



Haringey Council

The Children and Young People's Service

Report to Haringey Schools Forum 13/05/10

**Agenda Item
8**

Report Status

For information/note
For consultation & views
For decision

Report Title: Insurance Arrangements for Schools 2010-11

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Purpose: This is a standing item that advises the Schools Forum of the Insurance Policies and arrangements in place for 2010-11.

Recommendations: Members to note the report.

**CORPORATE RESOURCES
AUDIT AND RISK MANAGEMENT**

INSURANCE SERVICES FOR SCHOOLS

2010/11

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1. Introduction

The Insurance Section forms part of the Audit and Risk Management business unit, which operates as an independent division, reporting directly to the Chief Financial Officer within Corporate Resources. Internal audit services, strategic and operational risk management and insurance services to Haringey Council are all provided by the business unit.

The insurance section is based on Level 1, Alexandra House, 10 Station Road, Wood Green, N22 7TR, and is staffed as follows :

2. Contacts

Trudie Eagle	Risk and Insurance Manager	020 8489 3812
Ian Davitt	Deputy Risk and Insurance Manager	020 8489 3897
Sharon Goojha	Insurance Officer	020 8489 3710
Koula Panayiotou	Insurance Assistant	020 8489 3712
Mariam Budaly -Hisaund	Insurance Assistant	020 8489 3610
Archie Cheung	Insurance Assistant	020 8489 3985

Email address: insurance@haringey.gov.uk

Fax Number: 020 8489 3846

3. Service Description

Insurance Services

The section provides a comprehensive specialist insurance and risk management service to Schools to protect the Council's and school assets and mitigate losses resulting from hazards and claims against the Council and its schools.

Services provided include:

- Provision of a full claims handling service
- Advice on insurance issues
- Procurement and management of all insurance contracts
- Provision of claims related and financial information to schools
- Training and development
- Immediate funding for emergency works and additional expenses following larger claims
- Surveys – post loss and Risk Management Service
- Risk Management

4. Insurance Programme – 1st April 2010 to 31st March 2011

Insurance cover for following:

We insure against	We do not insure	Policy Excess
1. Fire	Items in open spaces	Nil
2. Explosion, lighting and earthquake	N/A	Nil
3. Malicious Damage	N/A	£250 each and every claim
4. Riot and civil commotion	N/A	£250 each and every claim
5. Impact	N/A	Nil
6. Storm or flood	Loss or damage to fences, gates and hedges	£100 each and every claim
7. Escape of water from fixed appliance	Damage from wet or dry rot	£100 each and every claim
8. Theft	Items left in open Theft of lead	£250 each and every claim if no forced entry
9. Computer	Equipment left unattended in a vehicle	£100 each and every claim
10. Engineering and related inspections	N/A	N/A
11. All Risks	Equipment left unattended in a vehicle	£100 each and every claim
12. Public Liability	N/A	Nil
13. Employers Liability	N/A	Nil
14. Professional Indemnity	N/A	Nil
15. Libel and Slander	N/A	Nil
16. Cash including unofficial funds	See section 5	See section 5
17. Fidelity Guarantee	N/A	Nil
18. Additional Expenses/Alternative Accommodation as a result of an insured risk see items 1, 2, 3, 4, 5, 6 and 7.	N/A	Nil

Additional Services

- Annual School Journey Insurance Policy

5. Summary of Cover Provided

Public Liability (Third Party)

Cover is provided to protect the LEA, school, employees, governors and PTA's against any claim made by a Third Party. Payment of compensation under this policy is not automatic, for a claim to be successful negligence must be proved against the LEA, school or governors.

The limit of indemnity under this policy is £50m in respect of any one incident.

Employers Liability

Cover is provided to protect the LEA, school, employees, and governors against any claim for compensation made by a person under a contract of employment with the school arising out of or in the course of their employment. Payment of compensation under this policy is not automatic, for a claim to be successful negligence must be proved against the LEA, school or governors.

The limit of indemnity under this policy is £50m in respect of any one incident.

