



## Officer Decision Record

### 1. Subject and details of the matter (to include reasons for the decision)

The Council's current Microsoft Enterprise Agreement (EA) expires on the 31<sup>st</sup> December 2018. The plan is to procure the replacement by running a further competition under the Crown Commercial Service Technology Products 2 Framework (RM3733) as this offers significant savings compared to undertaking a full EU procurement. The framework also offers terms and conditions which all providers on the framework have agreed to, which will save time at award stage. The framework ends on the 30<sup>th</sup> October 2018, so the award of the contract must be made before this date.

The recommendations of this report will allow for the re-procurement to be commenced for Microsoft EA. This will allow time to undertake the procurement and award the new contract before the CCS Framework expires. The next available Cabinet date (26<sup>th</sup> September) does not allow us to complete the procurement within the current contract time-scales.

Failure to ensure the Council maintains a licensed Microsoft EA could result in a situation where key infrastructure technologies are unsupportable and insecure. Any inability to allow collaboration within systems could result in system unavailability, leading to the Council being unable to deliver key front line services and statutory requirements. The Council would also be at risk of failure to comply with security requirements from central government, leading to unstable or at worst unavailable connectivity to central government departments and the Public Services Network. This will cause reputational damage to the Council.

### 2. Is it a Key Decision as defined in the Constitution?

Yes, the whole life expenditure exceeds £350K which means it is a key decision as defined in the Constitution (CPRs)

### 3. Details of Decision

The Council must ensure we remain in a Microsoft EA. This ensures we keep utilising the IT infrastructure, remain up to date and are able to apply the latest security patches, the Public Services Network Code of Connection (PSN CoCo) criteria as well as remaining compliant with our Microsoft license usage.

This reports seeks approval to commence the re-procurement of the Microsoft EA and retrospectively take a report to Cabinet on the 26<sup>th</sup> September 2018 to update them on the commencement of the procurement, and seek delegation of award to the Director of Finance, Resources and Operations.

**4. Is it an Urgent Decision? If yes, specify the reasons for urgency**

**Urgent decisions will require sign off by the relevant scrutiny chair(s) as not subject to call in.**

Yes, the next available Cabinet date is the 26<sup>th</sup> September which means we will not be able to complete the procurement exercise and award the new contract before the CCS Framework expires.

**5. Anticipated outcome(s)**

Award of a new Microsoft EA which can be implemented in December 2018 in line with the expiration of the current contract.

**6. Details of any alternative options considered and rejected by the officer when making the decision**

Do nothing - this option is considered not a viable option as it is necessary to remain in-license with our Microsoft EA. Our EA enables the council to update and maintain the ICT software and server infrastructure. The Council would lose the use of ICT and cease to operate as a modern functioning council if it did not take action in response to the ceasing of the current support.

Replace the estate with an alternative products and infrastructure sets, E.g. Google Cloud Platform and G Suite, Amazon Web Services (AWS) etc. - There are alternative solutions to Microsoft technology, such as Google and Apple for Business, although the cost of change is likely to be prohibitive. And the time required to make the change to another solution is likely to take several years

Undertake a full EU Procurement – this option is not considered to offer the same discounts as are available via the CCS Framework. It would also require significant Legal support to develop the terms and conditions.

**7. Background documents considered:**

Current Microsoft EA

**8. Does the taking of the decision include consideration of Exempt information?  
If yes, specify the relevant paragraph of Schedule 12A and the reasons**

No

**9. Details of any conflict of interest declared by any Cabinet Member who was consulted by the officer which relates to the decision (in respect of any declared conflict of interest, please provide a note of dispensation granted by the Council's Chief Executive)**

**10. Monitoring Officer Comments**  
(Monitoring Officer or Deputy Monitoring Officer)

The approach recommended is a framework contract which has the benefits of approved suppliers already meeting certain benchmarks and flagging agreement in advance to appropriate terms and conditions. Further, the Council may achieve better terms by combining its volume with the other public bodies also taking part. There are further advantages of assurance in that any such framework by necessity must be compliant with Public Contracts Regulations 2015. A framework approach is considered good practice and comes with its own efficiencies.

**11. Section 151 Officer Comments**  
(Deputy S151 Officer or nominee)

The cost of renewing the Microsoft Enterprise Agreement is expected to be met from current ICT revenue budgets.

**12. Human Resource Comments**  
(Strategic Workforce Lead or nominee)


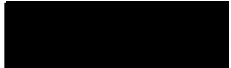
There are no direct human resource implications arising from the contents of this report although staff will need to be engaged in the roll-out process and training/guidance offered where required.

**13. Risk Assessment (in accordance with the Report Writing Guide)**

Failure to ensure the Council maintains Microsoft EA could result in a situation where key infrastructure technologies are vulnerable. The Council would also be at risk of failure to comply with licensing requirements from Microsoft and security requirements from central government, leading to unstable or at worst unavailable connectivity to central government departments and the PSN CoCo.

If we do not renew our Microsoft EA we will have to cease the use of our Microsoft licensed infrastructure estate. This means that the Council would not be able to use IT to deliver its statutory duties.

