

City of Wolverhampton Council

SCHOOLS' FORUM

Date	27 February 2020
Report title	Risk Protection Arrangement
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Summary

The RPA was set up in 2014 to offer Academy Schools an alternative to commercial insurance products to cover their risks. The outcome has resulted in increased competition between insurers and had a positive outcome driving down premiums. Around two thirds of Academy Schools in the UK are members of the RPA with the remaining third procuring their insurance in the commercial insurance market, often through local frameworks.

The Department for Education has recently published the outcome of their consultation concerning the RPA being open to maintained schools as an alternative to their risks being covered by insurance policies procured in the commercial insurance market. A copy of the response is attached at Appendix 1 of this report.

Since 2014 only Academy Schools had been able to join the RPA to cover their risks. Following the consultation, from April 2020 all schools will be able to join. The decision on whether to enrol schools into the RPA rests with each local authority. The Department of Education do not anticipate a significant take up by local authorities to enrol their schools into the RPA on 1 April 2020 or shortly thereafter.

For 2020-2021 it has been agreed that as the latest renewal and procurement exercise is already underway, schools will continue to be covered by insurance policies procured by the Council in the commercial insurance market and we will auto enrol all schools for insurance in line with the same arrangements as in the previous year. We are not anticipating any significant increases to premiums, subject to claims experience remaining stable until the renewal date of 30 June 2020. A review will then be carried out over the next 12 months in collaboration with the City's schools and the Department of Education on how well any take up of the new arrangement is operating nationally, and a costing exercise will be undertaken prior to a decision being made with the City's schools for the 2021-2022 arrangements.

Decisions

Members of Schools' Forum are asked to:

Note the contents of the Department for Education's Response to their consultation on extending the academies Risk Protection Arrangement (RPA) to local authority-maintained schools sector and the Council's intended approach.