Officials Indemnity

Protects the school for all sums they are legally liable to pay as compensation following a negligent act or accidental error or omission by an employee.

The limit of indemnity under this policy is £5m in respect of any one incident.

Libel and Slander

Cover is provided to protect the school for:-

Libels appearing in any official Schools' publications by employees.

Slanders uttered by employees in the course of their official duties.

Should you have any doubts about any article you wish to publish, please refer to the Council's Legal Services before publication.

The above policies have been endorsed to provide joint indemnity to the Council and Governors.

Cover has also been extended to include compensation for Governors who attend Court in connection with a claim subject to a maximum daily rate of £100 per Governor.

The limit of indemnity under this policy is £5m in respect of any one incident.

Buildings and Contents - See section 4

The policy also covers:-

- Removal of debris
- Architects, Surveyors and Engineers fees - Subject to a limit of 10% of the total reinstatement cost.

Separate cover has been arranged for acts of Terrorism as this was excluded from standard policies in April 1993.

Additional Expenses

This cover is limited to the increased cost of working following a fire or any of the other perils listed in section 4. This would include the hire of temporary accommodation to enable the school to continue functioning during the repair period.

These expenses would be assessed at the same time as the main claim.

Theft Policy

The Council continues to insure against loss or damage by theft.

There is an excess of £250 on each and every claim where there is no forced entry.

All items such as computers, fax machines, photocopiers, calculators etc must be security labelled.

These labels are available at a small charge on written request from the Insurance Section.

To comply with our insurance arrangements, the label number must be recorded in the schools inventory book. Failure to do this could result in the claim not being paid.

The policy cover excludes the following:

- property in open spaces
- theft from unattended vehicles
- employees/pupils personal effects.

Engineering Policy

Health and Safety legislation requires that certain items of plant and machinery must have regular inspections

The Council continues to arrange cover and inspection of equipment in schools as required, under this policy.

Inspections are carried out by the Councils Insurers (Zurich Municipal) and access should be made available on request to ensure continued cover.

Deterioration of Stock

Cover is in place for loss of the contents of refrigerators or freezers due to their breakdown or accidental failure of the electricity supply.

Limit of Liability £250

Computer Equipment

As well as standard cover the Computer Policy extends to cover accidental damage whilst in any of the insured's educational premises or in transit between. The policy is subject to an excess of £100 on each and every claim.

The Council also has temporary cover for computer/video/photographic equipment whilst out of school in the custody or control of an authorised employee within the UK.

Please note that Schools should continue to advise the Insurance Section of any equipment taken off premises for which this additional cover is required.

This policy is subject to an excess of £100.00 on each and every claim.

All items such as computers, fax machines, photocopiers, calculators etc must be security labelled.

These labels are available at a small charge on written request from the Insurance Section.

There is no cover under this policy for equipment left unattended in a vehicle.

The interests of Governors have been noted on the above policies.

Cash (including cash in transit)

The Councils Cash in Transit Policy for official and unofficial funds has been extended to include Governors.

Limits of Liability are as follows:-

	£
Money not in locked receptacle (includes cash box left on display)	75
Money in locked receptacle other than safe	250
Money in locked safe or strong room – please refer to insurance section for individual safe limits	Individual limit
In transit in the custody of the schools employees	2000

Security precautions are very important and must be adequate for the amounts involved. Special reference should be made to the following:

- Safes should be secured to the floor.
- Cash movements should be adequately escorted and routes to and from the bank varied.
- Keys should not be left unattended and should be carried at all times by a member of staff.

If a safe is opened using a key or combination lock details left on the premises after close of business, no insurance cover applies

Fidelity Guarantee

Cover is in place to protect the school against a financial loss due to the fraudulent action of a member of staff.

6. Additional cover (extra charge)

School Journey

The Council arranges a blanket scheme for school journey insurance. The annual premium is calculated on pupil head and covers all school trips. The policy covers staff, pupils and accompanying adults. All schools which have this cover are required to supply details of all their trips on a quarterly basis as at the end of June, September, December and March.

