



Department
for Education

Risk Protection Arrangement (RPA) - Proposed Motor Vehicle Cover

Government Consultation Response

May 2022

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Introduction

The Department has been considering offering Motor Vehicle (Motor) Cover to academy trusts and local authority-maintained schools through the Risk Protection Arrangement (RPA) as an alternative to commercial motor vehicle insurance.

The public consultation exercise sought views on the proposal and invited those with comments, views, or concerns to express them.

Who this was for?

The following stakeholders were identified as particularly interested in the proposed changes; however, this was a public consultation and respondents were not limited to those listed below.

- Local Authorities (LA) in England
- Governing bodies of LA maintained schools in England
- Academy trusts
- Church and other foundation and trust bodies

The insurance industry and suppliers of insurance services including relevant insurance trade bodies and associations.

Consultation period

The consultation took place from 6 October 2021 to 30 November 2021. It was conducted online using the government's consultation software, or alternatively, respondents were able to email or send a response form.

About the consultation

Summary

The Department is considering offering Motor Vehicle (Motor) Cover to academy trusts and local authority-maintained schools through the Risk Protection Arrangement (RPA) as an alternative to commercial motor vehicle insurance.

Context

The Department commenced the RPA on 1 September 2014 for academy trusts as an alternative to commercial insurance.

The RPA was introduced to help reduce the cost to the public purse of protecting academies against risk and on 1 April 2020 it was extended to local authority-maintained schools (LAMS). It is now available to all state funded schools on a voluntary, opt-in basis and is funded by the schools that join as members paying a standard price per pupil per membership year.

Membership has steadily increased and as of 1 February 2022, 8,860 schools had joined (40% of all eligible schools in England).

In 2014 the average annual cost of commercial insurance for academies was £57.67 per pupil. When the RPA was launched its cost per pupil was £25. The cost for the 2022/23 membership year is £21. The latest spend figures indicate that RPA members are paying a total of £23.85 on risk cover per pupil (RPA plus additional commercial insurance, such as Motor and Teacher Absence cover).

The RPA provides cover for most risks that schools face, but members currently must obtain Motor cover elsewhere, because third party motor insurance is a legal requirement under the Road Traffic Act 1988 (RTA) and the RPA cover is not insurance. There is strong evidence from surveys of RPA members that Motor cover is the additional benefit that they would most like to see the RPA provide for them.

Proposed introduction of Motor Cover to RPA

- The proposal is that vehicles owned by academy trusts and maintained schools governing bodies should be exempt from the requirements in the RTA to have insurance. The Department would indemnify the motor vehicles of the school sector when they choose to join the Department's RPA.
- This proposal will require an amendment to section 144 of the RTA. This section of the RTA provides exemptions to local government and other public entities.

This removes the legal requirement to have commercial insurance and they are able to indemnify their motor vehicle risk losses. The Department would be seeking to extend the current exemptions to include motor vehicles owned or used by academy trusts and maintained school governing bodies, removing their legal requirement to have commercial insurance and enabling the risk losses of their motor vehicles to be covered by the Department where they are in membership of the RPA.

- Should the Department still wish to proceed with the proposal after considering the consultation responses then the intention is for the proposed amendment to be included in primary legislation changes when parliamentary time allows.
- The operation of the proposed Motor cover is subject to the evaluation of consultation responses. Our working assumption is that Motor cover will be implemented along similar lines to the current RPA scheme in that the costs will be the same across all members, regardless of risk profile. However, it will most likely be offered as an additional cover on an opt-in basis to existing RPA members. We expect it to differ from the standard RPA in that the cost will be separate to the RPA per pupil contribution and be calculated on a per vehicle basis and there are likely to be several categories of cost, depending on vehicle type. The categories of vehicles are still to be finalised but would most likely include for example car, 9 to 16-seater minibus, 17 seater minibus, or van. The method of deducting payment is likely to vary for academies and local authority-maintained schools and further consideration will be given to the mechanism for payment deductions so they can be tested as part of a proposed pilot.
- We would propose to run an RPA Motor Cover pilot once the required legislative changes have been made. Through a pilot, the RPA will be able to test the assumptions made regarding the suitability of Motor Cover for RPA members and the pilot will allow the operational parameters to be refined prior to it being rolled out to all RPA members.
- It is likely that a Motor section of the Membership Rules will be developed to detail what will / will not be covered and what the level of member retentions will be as for other RPA types of risk. As a minimum it will cover what the RTA requires of insurance.
- The proposed exemption would only apply to those schools indemnified by the department, i.e., those that are existing RPA members. Motor cover will only be available to RPA members as an optional extra. Non-RPA member schools will not be eligible to apply for motor cover as a separate arrangement and will need to continue to purchase commercial insurance.

Summary of responses received

This section sets out the views that we have received in response to the consultation “The Risk Protection Arrangement (RPA) proposed Motor Vehicle Cover”.

In total there were 752 responses to the consultation.

Table A – Types of respondents

Respondent Type	Number of responses	Percentage
Governor	8	1.1%
Multi-academy trust member	24	3.2%
Headteacher/ Principal Teacher	36	4.8%
Local authority finance officer	2	0.3%
School Business Professional	558	74.4%
Insurance Company Employee	2	0.3%
Industry Expert	5	0.7%
Other – Please provide role details	117	15.6%
Grand Total	752	100%

Of the 117 respondents who classified themselves as “Other”, the job titles of provided by 103 indicated that they could be classified as more specific respondent types (CEO, Resource or Finance Managers or School Business Professionals). A breakdown of those 117 respondent types is:

Respondent Type	Number of responses
Resource and Finance Manager	47
CEO/ COO	33
School Business Professional	24
Senior partner	1
Risk and Insurance Manager	1
Senior Manager	1
Teacher at a state school	1
MAT Trustee	1
Chair of Schools Forum	1

Local Authority Risk & Insurance Officer / Senior Policy & Strategy Officer	1
Headteacher / Principal	2
Individual	1
industry Expert	1
Local Authority	2

A full list of the organisations that have responded, and did not wish to remain anonymous, can be found at Annex A.

