

## **Information Note for LegCo Panel on Education**

### **Block Insurance Policy for Aided and Caput Schools for the 2003/04 and 2004/05 School Years**

#### **Purpose**

This paper briefs Members on the Block Insurance Policy (BIP) taken out by the Government for aided and caput schools for the 2003/04 and 2004/05 school years.

#### **Background**

2. At present, the BIP covers about 1 200 aided and caput schools, about 62 000 teaching and non-teaching staff and about 870 000 students. It is taken out by the Government for aided and caput schools against risks of public liability, Employees' Compensation and group personal accidents<sup>Note</sup>. Aided schools before full conversion into schools under the Direct Subsidy Scheme have also been included in the BIP with effect from 1 September 2003.

#### **BIP Arrangements for the 2003/04 and 2004/05 School Years**

3. In order to attract tender bids for the BIP starting from 1 September 2003, we conducted market survey, collected views from the insurance market, arranged a tender briefing to potential insurers, promoted safety and risk management in schools through seminars and issue of related safety guidelines with a view to reducing possible claims records. We also adopted a flexible strategy in the tendering exercise for the new BIP by setting the essential features as mandatory requirements and the nice-to-have items as optional top-ups.

4. As a result, five insurance companies submitted BIP tender bids in April 2003. A two-year contract with a new BIP insurer for the 2003/04 and

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<sup>Note</sup> With effect from 1 June 1998, government school students have also been included under the group personal accident insurance section of the BIP.

2004/05 school years was signed at the end of July 2003. The new BIP incurs a lower premium with the same limits of indemnity for public liabilities (up to \$100 million per any one occurrence), employees' compensation (up to \$100 million per any one event for each insured school) and group personal accidents (being accidental death and disablement benefit to students and up to \$100,000 per student). It also includes a wider coverage, viz. legal liability and third party claims in respect of (i) impairment of any person's mental condition caused by anguish, shock or trauma, and (ii) impairment of a student's mental condition arising from counselling activities conducted by professional counsellors.

5. We conducted regional briefing sessions for schools on 10 and 11 September 2003 to brief them on the details of the new BIP. The insurer has also issued a Notice and a Certificate of Insurance to individual schools informing them of the details. Generally speaking, the BIP arrangements for the coming two years are well received by the schools concerned.

### **Related Tasks**

6. We will continue to promote safety and risk management in schools and review regularly the BIP coverage for new contracts for subsequent years in the light of experience and changing circumstances. To address the fundamental issue of school safety, we will work closely with the new insurer, our BIP consultant and other relevant departments to take a proactive approach in creating a safe school environment.

Education and Manpower Bureau  
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