School owned mini buses – quotations on request

Cover can be arranged for school owned minibuses on a comprehensive basis.

Drivers must be over 25 years of age and have passed the Councils Driving Test and hold a full UK driving licence.

Loss of Revenue – quotations on request

More and more schools are making greater use of their premises to earn additional income.

In the event that damage occurs to the buildings or contents, the school may lose a valuable source of income.

The school should assess their maximum likely loss over a two year period, or the period required to completely rebuild the school.

The minimum sum insured is £4,000.

School Lettings/Hirers Policy

As it is unlikely that small groups and individuals hiring school premises have their own liability cover, the Council has effected a Hirers Policy which provides compensation for accidental bodily injury or illness to a third party and accidental loss or damage to property arising as a result of the negligence of the hirer. Indemnity level £2,000,000

The policy has also been extended to cover contractual liability of the hirer up to a limit of £500,000.

The premium for recharge to the hirer is as follows:

	£
Small Meetings	1.00 per session
Weddings, Birthday Parties and Disco's	5.00 per session

All hirers should complete the application form for the Hire of Education Premises.

Details of all lettings should be sent on a quarterly basis, along with a cheque for the premiums collected, to the Insurance Section.

7. Claims handling service:

The Insurance Section provides a comprehensive claims handling service. This involves dealing with all claims including negotiations with Loss Adjusters and Insurers. For liability claims, the Insurance Section acts on behalf of the School, defends the claim where possible and deals with all third party enquiries.

For larger property claims, i.e. over £5000, a site visit is made by either the Risk and Insurance Manager or her deputy, a loss adjuster will be appointed where applicable and arrangements made for emergency works to be carried out. If alternative accommodation is required, arrangements are made and emergency funding can be arranged for additional expenses.

The Insurance Section maintains a database of claims which can provide reports and claim details on request.

Service Standards:

- All claims will be acknowledged within 5 working days of receipt.
- All claims acknowledged to third parties within 3 working days of receipt.
- Following receipt of full claim documentation and agreement of claim, settlement will be made within 20 working days.
- Insurance Section available for enquiries and personal callers, Monday to Friday between the hours of 8.45 am and 5.00pm.
- Site visits made where applicable within 24 hours of the incident occurring.

8. Claims Procedures

Public Liability

Any injury to a pupil must be reported (please refer to LEA Guidance on accident reporting section C10). For an accident involving a third party other than a staff member or pupil a Third Party General Report Form (appendix A) should be completed. This form should also be used for reporting any other incident which could result in a claim being made.

It is essential that any letter or communication from either a claimant and/or their representatives be forwarded immediately to the Insurance Section. Under no circumstances should you enter into any correspondence with the Third Party other than an acknowledgment of receipt.

It is also important that no admission of liability is made as this could invalidate the Insurance cover.

Employers Liability

In accordance with Council practice all incidents involving injury to a member of staff should be reported (please refer to LEA Guidance on accident reporting section C10).

For any other liability claim the documents should be sent to the Insurance Officer who will provide advice.

Woolf Reforms

The pre-action protocols for claims involving personal injury were initially proposed by Lord Woolf as part of his Reforms to the Civil Justice System in England and Wales. These changes were implemented in April 1999.

The protocols are aimed at:

- Tripping and Slipping Claims (Public Liability Claims)
- Employers Liability Claims (excluding disease)
- Road Traffic Accidents Claims

The key aims of the protocols are:

- More pre-action contact between the parties.
- Better exchange of information.
- Better pre-action investigation.
- To put both parties in a position to settle claims early and fairly.
- To reduce litigation.

The claims are split into 2 categories:

Fast Track: Claims under £15,000

Multi Track: Claims over £15,000

From April 1999, the Council and its Insurers have had only 12 weeks from the letter of claim being received to fully investigate the claim and make a decision on liability. If liability is denied, we must give our reasons in writing and must disclose with the letter of denial all documents in our possession that are relevant to the issues.