Some respondents chose only to answer a subset of the questions that were posed. Throughout the report, the number of responses for each question is given and the percentages are expressed as a proportion of those answering each question, not as a proportion of all responses. 218 (29%) respondents offered no written response to any questions.

Summary of main findings from the consultation

An overwhelming majority (93%) of respondents either strongly agreed or agreed that the proposed Motor cover would have a positive impact on their organisation. They welcomed the proposals suggesting that this could potentially make savings against their current commercial insurance, they also noted that it would save them administration and procurement time and that any financial or time savings could be used elsewhere in the school. 97% of respondents supported the proposed introduction. Some respondents did suggest that they would need to compare their current commercial insurance against any RPA offer. However, as the proposed offer was an opt in, they noted that it would be good to have another option as some respondents felt the market was very limited. Respondents also asked questions about the cover and what might be included such as breakdown cover and occasional business use as this would allow them to make a more informed decision if Motor cover was introduced.

There were 13 respondents who disagreed (7) or strongly disagreed (6) with Question 10, that the proposed cover would have a positive impact on their organisation. Nine respondents disagreed with Question 11 and did not support the proposal. Those who disagreed included the British Insurance Brokers' Association (BIBA) and the Association of British Insurers (ABI). They suggested that there was already a healthy, functioning insurance market and Government intervention was not necessary. They also suggested that the Department did not have sufficient data to correctly price the risks and that this could lead to significant exposure for the taxpayer.

A more detailed analysis, on a per question basis follows.

Question analysis

Questions 1 – 9 were initial identifying questions. The full consultation questions document can be found at Annex B.

Question 10

To what degree do you agree with the following statement “The proposed RPA Motor cover run by the DFE would have a positive impact on my organisation directly or indirectly.” Please let us know what the impact would be.

There were 752 responses to this question.

Option	Total	Percentage
Strongly agree	490	65%
Agree	214	28%
Neither agree nor disagree	35	5%
Disagree	7	1%
Strongly disagree	6	1%
Grand Total	752	100%

Question 11

In principle, do you or your organisation support the proposed introduction of RPA Motor cover for member schools?

There were 752 responses to this question.

Option	Total	Percentage
Yes	733	97.47%
No	10	1.33%
Unsure	9	1.20%
Grand Total	752	100%

Questions 10 and 11 were compulsory and therefore all 752 respondents had to provide an answer. 352 respondents provided comments for Question 10 and 100 provided comments for Question 11. However, the comments received for Question 11 mostly reiterated those in question 10. Therefore, the issues raised in both questions have been analysed and reported on together.

Most respondents (93% / 704) strongly agreed or agreed that the introduction of motor cover would be beneficial. A larger percentage (97% / 733) agreed with the proposed introduction. 13 respondents did not agree that introducing cover would be beneficial. 3 of those respondents simply did not require cover and 2 did not comment.

8 respondents disagreed or strongly disagreed that there would be a positive impact on their organisation if Motor cover was introduced (Q10) and did not support the proposed introduction (Q11). Those respondents offered the following reasons.

- If the RPA Motor cover extends just to owned vehicles it would not help those schools and other bodies that wish to lease or rent their vehicles, which raises an important point for further consideration and is covered in [RPA Motor Cover for schools that lease or rent vehicles](#) section below.
- They suggested there was currently a healthy functioning motor insurance market for school minibuses and absolutely no need for intervention.
- They believed there would be a significant exposure to the taxpayer for multiple personal injury claims. There was a suggestion that a significant claim could be bigger than the RPA could fund and there was no explanation as to where the shortfall would come from.
- They suggested that RPA did not have the claims data to quantify and price the risks that it would be accepting, bringing uncertainty and risk to both the schools and the taxpayer.
- The commercial insurance industry provided risk management advice to schools, and this would be lost if they moved their cover to RPA.
- They did not believe the Department was aware of the risks posed by the unlimited nature of third-party bodily injury claims under the terms of the Road Traffic Act.
- They did not believe that the RPA could provide a service that delivered long-term value for money for the taxpayer in line with the complex regulatory and professional standards of experienced motor insurers.
- They suggested that RPA was able to avoid substantial costs that fell to insurers that impact on the price paid by customers, including the requirement to pay Insurance Premium Tax and to meet regulatory and professional standards. This created an unlevel playing field as the commercial market was subject to these costs.

- The RPA was proposing to offer schools motor insurance regardless of not having built up the understanding that they sought in the tender processes in 2018 and 2019.
- The commercial insurance industry did not believe it had seen sufficient actuarial analysis or evidence from the Department that justified including school motor fleets within the RPA.

204 respondents (27%) suggested that there could be potential financial savings if the Department introduced motor cover. Some respondents noted how much their current premiums were, suggesting they did not feel they were getting value for money.

132 respondents (38%) suggested that the time saved in administration would be welcome. Respondents noted that the current process with commercial insurance could be long and complicated. It was suggested that the blanket approach of the RPA scheme, which did not rely heavily on declarations and personal information, would be welcome. Respondents noted that any financial savings realised could be spent elsewhere in the school. Respondents suggested that it was hard to find cover due to a limited number of suppliers and that anything that provided additional competition in this limited market would be welcomed.

70 respondents (9%) welcomed the idea of another insurance strand being under the RPA umbrella. They said it made sense to include protection for as many risks as possible under a single scheme. It was also suggested there was less risk of insurance lapsing if the insurance automatically renewed like the main RPA cover did. Respondents also said that having one contact for all covers would be useful.

70 respondents (9%) suggested that the reputation of the current RPA scheme would give them confidence in the product if the new Motor strand was introduced. Respondents noted that their experience of RPA to date had been excellent and that claims had been dealt with effectively.

47 respondents (6%) said that although they agreed that motor cover should be introduced and could have a positive impact on their organisation, they would need to check the level of cover and costs against their current commercial insurance. Respondents suggested that the level of cover provided by RPA was at least comparable if not better than their current provision.

Question 12

Have you any comments on what the Department should take into consideration regarding the provision of Motor cover to RPA member schools?

112 respondents (15%) questioned whether Occasional Business Use (OBU) would be included, and many noted that they currently sourced this commercially for all staff.

