



# Ask the Expert:

Securing the right cover at an affordable price is increasingly important for schools – and Del Sharman is keen to advise you accordingly...

## insurance

# Q

Our secondary school is currently in the process of applying to become an academy, and amongst the many and varied issues we are naturally having to address, we are struggling to understand exactly what the implications of this decision will be when it comes to insurance. We're not

moving premises, and we have no plans to make changes to our intake or staffing policies, so how much, really, will we need to do in order to make sure we are effectively covered once the change of status has taken place? And is this something we can sort out without external advice?

**A** The very simple answer is "it depends on whether you have dealt with insurance for a school before". Not very helpful, I know – but if you are starting from scratch there is a lot to get to grips with. Insurance is really split into two categories: property and liability. Initial information that will be needed by insurers includes the property values you need to insure for and a breakdown of your salaries between types of staff and an idea of your income for the first year.

This is the key information; everything else tends to be about how insurers might see you as a new organisation entering the insurance market in your own right. This includes claims experience and what the construction of your buildings is, to name just a few relevant factors.

I know I am biased, but sitting down with someone who definitely does understand the insurance of academies and how the EFA funding works, etc. is often an invaluable investment, especially if you find a firm where form filling is kept to a minimum, and personal understanding is maximised, to make the process as simple and pain-free as possible!

**Q** As head of a relatively new academy, should I be concerned about the changes to the government insurance funding that are due to come in from September? Thanks to the generosity of our sponsors, we have superb facilities –



**ABOUT THE AUTHOR**

**DEL SHARMAN** IS UNDERWRITING AND CLAIMS MANAGER AT POUND GATES, WHICH PROVIDES INSURANCE BROKING AND RISK MANAGEMENT SERVICES FOR SCHOOLS AND ACADEMIES, PROVIDING CLIENTS WITH CERTAINTY BY UNDERSTANDING THEIR BUSINESS AND OFFERING COST EFFECTIVE SOLUTIONS THAT ARE APPROPRIATE. THE COMPANY HAS MORE THAN 25 YEARS' EXPERIENCE OF DELIVERING A CO-OPERATIVE AND RESPONSIVE SERVICE TO ITS CLIENTS.

including a state of the art performance space, high-end ICT throughout the whole school, and a swimming pool; however, we are still somewhat under subscribed in terms of student numbers (although we expect to be at capacity within the next three years).

# A

**A** From 1st September the EFA will be funding the cost of insurance for academies at a rate of £45 per pupil. For many, this will certainly be an adequate amount to cover the existing insurance bill, but if you are

an academy with high asset values in relation to pupil numbers – in other words a specialist school or in an area of pupil decline – then I'm afraid this could prove to be a serious problem.

Clearly, looking at pupil numbers and making the calculation tells you if you should be concerned or not. However, this doesn't mean there is nothing that can be done. I recommend speaking to an expert to consider what measures could be taken, in terms of drilling down on the insurance that is really needed and reviewing what providers are able to offer. There may be no easy solution and there is the opportunity to apply for an "exception payment". Ultimately, achieving best value is crucial and consulting an insurance broker can help ensure this is achieved in terms of both cover and pricing.

## NEED TO KNOW?

If you have a finance related query you'd like to put to our experts, email [editor@teachsecondary.com](mailto:editor@teachsecondary.com), and we'll pass it on...