If we are admitting liability, we are bound by the admission up to the sum of £15,000, where liability is admitted. If contributory negligence is argued, we must disclose documentation relating to issues in dispute.

The tight timescales and the information we will need to obtain within the 12 weeks deadlines can increase the risk of a claim having to be paid. As the Insurance Section depends on schools to provide any information required, we need the full support of all staff to ensure we can meet these statutory protocol deadlines. Failure to comply with the Woolf Protocol will involve us having to pay claims where we could have a defence and incur cost penalties if the claim goes to litigation. A claim will automatically go to litigation if we not made a decision at the 12 week deadline.

The 12 calendar week period for the Woolf Protocol does not make any allowances or exceptions for School or Bank Holidays. Deadlines cannot be extended to accommodate these.

Service Standards – Woolf Protocol

1. All claims will be acknowledged and advised to insurers within 3 working days of receipt by the Insurance Section.
2. Any letter of claim received directly by a school, or another Council department, should be date stamped and faxed to the Insurance Section on 0208 489 3846 or scanned and sent to insurance@haringey.gov.uk on the day of receipt.
3. A report will be requested from the relevant school or department once adequate information is received from the third party or their representative.
4. Report and documentation to be sent to the Insurance Section to arrive no later than 6 calendar weeks after initial request. The Insurance Section will contact the school or department 4 calendar weeks after the initial request, if no information has been received, to remind them of the deadline date and ascertain if there are any problems.
5. Following the initial report and documents supplied, if insurers request further information/documents, the department will be given a further 2 calendar weeks to supply the additional information.
6. The above timetable will allow adequate time for the insurers to make a decision on liability and either repudiate or settle the claim.

Property Claims

All claims should be advised to the Insurance Section using the Insurance Loss Claim Form for Buildings and Contents (Appendix B).

Any claim which is likely to exceed £5,000 should be advised immediately by telephone to the Insurance Officer on 0208 489 3712/3812.

All claims must be received by the Insurance Section **within 28 days** of the incident occurring. Late notification could result in the claim being refused by Insurers.

All losses resulting from malicious damage or theft must be reported to the police and a crime reference obtained.

Emergency repairs to make a property secure or watertight may be carried out immediately. For other repairs one estimate is required for repairs up to £1,000 and two estimates for repairs in excess of £1,000. Agreement must be received from the Insurance Section before repairs proceed. For all claims in excess of £5,000, a visit will be made to the school to assess the loss.

For claims involving content loss, an estimate and copy of original purchase invoice will be required for any individual item valued over £500.

To assist with claims, an inventory of school contents must be kept up to date and in a fire proof container. The inventory must include the security label number to ensure claims will be paid.

Cash Losses

These losses should be reported to the Insurance Section using the Insurance Loss Claim Form for Cash Losses (appendix C).

Fidelity Guarantee

Any suspicion of fraud or dishonesty should be notified to the Head of Audit and Risk Management and the Risk and Insurance Manager who will provide further advice.

Motor Insurance

Any claim involving a vehicle owned by the school and insured by the Council should be reported immediately by telephone to the Insurance Section. A claim form will then be sent to the school for completion.

If the vehicle is on hire from the Councils fleet the report should be made to the Transport Division at Ashley Road Depot on 020 8885 7732.

School Journeys

All claims should be notified in writing to the Insurance Section **within 28 days** of the incident. If emergency assistance is required whilst on the trip, contact should be made directly to insurers using the details on the medical assistance card. A supply of these cards have been sent to all schools in the scheme.

Please note all losses resulting from theft or loss of property should be reported to the police and a crime reference obtained.

HARINGEY COUNCIL – THIRD PARTY GENERAL REPORT FORM

This form, completed as far as possible, should be sent to the INSURANCE SECTION, Alexandra House, 10 Station Road, London N22 7TR, on the day of the accident and not later than the following day, whether or not any claim has been received.