Many respondents said that school staff used their own vehicles when transporting pupils or other staff on school business. This is another important point for further consideration and is covered under the Scope of Operation section within the Response to Comments.

44 respondents (6%) asked if breakdown cover would be included as they currently had this cover included with their commercial insurance.

34 respondents (5%) said it was important that any cover offered by the Department was fully comprehensive and matched the cover and benefits provided by commercial insurance. Respondents noted they did not want to have to meet the additional costs of items that might not be covered by an RPA offer.

28 respondents (4%) suggested that it was important that any cover must be competitively priced and at least comparable to their existing commercial policies.

26 respondents (4%) commented on issues relating to the age of drivers covered. They asked what the minimum age for drivers would be as schools could potentially have drivers under the age of 25 or even 21. Some respondents noted that some insurance companies would not insure drivers under the age of 25.

Respondents also asked / suggested.

- Would accident assistance be included?
- Would there be restrictions on the number of people who are allowed to drive any vehicles covered or would cover extend to anyone with permission? If limited, would schools need to provide named drivers up to a prescribed limit?
- Would there be any need to provide claims history and would a good or bad record have any effect on price?
- Would the RPA update the Motor Insurance Database (MID), or would the school be responsible?
- Would a courtesy vehicle be provided in the event of an accident?
- Would the cover allow community use of vehicles covered?
- Respondents wanted support regarding the correct application of licensing relating to larger vehicles that might require D1 licence permissions.
- There were several queries about excesses and what levels they would be set at. Respondents did not want the excess levels to be set at such a high level that it

would make the cover unusable.

- Respondents queried if foreign travel would be allowed under the cover or if it would be available for an additional charge. This is considered under the Scope of Operation section within the Response to Comments.
- There were several comments relating to mileage issues. Respondents asked if potential mileage would form part of the costings whilst others commented that their vehicles travelled much less than average and asked if that would be taken into account.
- Some respondents appeared to have misunderstood part of the consultation as they suggested that Motor cover should be optional and noted that not all schools have transport and should not have to subsidise schools that did.
- Respondents from Special Educational Needs (SEN) schools wanted confirmation that the specialist equipment on their vehicles, such as tailgate lifts, would be covered.
- Respondents asked if there would be any training requirement needed to access cover or whether the Department would be stressing the importance of driver training. Respondents also asked if the Department could support a 'discounted' national training programme for minibuss driver safety either through MiDAS or similar.
- Respondents asked how the Department would deal with repairs, querying if there would be a network of approved repairers.
- A few respondents asked if motoring convictions would need to be declared and more generally what details might need to be provided.
- Respondents asked if the cover would extend to volunteers and other non-salaried staff such as governors and trustees.
- Respondents queried if the cover would extend to vehicles that had been hired or leased. If the cover did extend to hired vehicles respondents wanted to know if it would cover short-term hire such as minibusses for end of year activities or field trips, etc.
- It was important to ensure recognition as insurance with other agencies (i.e., DVLA, Policing, MID) to avoid challenges / operational issues.

Question 13

Have you any comments on the proposed categorisation of school vehicles to be covered by the RPA?

Most respondents (58%) did not offer any comments for this question.

Those respondents who replied to this question were generally content with the proposed categorisation and where they did reply, some respondents did so simply to confirm that they had nothing additional to add.

Whilst respondents were generally content with the categorisation, 56 respondents (7%) said that they currently had 17/18 seat minibuses so would need them to be included to take advantage of any proposed offer.

62 respondents (8%) again asked if OBU would be included in the cover. Some respondents asked if OBU would be allowed as a stand-alone product as they currently paid for this for staff but did not have any dedicated school vehicles to cover.

57 respondents (7%) asked if additional vehicle types could be included suggesting that they would like the following vehicles covered:

- Vans
- Tractors
- Pickup truck
- Quad bikes
- Maintenance vehicles
- Wheelchair accessible vehicles

35 respondents (5%) wanted more information on how the proposals would relate to hired or lease vehicles, whether that was short-term or long-term hire/lease.

Question 14

Have you any comments on the proposed operation of the RPA Motor cover?

There were 222 comments to this question. Again, many respondents commented to confirm they had no additional comments or reiterated points they had made previously such as OBU and these have been included in previous question analysis.

Respondents offered a number of comments and questions as below:

- Would the cost for any proposed service be monthly or amalgamated into the yearly cost of RPA?

- Respondents agreed that opting in was preferable as some schools did not need cover.
- What update would schools need to provide before the cover renewed each year?
- Claims support and helplines need to be effective and simple to contact.
- Would there be a partial year opt in for year 1 so schools and academies can tie this in with the expiry of current commercial insurance?

Government response

Summary

This section addresses the comments submitted and sets out the next steps that have been identified following our consideration of the responses to the consultation.

The government has considered the responses to the consultation and has noted the responses from the representatives of the insurance sector. The strong response from schools that would wish to see the introduction of Motor vehicle risk protection to the RPA because of the potential financial benefits and a reduced administrative burden, creates a strong argument that the RPA should take the required steps to enable it to be introduced at the earliest opportunity.

Response to comments

The 2 key questions asked in the public consultation were “*The proposed RPA Motor cover run by the DFE would have a positive impact on my organisation directly or indirectly*” and “*In principle, do you or your organisation support the proposed introduction of RPA Motor cover for member schools?*”. The vast majority of respondents (93% / 704) strongly agreed or agreed that the introduction of motor cover would be beneficial, and a larger percentage (97% / 733) agreed with the proposed introduction. Of the 13 respondents that did not agree that introducing cover would be beneficial, 3 simply did not require cover and 2 did not comment. The remaining 8 respondents disagreed or strongly disagreed that there would be a positive impact on their organisation if Motor cover was introduced and did not support the proposed introduction.

In response to this, an overview of how the RPA currently operates and how it is envisaged the Motor cover would be implemented is provided and the specific points raised are then addressed below.

Current RPA operation

The RPA is not an insurance scheme but is a mechanism through which the cost of risks will be covered by government funds. The RPA is a product developed by the Department as an alternative to commercial insurance and is now available to all public sector schools. It is a voluntary arrangement. Since it was launched in September 2014, over 8,800 schools have joined. The DfE administers the arrangement, supported by external advisors and third-party suppliers who provide services including claims handling and risk management.

