

## Officer Non-Key Executive Decision

<b>Relevant Chief Officer (Decision Maker):</b>	Steve Thompson, Director of Resources
<b>Relevant Cabinet Member (for consultation purposes):</b>	Councillor Lynn Williams, Leader of the Council
<b>Report Author (Officer name and title):</b>	Tracy Greenhalgh, Head of Audit and Risk
<b>Implementation Date of Decision:</b>	3 April 2024

### Insurance Procurement Exercise

#### 1.0 Purpose of the report:

- 1.1 On the 21<sup>st</sup> January 2024 the Executive approved the placement of the four main lots of insurance. As noted in the decision there are a number of additional policies which are more specific in nature and therefore have been through a quotation exercise. Delegation was granted to the Director of Resources to authorise these smaller policies through an Officer Non-Key Decision.

#### 2.0 Recommendation(s):

- 2.1 To approve the placement of the remaining insurance covers for 2024/25.

#### 3.0 Reasons for recommendation(s):

- 3.1 To ensure that the Council and its companies have robust insurance arrangements in place which offers value for money.

- 3.2 Is the recommendation contrary to a plan or strategy adopted or approved by the Council?

No.

- 3.3 Is the recommendation in accordance with the Council's approved budget?

Yes.

#### 4.0 Council Priority:

- 4.1 The relevant Council Priority is;

- “The Economy: Maximising growth and opportunity across Blackpool.”
- “Creating Stronger Communities and Increasing Resilience”

## 5.0 Background Information

5.1 The Council’s Risk and Resilience Team and Marsh Insurance Broker have carried out a quotation exercise on specialist covers for the Council and its wholly owned companies which fall outside the main tender categories of casualty, property, motor and engineering.

5.2 A summary of the outcome of the exercise is captured in the following table which shows the premium costs but excludes insurance premium tax (12%). Where appropriate costs are recharged back to the wholly owned companies.

Area	Current Cost	New Cost	Variance
Directors and Officers	£15,739.68	£ 16,165	+ £426.00
Fine Art	£8,904.14	£8,000.00	- £904.14
Cyber	£82,744.53	£78,820	- £3,924.53
Marine	£3,260.54	£3,423.56	+ £163.02
Personal Accident / Travel	£5159.00	£4,807.65	- £351.35
Legal Expenses (BECL)	£3,431.50	£3,774.68	+£343.18
Aviation	£58,800.00	£50,000.00	- £8,800
Contact Works / Contractor Plant	£1,410.17	£1,438.29	+ £28.12
Terrorism  (Premium increase due to new buildings being added).	£61,112.85	£69,959.90	+ £8,847.05
Medical Malpractice	£8,348.39	£7,325.00	- £1,023.39
Engineering Business Interruption	£4,257.17	£4,000.00	- £257.17
Specialist Property  (Premium increase due to new buildings being added).	£168,829.37	£261,513.75	+ £92,684.38

5.3 Does the information submitted include any exempt information?

No.

## 6.0 Legal considerations:

6.1 Procurement legislation has been adhered to throughout the process. The insurance

procured through the exercise will ensure that the Council meets its legal requirements for the provision of cover.

**7.0 Human Resources considerations:**

7.1 Employer liability insurance was procured as part of the wider tender exercise.

**8.0 Equalities considerations:**

8.1 Throughout the procurement and decision process the Council has reflected on key aspects of the exercise that could affect people differently because of shared protected characteristics as defined in the Equality Act.

Officers are confident that the insurance programme has been designed to help anyone who requires access to insurance provision and does not discriminate or adversely impact protected groups in any way.

**9.0 Financial considerations:**

9.1 Work is ongoing to determine how the insurance premiums and contributions to the self-insurance fund will be recouped across the Council and the wholly-owned companies. Estimates have been provided and these will be confirmed on receipt of the invoices for the various covers during April.

**10.0 Risk management considerations:**

10.1 As part of the project the Council's risk appetite has been reviewed and, where appropriate, provision for self-insurance has been made based on a risk assessed approach. This was determined via a detailed analysis of the claims experience, and the level of self-insurance provision will be subject to annual review.

A Risk Management Framework is in place at the Council which includes a Corporate Risk Management Group, supported by Departmental and Thematic Risk Management Groups, the objective of which is to help the Council manage its risks and reduce the impact of insurance claims.

Appropriate due diligence has been undertaken to ensure that the successful bidders are reputable companies who are able to deliver what they have committed to as part of the tender process.

**11.0 Ethical considerations:**

11.1 Social value has been considered, where appropriate, as part of the exercise.

**12.0 Internal / External Consultation undertaken:**

12.1 Key Council services and companies were engaged with as part of the preparation for the tender process.

A core project group was established which held weekly project meetings, and key stakeholders who wanted to discuss issues in more detail were invited to attend as and when required.

**13.0 Decision of Chief Officer**

13.1 To approve the placement of the specialist insurance covers for the new financial year.

**14.0 Reasons for the Decision of the Chief Officer**

14.1 To ensure that key risks across the Council and wholly owned companies have adequate insurance arrangements in place.