If any claim or communication is received in respect of the incident, whether before or after the dispatch of this report, it should be sent to the INSURANCE SECTION immediately. **NO CORRESPONDENCE OR DISCUSSION SHOULD BE ENTERED INTO** beyond informing the claimant or writer that the matter has been forwarded to the Insurance Section.

Any claimant who makes a personal call should be requested to write to the Insurance Section at the above address.

THIS FORM SHOULD NOT BE COMPLETED BY CLAIMANTS

1. **Name, address and occupation of the person injured, or of the owner of the property damaged:**

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2. **Date and time of accident:**

Date:	Time:
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3. **Place where accident/incident occurred:**

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4. **Particulars showing how accident occurred:**

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5. **Nature and extent of injury or damage:**

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6. **Name and address of witnesses to accident:**

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7. **Has any intimation of a claim been made?**

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8. **State to whom the accident was first reported:**

Name:
Date:

9. **Any other information likely to be of assistance:**

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Signature:
Office Held:

Date:

HARINGEY COUNCIL - INSURANCE LOSS CLAIM FORM BUILDINGS/CONTENTS

This form should be completed and sent to the Insurance Section, Level 1 Alexandra House, 10 Station Road, London N227TR or emailed to insurance@haringey.gov.uk

ALL CLAIMS MUST BE NOTIFIED WITHIN 28 DAYS OF THE LOSS

Claims where repairs are estimated to exceed £5,000 should be reported to the insurance section on 020 8489 3812

1. Address of premises where loss occurred:

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2. When did loss occur:

Date:	Time:
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3. In what circumstances did the loss occur:

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4. Method of effecting entry:

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5. When discovered and by whom:

Date:	By Whom:
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6. Were premises occupied at time of loss:

Yes/No

7. If unoccupied, when were premises last occupied:

Date:	Time:
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8. When were police notified (see note):

Date:	Station:	Crime Ref:
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NOTE: THE POLICE MUST BE ADVISED FOLLOWING LOSSES THAT HAVE RESULTED FROM THEFT OR ACTS OF MALICIOUS DAMAGE

See over

Full description of Items stolen or property damaged:	Date purchased:	Replacement cost:	Is Council/School sole owner of Property Yes/No

For all computer losses please provide copy of original purchase invoice and written estimate for replacement.
 For all other content/equipment losses please provide written estimate for any individual item over £500.
 For building repairs, emergency works can be carried out immediately, for non emergency works, for repairs under £1,000 one written estimate required, for repairs over £1,000 two written estimates required.

Signed:	
Print Name:	
Position Held:	
Telephone No:	
Date:	

**HARINGEY COUNCIL - INSURANCE LOSS CLAIM FORM
CASH**

This form should be completed and sent to the Insurance Section, Level 1 Alexandra House, 10 Station Road, London N227TR or emailed to insurance@haringey.gov.uk

ALL CLAIMS TO BE NOTIFIED WITHIN 28 DAYS OF LOSS

1. Address of premises where loss occurred:

2. When did loss occur:

Date:	Time:
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3. In what circumstances did the loss occur:

4. Method of effecting entry to the building:

5. Where was cash kept at time of loss i.e.: safe, cash box, locked drawer, cupboard:

6. If the locked receptacle referred to in (5) was not forcibly opened how and from where were the keys obtained:

7. When discovered and by whom:

Date:	By Whom:
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8. Were premises occupied at time of loss:

Yes/No

9. If unoccupied, when were premises last occupied:

Date:	Time:
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10. When were police notified (see note):

Date:	Station:	Crime Ref:
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11. If the cash was lost in transit, was it in the custody of a member of staff.

Yes / No

12. Please state what precautions have been taken to prevent a recurrence of an incident of this nature:

NOTE: THE POLICE MUST BE ADVISED FOLLOWING LOSSES THAT HAVE RESULTED FROM THEFT OR ACTS OF MALICIOUS DAMAGE

Details of Loss	£	Is Council/ School sole owner of Property Yes/No

Signed:	
Print Name:	
Position Held:	
Telephone No:	
Date:	