The Government Actuary's Department (GAD) have played a key role in the RPA and are responsible for its [financial modelling and provisioning](#), performing two separate

reviews annually, as at 31 August and as at 31 March, to coincide with the academic and financial years, respectively. The biannual review structure supports an appropriate level of financial governance, whilst also providing DfE with the information required for horizon scanning to meet the operational requirements in the future.

Motor Cover Operation

At this early stage we envisage that the RPA Motor Cover would operate alongside the standard RPA product, along broadly similar lines. It is estimated that approximately 50% of schools (mostly primaries) have no vehicles, so it would be made available to existing members on an additional, voluntary opt-in basis.

Membership rules

It is acknowledged that a separate Motor section of the Membership Rules would be required to address the specific requirements of Motor cover to detail what will and will not be covered, what the limits of liability and member retentions will be. As a minimum, the rules would meet the requirements of the RTA.

Claim handling and support

The RPA has a well-established framework to manage all aspects of the arrangement and it is planned to use the same approach for Motor cover as for the other areas of risk covered.

Claims are handled by a third party administrator (TPA). The TPA was appointed under the UK government Insurance Services II framework agreement RM3731 and provides a comprehensive bespoke service, with loss adjusters, legal advisers, and rehabilitation facilities to assist and manage the claims administration and in providing support to members.

Claims support includes a dedicated portal for claim notification, appointed loss adjusters and legal advisers, rehabilitation facilities and 24-hour contact details in the event of a catastrophic event.

The specific points raised in the consultation and addressed below, starting with those opposed to the proposal:

RPA Motor Cover for schools that lease or rent vehicles

There were comments from 35 respondents who wanted more information on how the proposals would relate to hired or lease vehicles and the British Vehicle Leasing and Rental Association (BVLRA) commented that:

“If the RPA Motor cover extends just to school-owned vehicles it would not help those schools that lease or rent their vehicles. They added that they wholly support the idea of the RPA Motor cover, as they think it would help address challenges for schools accessing insurance. However, we are entirely opposed to the exclusion of rented and leased vehicles. The RPA Motor cover must extend to leased and rented vehicles.”

Subsequent to the consultation exercise, discussions with BVLRA were held. The BVLRA's view is that there is no difference between the responsibility to insure an owned or leased vehicle and the lessee has the same responsibility to insure the vehicle as they would if they owned it. With short-term hire vehicles, cover is currently provided by the rental company. This is a key aspect of how vehicles are hired and is currently a barrier to some schools. If members were covered by the RPA, schools would potentially be able to hire the vehicle without taking out the company's insurance subject to the rental company agreeing to the terms of cover provided by the RPA. The DfE confirmed that the original intention was to cover only vehicles owned by academy trusts and maintained schools governing bodies but that as this was an important point raised by 35 respondents, this would be explored in further detail to determine whether leased or hired vehicles could be included in the cover being provided to schools. Further input from BVLRA will be sought to assist in the development of this aspect. The Ministry of Defence (MoD) also operates a successful indemnification scheme to cover their motor vehicles and we envisage the RPA operating a similar model. We will talk to the MoD to learn from their scheme to gain a greater understanding of how they cover leased and hired vehicles before a decision on this is made.

Motor Insurance Market is healthy and competitive

BIBA, ABI, and Zurich all commented that the intervention of the RPA is unnecessary as there is a healthy, fully functioning, and competitive motor insurance market.

Whilst this may be true for the domestic motor insurance market, it is not believed to be the case for the school sector, where there are a very small number of insurers willing to provide quotations and schools find it challenging to source insurance for their minibuses and often find it difficult to obtain multiple quotes to demonstrate value for money. Respondents suggested that it was hard to find cover due to a limited number of suppliers and that anything that provided additional competition in this limited market would be welcomed.

Exposure to the taxpayer

There was a comment that the respondent did not believe the Department was aware of the risks posed by the unlimited nature of third-party bodily injury claims and that a significant claim could be bigger than the RPA could fund and there was no explanation as to where the shortfall would come from.

The RPA is not insurance, it is a risk protection arrangement, and all members pay the same flat rate, regardless of risk. The aim is for it to be self-funding, but losses that arise are covered by UK government funds. Providing the conditions of the membership rules are met and the loss claim is valid, the member is entitled to indemnity and therefore the claim would be met. In the event of a sustained large-scale liability or loss, any claims arising which could not be met from the RPA would be met from funds within the wider Department.

Lack of claims data and actuarial analysis

Comments suggested that the commercial insurance industry had not seen sufficient actuarial analysis or evidence from the Department that justified including school motor fleets within the RPA, and that the RPA does not have the claims data to quantify and price the risks that it would be accepting, bringing uncertainty and risk to both the schools and the taxpayer.

The RPA works closely with GAD and over the past 7 years their actuarial expertise has ensured that the RPA claims forecasts have been accurate, with the exception of the effects of the Covid-19 pandemic, a catastrophic event. The department has worked closely with GAD in developing this proposal and GAD has produced an actuarial analysis of costs, savings and losses and presented high level motor provisioning forecasts, based on the risk exposure. The RPA also intends to conduct a large-scale survey of its members on their current motor insurance arrangements, claims history and composition of schools' fleets to enable GAD to strengthen this actuarial analysis and modelling to determine specific motor vehicle categories and year 1 pricing.

It is also proposed that prior to implementation an RPA Motor Cover pilot would be run to gather further insights on members claims experiences before it is rolled out more widely.

Lack of risk management knowledge

Comments that risk management advice provided to schools by the commercial insurance would be lost if they moved their cover to RPA.

This view is unfounded. The RPA currently provides extensive free risk management support services to members through a third party risk management advisory company, which will be expanded to include motor vehicle risk. Support to members currently includes advice, best practice guidance, template documents (e.g., risk assessment), bulletins on topical issues, on-line training, workshops delivered throughout England, online surveys, risk audits and access to risk managers for specific risk management queries.

