff killed or permanently injured by accident or assault whilst in the course of their employment, or travelling directly between home and work. Similar benefits are available also to volunteers injured in the course of their activities, but in their case benefits are also payable in respect of temporary periods of disablement.

j) Professional Indemnity

The Authority carries no insurance of this nature having relevance to schools or Governing Bodies.

k) Travel

The Authority holds a "School Journey" Policy which is available to provide wideranging benefits in respect of pupils and teachers engaged in trips or holidays within UK or abroad. All schools are urged to avail themselves of this cover for all trips.

l) Pupil Injury and Effects

Other than under the School Journey Policy the Authority does not carry insurance to provide compensation to pupils for personal injuries or loss of property in the absence of any legal liability to pay compensation.

This situation should be made clear to parents, including suitable mention in the school brochure.

m) Engineering

Providing an inspection service, and insurance cover subject to a £100 excess, for engineering plant and machinery as undernoted: -

- A) For Pressure Plant
 - Annual Inspections
 - Explosion and Collapse Damage
 - Damage by plant fragmentation to own surrounding property
- B) For Lifting Equipment
 - Biannual Inspections
 - Damage by plant fragmentation to own surrounding property
- C) For Electrical Machinery, other than “Portable Electrical Appliances”
 - Annual Inspections
 - Damage by plant fragmentation to own surrounding property

Insurance cover is subject to the undernoted indemnity limits: -

Explosion or Collapse of Pressure Plant	- £250,000
Fragmentation damage by Pressure Plant	- £250,000
Fragmentation damage by other Plant	- £100,000

n) Lettings

If Governing Bodies make arrangements for the use or hire of the premises or equipment of the school for which they are responsible, they must ensure prior to the letting taking place that the user/hirer has adequate and appropriate public liability insurance cover, which includes cover for damage to the property by the hirer. The Authority will give advice about this as required.

NB. Governors will be responsible for all reasonable costs ensuing from litigation where the governors have acted against the advice of the LEA.