

**TAVISTOCK TOWN COUNCIL  
BUDGET & POLICY COMMITTEE  
13<sup>th</sup> MARCH, 2018  
COUNCIL INSURANCE**

**1. PURPOSE OF REPORT**

To provide an update in relation to arrangements in respect of the Council's insurance and to seek the views of the Committee on the way forward.

**2. CORPORATE POLICY CONSIDERATIONS**

The Tavistock Town Council's Strategic Plan 2017-2021 includes specific reference to a commitment to best value (Ec 1.3) and the operation of the Council is underpinned by the principles of prudent financial management and the effective management of risk.

**3. LEGAL RISK MANAGEMENT ISSUES**

The Council is under statutory and other duties to maintain appropriate levels of insurance cover which also assist in the mitigation and management of risk.

**4. RESOURCE ISSUES**

The resource issues are as set out in this report and the accompanying confidential appendix. The current cost of Council insurance is listed in the phased budget monitoring report routinely submitted to Council.

**5. COMMUNICATIONS ISSUES**

There are no significant communications issues associated with this report.

**6. RECOMMENDATIONS**

That the Committee

- a) Review, receive and endorse as appropriate a schedule outlining existing levels of cover (confidential document enclosed (appendix 1 refers)) and proposed to form the basis for future arrangements;
- b) nominate a Councillor to attend the opening of Tenders for the provision of Insurance Services to the Council (Note – a copy of

- the tender documents is available for inspection by Members, by appointment, at the Council offices);
- c) recommend that Council, at its March Meeting, consider and determine the submitted tender prices on the basis outlined..

## **1. BACKGROUND**

- 1.1 There are various areas which a Council should keep under review in the way in which it manages its insurance needs, including, in particular:-
- Liabilities – third party/employer’s liability;
  - Property – all risks/fire & perils/theft/impact damage;
  - Fidelity guarantee;
  - Money;
  - Personal accident;
  - Libel & slander;
  - Motor vehicles.

## **2. CURRENT SITUATION**

- 2.1 The Council currently is insured by Aviva through a sector specific broker (WPS) under an agreement which is scheduled to conclude on 31<sup>st</sup> March 2018.
- 2.2 A summary copy of current levels of cover is available for inspection by Councillors at the Council offices together with the documentation which has been issued to prospective providers. Providers have also been requested to indicate any areas where they might recommend revised/different levels of cover and why.
- 2.3 Because the local Council insurance sector is specialist in nature a blended approach is being proposed. Namely, seeking tenders from the main market providers:
- a) Zurich (the Council has previously been insured through Zurich);
  - b) BHIB Brokers – a new provider but who now are the delivery arm for Aviva (current insurers)
  - c) WPS Brokers (an established local Council provider and current broker who are anticipated to offer a policy through Royal Sun Alliance).
- 2.4 These options cover off the main providers in the sector which represents a specialist service for the purposes of Council

financial guidelines. When an award has been made by Council it will be published on the government contract portal.

**3. COMMENTARY**

3.1 The approach outlined above gives coverage of the main and proven specialist sector providers and affords the opportunity to test the market for insurance services.

3.2 The policy term being sought is 3 years with a facility to extend by up to another two and the instructions of the Committee are sought.

**CARL HEARN  
TOWN CLERK  
MARCH 2018**