The RPA also aims to undertake onsite surveys of 5% of the total membership throughout the academic year. The onsite audits cover a number of risk categories including Health and Safety, Fire and Security. Risk improvement recommendations made during a detailed audit remain open until the member has confirmed compliance. The risk manager who conducted the audit remains in contact with the member until all recommendations are implemented. A selected number of members are re-audited: the results of the re-audits so far have demonstrated an improvement in risk management standards. We would seek to develop this aspect of the RPA for Motor cover, so that it complements the arrangements currently embedded. The level of motor risk management advice provided to schools would be of at least an equivalent level to that

provided by commercial insurers and we would work on the continuous improvement of the risk advice to reduce future risks.

Long-term value for money

There was a comment voicing concern that the RPA could not provide a service that delivered long-term value for money for the taxpayer in line with the complex regulatory and professional standards of experienced motor insurers. All RPA claims are handled by a third part Claims Administrator and these considerations will be part of any future contractual arrangements.

The RPA is a successful operation which has generated total savings of more than £642m since it was launched in September 2014 up to 31 March 2021. Since then, there has been a steady decline in the average annual cost of insurance for academies from £57.67 per pupil to match the RPA price. The price for 2022/23 has been set at £21 per pupil.

Further details on the provision of the RPA can be found in [The Schools Commercial: Performance of Initiatives](#) document published on GOV.UK in January 2022.

RPA is not a competitive insurance product

There was a comment that suggested that RPA was able to avoid substantial costs that fell to insurers that impact on the price paid by customers, including the requirement to pay Insurance Premium Tax and to meet regulatory and professional standards, which created an unlevel playing field as the commercial market was subject to these costs. Another comment also suggested the RPA is not a competitive insurance product because Periodic Payment Orders (PPOs) and expenses are excluded from the headline costs.

It is correct that the RPA is not subject to the regulatory requirements of the commercial insurance industry, but the RPA is not insurance and is not seeking to generate profits. It is however accountable to Parliament through a variety of structures - political, legal, and administrative. As part of the wider departmental audit, the RPA accounts are independently audited annually by the National Audit Office (NAO), who provide scrutiny on behalf of government.

On the second point, this is not correct: currently there are no PPOs in the RPA's claims experience. Given the scale of the RPA, GAD have informed us that they believe that any exercise to estimate liability relating to PPO claims would be disproportionate, given the low likelihood of this type of claim arising under the current RPA volumes though specific allowance is made for large and catastrophic losses in all claim classes. External claims handlers have previously informed us that they are unaware of any PPO claims being settled for schools. Whilst not expected to be of great significance, as part of any pricing exercise for Motor Cover the RPA would consider if PPOs should be factored into the cost.

Claims expenses and Operating costs of the RPA are included as part of the RPA per pupil price.

The majority of comments supported the proposal and have been categorised into the following broad areas:

Financial savings

There were 204 comments that suggested schools did not feel they were currently getting value for money. Respondents noted that any financial savings realised could be spent elsewhere in the school.

Time savings

Comments from 132 respondents suggested that the time saved in administration would be welcome. Respondents noted that the current process with commercial insurance could be long and complicated. It was suggested that the blanket approach of the RPA scheme, which did not rely heavily on declarations and personal information would be welcome. This reinforces our understanding that individual motor vehicles need to be insured individually, but with RPA self-indemnification, cover would be easier to arrange, with no requirement to provide individual vehicles' claims histories.

Single point of contact

70 respondents welcomed the idea of another insurance strand being under the RPA umbrella. They said it made sense to include protection for as many risks as possible under a single scheme. It was also suggested there was less risk of insurance lapsing if the insurance automatically renewed like the main RPA cover did. Respondents also said that having one contact for all covers would be useful. 70 respondents suggested that the reputation of the current RPA scheme would give them confidence in the product if the new Motor strand was introduced. Respondents noted that their experience of RPA to date had been excellent and that claims had been dealt with effectively.

Scope of operation

There were a number of comments that asked specific questions about or made suggestions for operation of the RPA Motor cover, such as levels of excess, breakdown cover, accident assistance, courtesy vehicle, and whether there would be any mileage restrictions.

Comments highlighted that it was considered important that any cover offered by the Department matched the cover and benefits provided by current commercial insurance policies and that it must be competitively priced. However, as these are not legal requirements within the RTA, it would be premature to make a decision on these aspects ahead of the planned RPA member survey. Following analysis of survey responses, the operational scope will be explored and fully defined, and these suggestions will be taken into consideration at that time.

Foreign travel use is an area which would need further consideration and could potentially be offered as an additional extra, depending on the demand from RPA members.

On the question of OBU cover, it is unlikely that would be included. The vehicle would be owned by a member of staff, not the school, and would therefore need to be insured under the RTA. While the RPA could theoretically step in if the vehicle was being used for OBU purposes, it would be complex to verify whether this had happened. It is anticipated that the individual would need to continue to be covered for Business Use under their own private vehicle insurance, which is the approach taken by MoD.

Age of drivers covered

There were comments from 26 respondents on issues relating to the age of drivers covered. They asked what the minimum age for drivers would be as schools could potentially have drivers under the age of 25 or even 21. Some respondents noted that some insurance companies would not insure drivers under the age of 25. It is envisaged that the RPA would mirror the legal requirements for drivers as stipulated in the RTA, which is that they are aged 21 or over and meet the necessary licence criteria. The RPA will align with the rules on who can drive a minibus as set out in the document jointly produced by the Department for Education (DfE), the Department for Transport (DfT) and the Association of Chief Police Officers (ACPO): [Driving school minibuses advice: schools and local authorities - GOV.UK \(www.gov.uk\)](http://www.gov.uk/government/uploads/system/uploads/attachment_data/file/342222/Driving_school_minibuses_advice_schools_and_local_authorities_-_GOV.UK.pdf)

Claims history

There were questions about whether it would be necessary to provide claims history prior to renewal, and whether a good or bad record would have any effect on price. It would not be necessary for claims histories to be provided by members as it is anticipated that the RPA Motor Cover would be provided regardless of risk profile, in the same way that the standard RPA cover is provided and the price per vehicle would be modelled by GAD, based on claim frequency and severity in the same way as the standard RPA price per pupil is calculated.

