

TOSTOCK PARISH COUNCIL INSURANCE 2024-2025

A report by the Clerk

Current Situation

The current insurance is with Business Services at CAS (Community Action Suffolk) Ltd. The cost for 2023-2024 was £424.28. Insurance for the ride-on mower was previously subject to a separate policy costing £120.20 (paid in 2023-2024) but when that policy expired it was (from 4 April), with the approval of the Budget Working Party, added to the overall policy as it seemed sensible for all Council assets be insured with the same company. To bring it into line, it was only added for six months so that the renewal of policy for all assets became due on 4 October this year. The overall insurance costs for 2023-2024 was £668.27.

2024-2025 Insurance Review

Four companies/brokers, in addition to the current Council provider, were approached for quotes. Each stated a specialism in insurance for parish councils/local authorities:

- ◆ CAS Ltd
- ◆ Clear Councils Insurance
- ◆ Forum Insurance
- ◆ James Hallam Ltd
- ◆ Zurich Municipal

Clear Councils Insurance: quoted £577.20 (or £569.05 should the Council commit to a three-year deal). This excluded the mower for which a separate quote was received of £223.02. These prices seemed competitive and, as councillors are aware, the mower insurance was subsequently taken up in response to particular circumstances.

Forum Insurance: Charlie Gates, the company representative, suggested that the Council price from 2023-2024 was 'keen' and might be difficult to better. This is how it proved. The quotation, when received, was £1,332.69.

James Hallam Ltd: the company's local authority insurance specialist, looked at the Council situation and declined to quote. In his response he said that for councils the size of Tostock, "...our Aviva policy isn't suitable (too expensive) so we tend to send referrals over to Community Action Suffolk who I see you currently use." Regarding the mower, his advice regarding the present policy was that, "...it's probably in the best place being under the combined policy."

Zurich Municipal: offered an online insurance package for small councils at a cost of £300.00. This looked to have potential as it covered everything the Council needed including substantially increasing the Fidelity Guarantee - this being an outstanding internal audit recommendation. It provided £34,000.00 cover for Council assets. However, regrettably, it would not offer cover for the mower having to go on the public highway - for which a separate policy would be required. As the mower could not be added to the standard package an overall bespoke quote would need to be arranged which, I was advised, would be likely to substantially exceed last year's insurance cost. Accordingly, I put the tailored quote 'on hold' pending receipt of figures from other possible providers.

CAS Ltd: was unable to offer a quote at the outset of the review as it maintained that the quote could not be provided more than 30 days ahead of the renewal date. However, when I said that, as a current customer, the Council needed a figure before that, it did actually materialise in a timely fashion - at £752.48 including the mower. This was significantly more than last year.

I went back with some queries plus I updated incorrect Council information which had applied to our current policy. In particular, I was able to resolve the outstanding query over whether or not we were covering the Village Hall. Confirming that the Village Hall was not included, plus acting on the other amendments, a revised quote came back of £644.52.

At that point, the mower position was still unclear. After it was clarified (i.e. the insurance did not provide for the mower on a public highway), as councillors will be aware, I took action to take out the specific insurance with Clear Councils for the mower alone. As that was comprehensive cover, I then returned to CAS Ltd as there was no need for the mower to be included in the figure offered by CAS Ltd. This then resulted in an amended and significantly reduced quote of £500.51.

Recommendation

The insurance market for parish councils/local authorities has been properly tested. Interestingly, even at the outset, the representatives from both Forum Insurance and James Hallam Ltd suggested that the 2023-2024 insurance provider for the Council offered a very competitive and keen price which would, potentially, be unbeatable again.

Taking all of the above into account, I would now recommend staying with CAS Ltd - not only because this provider is the least expensive but because it is both local and known to us and, especially, because the policy and schedule it offers have been amended to take account of the concerns we had previously. It is now more specific to the Tostock Parish Council situation. It should also be emphasised that the Fidelity Guarantee has been increased from £25,000.00 to £100,000.00 - the outstanding recommendation from the 2023-2024 audit.