



# ***Regents Park Community College***

## ***Insurance for Money held on school sites***



## Insurance for money held on school sites

The following information is a summary of the money insurance cover that is provided as part of the Insurance SLA - Package B (Material Damage, Money, Motor, Travel & Engineering Insurances)

### How is 'money' defined?

Money is defined as being either 'negotiable' or 'non negotiable'. The former includes cash, bank and currency notes, coins, uncrossed cheques, uncrossed postal orders, current postage stamps, gift tokens and travel tickets, whereas the latter includes non negotiable crossed cheques, crossed postal orders and unexpired units in franking machines.

### What does the policy cover?

- Loss of money (both negotiable and non negotiable);
- Loss of unofficial school funds including book tokens (unofficial funds are those funds, other than those of the council, for example monies collected from students or pupils for activities arranged by the school);
- Damage to safes caused by a theft or an attempted theft;
- Damage to bags or containers used for carrying money;
- Damage to clothing and personal effects sustained by an employee directly as a result of a robbery, hold-up or any attempt (up to £500).

### What cash limits apply?

#### Money in Safes

The standard 'insurance cash limit' for notes and coins, etc (i.e. negotiable money) in a locked safe is £2,000. This can include up to £500 'unofficial school funds'. The cash limit is however subject to the safe being:

- Designed for security purposes;
- Bolted or secured to a wall or floor (or otherwise made immovable);
- Located in a secure area (normally an area covered by an intruder alarm system).



In addition, it is expected that there are proper procedures in place regarding the management, control and distribution of safe keys. It is recommended that, periodically, an audit of the safe keys is undertaken to ensure that they can all be accounted for. Where a safe is operated via a keypad there should be a process in place whereby the key code is reset on a periodic basis.

Documents or accounts detailing the monies being held in the safe should be securely stored in a separate area.

Please note that the insurance cash limit is not intended to encourage schools to hold money unnecessarily in their safes - money should be promptly banked. Schools that regularly need to keep a sum in excess of the standard insurance cash limit in their safe should contact the Council's Risk Management & Insurance Service to discuss their requirements and seek agreement to a higher figure (if they have not already done so).



### **Money in other 'locked receptacles'**

For those schools that do not have a safe, monies should be held in a 'locked receptacle'. Typically this will be a lockable cash box or other similar lockable container which can be then secured in a drawer or cabinet. The cash limit for monies held in a locked receptacle is £150 – please note that only one locked receptacle is allowed per establishment for insurance purposes.

In the case of split sites, a locked receptacle can be used and insured at each site. It should also be noted that the cover for money in locked receptacles includes both official and unofficial money.

Again, documents or accounts detailing the monies being held in the locked receptacle should be securely stored in a separate area.

### **Money in Transit**

Money, including cash, is insured whilst being taken to the bank or post office by staff noting that the activity of transporting money to the bank should be subject to a risk assessment in recognition of the potential security and safety issues. The risk assessment would be expected to consider issues such as the amounts carried, the need to vary the times and dates when banking takes place, the routes used, the provision of any equipment i.e. mobile phone etc.

Please note that any employee using a vehicle to transport cash to or from a bank **MUST** make sure that the vehicle / driver's insurance covers 'Business Use'.

What are the main policy exclusions?

- Any losses resulting from a safe or locked receptacle being opened by a key left on the premises out of hours;
- Any losses resulting from a safe being opened by using key code, where details of the keypad access code have been left on the premises out of hours;
- Any loss of monies from an unattended vehicle;
- Any unexplained loss or shortage\*;
- Any loss due to the use of counterfeit money

\* Such incidents must be reported to the council's Internal Audit Team

### **What to do if you need to make a claim?**

Any loss or incident should be reported to Risk and Insurance Services who will issue the relevant insurance claim form (the expectation is that all such incidents are also reported to the Police). Where the incident involves the loss of money then the school will be expected to provide some form of documentary evidence or accounting records on order to substantiate the loss.

For further information please contact Risk and Insurance Services on 023 8083 2835 or at [insurance@southampton.gov.uk](mailto:insurance@southampton.gov.uk)

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