Motor Insurance Database (MID)

There was a question about whether the RPA will update the Motor Insurance Database (MID) or would the school be responsible. The RPA will take responsibility for updating the MID, held by the Motor Insurers' Bureau (MIB) on behalf of members. It would be a requirement of cover that members need to advise the RPA of any changes to the fleet. They would additionally need to maintain records of all journeys made.

Special Educational Needs (SEN) schools

It is recognised that SEN schools have unique requirements including the specialist equipment fitted to their vehicles and items such as tailgate lifts would be covered under the proposal. Specific requirements for SEN schools will be gathered under the planned member-wide survey.

Community use of vehicles

There was a question about whether cover would allow community use of vehicles, where a minibus with up to 16 passenger seats is being driven voluntarily and is not for “hire or reward” (for Social Purposes for a non-commercial body). The extent of community use of school vehicles will be gauged as part of the planned motor survey and will be explored further as part of the operational scope considerations.

Driver training

Questions were asked about driver training requirements and whether this would be needed to access cover. This is an aspect that the Department will be exploring as part of next steps. Whilst there is no legal requirement for driver training, guidance has been published by the National Education Union (NEU) on safety of school minibuses, including training for minibus drivers. It advises that teachers and school staff should only agree to drive a minibus if they have received proper training and recommends that refresher training should be provided at least every 4 years. Whilst the responsibility for driver training will fall to individual schools, the RPA will work with the sector to understand training needs and consider how best to support them.

Vehicle categorisation

Whilst respondents were generally content with the categorisation, especially minibuses, there were requests for the inclusion of additional vehicle types, such as vans, tractors and other grounds maintenance vehicles. Specific requirements will be picked up under the planned member-wide survey.

Next steps

A key requirement of this proposal is an amendment to section 144 of the Road Traffic Act 1988 (RTA) to extend the current exemptions to include academy trusts and school governing bodies, removing their legal requirement to have insurance and enabling the risk losses of their motor vehicles to be covered by the Department where they are in membership of the RPA.

In light of the overwhelming support for the proposal, it is the intention of the Department for the proposed amendment to be included in primary legislation changes when parliamentary time allows.

Consideration has been given to the operation of the proposed Motor cover. We anticipate that Motor cover will be implemented along similar lines to the current RPA scheme in that the costs will be the same across all members, regardless of risk profile. However, it will only be offered as an additional cover on an opt-in basis to existing RPA members. We expect it would differ from the standard RPA in that the cost will be separate to the RPA per pupil contribution and be calculated on a per vehicle basis and there are likely to be several categories of cost, depending on vehicle type. The categories of vehicles are still to be finalised but would most likely include for example

car, 9 to 16 passenger minibus, 17 passenger minibus, or van. The method of deducting payment is likely to vary for academies and local authority-maintained schools and further consideration will be given to the mechanism for payment deductions so they can be tested as part of our proposed pilot, which will enable us to test the assumptions made regarding the suitability of Motor Cover for RPA members and allow the operational parameters to be refined prior to it being rolled out to all RPA members.

The Department plans to conduct a large-scale survey of its members on their current motor insurance arrangements, claims history and composition of schools' fleets to enable GAD to carry out further modelling to determine specific motor vehicle categories and year 1 pricing. The survey will be circulated following publication of this response.

Annex A: List of organisations that responded to the consultation

Academies Enterprise Trust
Academies Enterprise Trust
Alcester Grammar School
Aldridge Education
Aletheia Anglican Academies Trust
Allestree Woodlands School
Alperton Community School
Alpha Academies Trust
Amersham School
Anthem Schools Trust
Aquinas Church of England Education Trust
Archbishop Tenison's CofE school
Aspire Schools Trust
Association of British Insurers
Aston University Engineering Academy
Atlas MAT
Avishayes Community Primary School & Early Years Centre
Avonreach Academy Trust
Baines School
Balby Central Primary Academy
Barleyhurst Park Primary School
Barnby Road Academy
Barr View Primary & Nursery Academy
Barrs Court School
BDAT Multi Academy Trust
Beacon Academy Trust
Bedford College Academies Trust
Believe Academy Trust
Bellerive FCJ Catholic College
Bellevue Place Education Trust
Benfield School, Newcastle
Benton Dene Primary School
Berkswich CE Primary School
Biddenham International School and Sports College
Billing Brook School
Birmingham Diocesan Multi Academy Trust
Bishop Hogarth Catholic Education Trust
Bishop Thomas Grant School
BMAT Education
Bosco Catholic Education Trust
Boudica Schools Trust
Bourne Education Trust
Bow School
Bowmansgreen Primary School
Braithwaite Primary School
Braunton Academy

Bredon Hill Academy
Bridge Academy Trust
Brighter Futures Learning Partnership Trust
British Vehicle Rental and Leasing Association
Brookfields SEN School
Brookvale Groby Learning Trust
Bushmead Primary School
Caistor Yarborough Academy
Canterbury Cross Primary School
Caroline Chisholm Education Trust
Carwarden House Community School
Castle Carrock School
Castleman Academy Trust
Catch22 Multi Academies Trust
Cathedral Schools Trust
Central Co-operative Learning Trust
Chadwell Heath Academy
Chalfont St Peter CE Academy
Character Education Trust
Charters school
Chesterfield High School
Chilternway Academy
Chingford Academies Trust
Christ Church CE Junior School
Cirencester Kingshill School
Coast Academies
Cockermouth School
Coleham School
Community Academies Trust
Community Inclusive Trust
Community Schools Trust
Cophall School
Cornerstone Academy Trust
Cornerstone Academy Trust
Cotham School
Cowley International College
Cox Green School
Cranbrook Primary School
Cranmer Education Trust
Creating Tomorrow Multi academy Trust
Creative Education Trust
Crispin School academy Trust
Crompton House Church of England School
Cygnus Academies Trust
Danes Educational Trust
Dartmoor Multi Academy Trust
David Nieper Academy
Denefield School
Denmark Road High School
Derby Cathedral School

Diocese of Norwich Education and Academies Trust
Discovery Schools Academy Trust
Diverse Academies Trust
Droitwich Spa High School and Sixth Form Centre
Dudley Metropolitan Borough Council
Durrington Multi Academy Trust
Eastwood Park Academy Trust
Ebor Academy Trust
Eden Academy Trust Ltd
Edgbarrow School
Edgbarrow School
Education and Leadership Trust
ELT Partnership
Enable Trust
Endeavour Learning Trust
Endeavour Schools Trust
Enlighten Learning Trust
EPM (education services business)
Epworth education trust
Esteem Multi-Academy Trust
Estuaries Multi Academy Trust
Evolution Schools Learning Trust
Excalibur Academies Trust
Excelsior MAT
Exeter Learning Academy Trust
Extol Academy Trust
Farmor's School
FCAT T/A Hambleton Primary Academy
Ferrars Junior School
Focus Trust
Forest Bridge School
Forward Education Trust
Forward Education Trust
Four Acres Academy
Freman College
Furze Platt Senior School
Future Academies
Future Schools Trust
Gainford C of E Primary School
Garstang Community Academy
Gatehouse Green Learning Trust
George Abbot School
George Mitchell School
Gilbert Inglefield Academy
Gillotts School
GLF Schools
GLF Schools
Glyne Gap School
Goddard Park Community Primary School
Goldington Green Academy

Great Heights Academy Trust
Great Linford Primary School
Great Marlow School
Gumley House Convent School for Girls
Hadrian Learning Trust
Haybrook College Trust
Hayes School
Hayes School
Hazelwick School
HCAT (Academy Trust)
Herts and Essex Academy Trust
Higham Lane School
Highfield Ely Academy
Highwood Primary School
Hillborough Junior School
Hillyfield Academy
Hinchley Wood Learning Partnership
HISP Multi Academy Trust
Hodgson Academy
Hoe Valley School
Holly Grove School
Holy Redeemer
Holy Trinity Primary Academy
Homewood School & Sixth Form Centre
Hook with Warsash C of E Academy
Horncastle Education Trust
Hull Collaborative Academy Trust
Hutton All Saints' C of E Primary Trust
Isle Education Trust
Impact Education MAT
Inclusive Education Trust
Inclusive Schools Trust
insignis academy trust
Inspira Academy Trust
Inspire Learning Partnership
Interaction & Communication Academy Trust
Iqra Slough Islamic Primary School
Irchester Community Primary School
Ivybridge Primary School
Katherine Warrington School
Kenilworth Multi Academy Trust
Kennet School Academies Trust
King Edward VI School
King Edward VI School Lichfield
King Edward VI Schools in Birmingham
Kings Langley School
Kingsmead School
Kirkby la Thorpe CofE Primary Academy
Knightsfield School
KTS Academy

LB Barking & Dagenham
Leading Learners Multi Academy Trust
Learning Community Trust
Leger Education Trust
Leigh Academy Trust
Lighthouse School
Lion Academy Trust
Liverpool Diocesan Schools Trust
Long Bennington Church of England Academy
Loughton School
Lumen Learning Trust
Maiden Erlegh Trust
Manchester Secondary Pupil Referral Unit
Manor Hall Academy Trust
Manor Oak Primary School
Mater Christi Multi Academy Trust
Matravers School
Mayespark Primary School
Micklehurst All Saints Ce Primary School
Mill Ford Special School
Mosaic Multi Academy Trust / Standish Community High School
MVW Academy
Neston High School
NET Academies Trust
New Bridge Multi Academy Trust
New Waltham Primary Academy
Newbury Academy Trust
Nexus Education Schools Trust
North West Academies Trust
Notre Dame High School
Nurture Academies Trust
Oak Learning Partnership
Oakfield Academy
Orchard Academy Trust
Our Community Multi Academy Trust
Our Lady & St. Edward's Catholic Primary
Our Lady of Grace Catholic Academy Trust
Our Lady of Lourdes Catholic Primary Academy
Our Lady Queen of Peace Catholic Engineering College
Outwood Grange Academies Trust
Oxfordshire Schools Forum
Palgrave Church of England Primary School
Park High School
Parkstone Grammar School
Pate's Grammar School
Pathfinder MAT
Peterborough Diocese Education Trust
Prime7 MAT
Prince Avenue Academy
Priory Fields School

Priory School
Prosper Learning Trust
Puss Bank School & Nursery
Pyrford C of E Primary School
Quantock Education Trust
Queen Elizabeth's Grammar School
Queensbury Academy part of Anthem Trust
Queensmead School
Raleigh Learning Trust
Ralph Allen School
Range High School
Rawlins Academy
Reading School
Red Kite Learning Trust
Regency High School
Richard Huish Trust
Rickley Park Primary School
Ridgeway Secondary School
Ringwood School
River Tyne Academy
Rainham Mark Education Trust
Rocklands School
Rookery School
Russell Education Trust
Ryedale Learning Trust
Ryhope Infant School Academy
Ryvers School
SABRES Educational Trust
Salesian School
Salterlee Academy Trust Ltd
Sandford Hill Primary
Sapientia Education Trust
Slough and East Berkshire Church of England Multi-Academy Trust
Southend East Community Academy Trust
Special Educational Needs and Disabilities Academies Trust
Special Educational Needs and Disabilities Academies Trust
SHINE Multi Academy Trust
Shires MAT
Sir Robert Pattinson Academy
South Pennine Academies
Southampton City Council
Southend High School for Boys
Southerly Point Co-operative MAT
Southport learning trust
Springhead Primary
St Andrew's CE Primary School
St Anne's C.E. Primary School
St Augustine's Catholic School
St Bede's and St Joseph's Catholic College
St Bernard's High School

St Francis and St Clare Multi Academy Company
St Gregory's Catholic College
St James The Great Roman Catholic Primary and Nursery School
St Laurence Academy trust
St Luke's C of E School
St Marie's Catholic Primary
St Mary's CE Primary School
St Paul's Catholic College
St Peters C E Primary School
St Teresa's Catholic Primary School
St Therese of Lisieux CMAT
St Thomas Catholic Academies Trust
St. Michaels C of E Academy
Stanborough School
Stephenson (MK) Trust
Strand on the Green Junior School
Summit Learning Trust
Swift Academies
Synergy Multi Academy Trust
Synergy Multi Academy Trust
TEACH Poole
TEAM Multi Academy Trust
Ted Wragg Multi Academy Trust
Tees Valley Education
Tewkesbury School
The 3-18 Education Trust
The Academy of Central Bedfordshire
The Active Learning Trust
The Alliance Multi-Academy Trust
The Alton School
The Ascent Academies' Trust
The Beckmead Trust
The Bridge Academy
The British Insurance Brokers' Association (BIBA)
The Canterbury Academy
The Castle Partnership Trust
The Cavendish High Academy
The CE Academy
The Chantry School
The Childrens Hospital School Leicester
The Circle Trust
The Collegiate Trust
The Colleton Primary School
The Compass Partnership of Schools
The Consortium Academy Trust
The Constellation Trust
The CSIA Trust
The David Ross Education Trust
The David Ross Education Trust
The Dean Trust

The Exceptional Education Trust
The Heath Family (North West)
The Heights Free School
The Hill Trust
The Hoddesdon School Trust
The Howard Academy Trust
The Island Free School
The King Edmund School
The King's School
The Kingston Academy
The Kirkstead Education Trust
The Laurus Trust
The Marlborough Science Academy
The Marsh Academy
The Mead Academy Trust
The Minerva Learning Trust (Dorset)
The Moorlands Primary Federation
The Newman Catholic Collegiate
The North West Academies Trust
The Olympus Academy Trust
The Olympus Academy Trust
The Partnership Trust
The Partnership Trust
The Pathway Academy Trust
The Pegasus Partnership Trust
The Pennine Trust
The Piggott School
The Pilgrim Multi Academy Trust
The Pioneer Academy
The Primary First Trust
The Priory School
The Reach Free School
The Reach Free School Trust
The Robert Carre Trust
The Romero Catholic Academy
The Royal Latin School
The Russett School
The SABDEN Multi-Academy Trust
The Schelwood Trust
The Schools of King Edward VI in Birmingham
The Sigma Trust
The Sovereign Trust
The Sovereign Trust
The Special Partnership Trust
The St Marylebone Church of England School
The Stour Academy Trust
The Tapscott Learning Trust
The Thomas Adams School (part of The 3-18 Education Trust)
The Tiffin Girls' School
The University of Brighton Academies Trust (The St Leonards Academy)

The Ursuline Academy Ilford
The Urswick School
The Wells Free School
The Westwood Academy (KMAT)
Theale C of E Primary School
Thinking Schools Academy Trust
Thomas Mills High School
Three Ways School
Thurstable School
Tilian Partnership
Tilian Partnership
Timu Academy Trust
Tolworth Girls School
Tolworth Girls School & 6th Form
Torfield and Saxon Mount Academy Trust
Trinity Academy Newcastle Trust
Trinity High School
Trust in Learning (Academies)
Tudor Grange Academies Trust
Tudor Park Education Trust
Two Counties Trust
Tyne Coast Academy Trust
Uffculme School
United Endeavour Trust
Valley Gardens Middle School
Ventrus
Voyage Education Partnership
Vyners School
Waddesdon Church of England School
Wales High School Academy Trust
Watergrove Trust
Waynflete Infants' School
Wellspring Academy Trust
Wessex Learning Trust
Wessex Multi Academy Trust
Westerton Primary Academy
Weston Primary School
Weydon MAT
Weydon Multi Academy Trust
Whitehill Primary School
Whitstone School Academy Trust
Wildern School
Willenhall Community Primary School
William Austin Junior School
Wimbledon College
Wimborne Academy Trust
Winchmore School
Windsor Academy Trust
Windsor Learning Partnership/The Windsor Boys' School
Winterslow Primary School

Wolverton Primary School
Woodbridge High School
Wroughton Junior School
Wyvern Academy
Xavier Catholic Education Trust
Zenith Multi Academy Trust
Zurich

Please note: Duplicate entries signify two responses received from an organisation

Annex B: Copy of all consultation questions

Preliminary Questions

1. What is your name? (Where you wish to remain anonymous, please leave blank)
2. What is your email address?

If you enter your email address, then you will automatically receive an acknowledgement email when you submit your response.

3. Are you responding as an individual or as part of an organisation?
 - a. Individual
 - b. Part of an organisation
4. What is the name of your organisation (if applicable)?
5. What type of organisation is this (if applicable)?
 - a. Mainstream local authority-maintained school
 - b. Special local authority-maintained school
 - c. Academy or free school
 - d. Multi-academy trust
 - e. Independent school
 - f. Independent special school
 - g. Non-maintained special school
 - h. Sector organisation
 - i. Charity
 - j. Local Authority
 - k. Commercial Insurance Provider
 - l. Insurance Body/Organisation
 - m. Other – Please provide organisation details
6. What is your role (the capacity to which your response relates)?
 - a. Governor
 - b. Multi-academy trust member
 - c. Headteacher/ Principal Teacher
 - d. Parent
 - e. Local authority councillor
 - f. Local authority finance officer
 - g. School Business Professional
 - h. Insurance Company Employee
 - i. Industry Expert
 - j. Other – Please provide role details
7. Which local authority are you responding from? (Where applicable)
8. Should we need additional information, are you happy to be contacted directly about your response?
 - a. Yes
 - b. No
9. Do you wish for your response to remain anonymous?

- a. Yes
- b. No

Questions on the consultation

(Please use the comments box to give more details for each question where relevant)

10. To what degree do you agree with the following statement 'The proposed RPA Motor cover run by the DFE would have a positive impact on my organisation directly or indirectly'. Please let us know what the impact would be.

- A. Strongly agree
- B. Agree
- C. Neither agree nor disagree
- D. Disagree
- E. Strongly disagree

Comments

11. In principle, do you or your organisation support the proposed introduction of RPA Motor cover for member schools?

- A. Yes
- B. No
- C. Unsure

Comments:

12. Have you any comments on what the Department should take into consideration regarding the provision of Motor cover to RPA member schools?

a. Comments:

13. Have you any comments on the proposed categorisation of school vehicles to be covered by the RPA?

a. Comments:

14. Have you any comments on the proposed operation of the RPA Motor cover?

a. Comments

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