An outcome from the procurement exercise could lead to opportunities that would future proof the ICT infrastructure and estate by embracing the potential benefits of Microsoft Cloud Technologies that could deliver via the Microsoft Azure platform. This would enable greater options for place-based working, allowing federation to partners like the CCG, Police and NHS and could allow for increased transparency of service delivery and data, whilst still ensuring security and GDPR.

<p><b>14. Decision maker(s)</b></p>	<p>Name: SHARON WROOT</p> <p>Title: DIRECTOR OF FINANCE, RESOURCES &amp; OPERATIONS</p> <p>Signed: </p> <p>Dated: 16/8/18</p>
<p><b>15. Consultation carried out with Portfolio Holder(s):</b></p>	<p>Name: DAVID WATSON</p> <p>Title: PORTFOLIO HOLDER FOR FINANCE</p> <p> 20/8/18</p> <p>Signed and Dated</p>
<p><b>16. If the decision is urgent then consultation should be carried out with the relevant Scrutiny Chair/Mayor/Deputy Mayor</b></p>	<p>Name:</p> <p>Title:</p> <p>_____</p> <p>Signed and Dated</p>





## Officer Decision Record

<b>1. Subject and details of the matter</b>
Housing Act 2004 – Licensing of Housing in Multiple Occupation – Review of fees
<b>2. Is it a Key Decision as defined in the Constitution?</b>
No
<b>3. Details of Decision</b>
<p>Part 2 of the Housing Act 2004 introduces requirements for the mandatory licensing of larger Houses in Multiple Occupation (HMO's). Cabinet agreed the current fee structure for the licensing of Houses in Multiple Occupation on the 23<sup>rd</sup> July 2007. It is necessary to amend the fee structure in order to take into account increased administration costs. Local Authorities are able to set their own level for licence applications however; the fees should reflect the actual cost of administering the scheme.</p> <p>A recent case concerning R (Gaskin) v Richmond-upon-Thames LBC (2018) EWHC 1996 (Admin) recommends that licensing fees must be charged in two stages.</p> <p>To comply with recent changes, the Council will charge an initial fee of £150 (non-refundable), which will be charged on commencement of a licence application. This will cover the costs of obtaining authorisation under the scheme. The remaining fee of £325 will be payable on completion of a successful application to cover costs of administration. The Council will only provide a full licence upon receipt of full payment from £475 together with any enhancement based upon additional occupiers as set out at Option 3 below.</p>
<b>4. Is it an Urgent Decision? If yes, specify the reasons for urgency</b>
<p>The legislation governing the licencing of HMO's is due to be modified in October 2018. This is expected to extend the scope of licencing from properties comprising, three storeys and five or more tenants to any house of multiple occupancy with five or more tenants. This change in legislation will increase the number of mandatory licensed HMO's from twelve to around one hundred and fifty. Failure to increase the fee will see the Council subsidising the cost of the license.</p>

The Economy Scrutiny Panel have already approved the document. See attached minutes.

#### 5. Anticipated outcome(s)

The outcome of the decision will increase the fee for each licence application and will enable the Council to cover administrative costs.

#### 6. Details of any alternative options considered and rejected by the officer when making the decision

##### **Option 1- To do nothing;**

The Council is not covering the true costs involved in issuing and administering HMO Licenses.

##### **Option 2 – To introduce a flat fee**

To charge a single fee for any size of HMO. The mandatory licence fee of £475 is for a 5-year licence, with an upfront fee of £150, the remaining £325 payable on completion of a successful application. A flat fee will not cover the true cost of much larger applications.

##### **Option 3 – To introduce a sliding scale – Recommended Option**

To charge a sliding scale of fees from £475 (covering premises of up to 6 persons maximum permitted occupancy) plus an additional fee of £50 for each additional person for each additional person (up to maximum permitted occupancy)

This proposed fee structure linked to property size takes into consideration additional time taken to prepare the licence.

For each application, the Council will take an upfront fee of £150. The remaining fee will be payable on completion of a successful licence application.

Basic licence fee (covering premises of up to 6 persons maximum permitted occupancy)	£475
For each additional person (maximum permitted occupancy)	£50
Basic License Renewal ( up to 6 persons)	£400
Renewal charge for each additional person	£50
Variation to a licence	£100
Replacement licence	£100
Issue of first Temporary Exemption Notice	£250
Issue of second Temporary Exemption Notice	£100

#### 7. Background documents considered:

The proposal was submitted to Economy Scrutiny Panel on the 6 March 2018. The

proposal was approved. Minutes of the meeting are attached.

**8. Does the taking of the decision include consideration of Exempt information?  
If yes, specify the relevant paragraph of Schedule 12A and the reasons**

No

**9. Details of any conflict of interest declared by any Cabinet Member who was consulted by the officer which relates to the decision (in respect of any declared conflict of interest, please provide a note of dispensation granted by the Council's Chief Executive)**

None

**10. Monitoring Officer Comments**  
*(Monitoring Officer or Deputy Monitoring Officer)*

The Director for Finance, Resources and Operations has delegated responsibility to exercise all functions of the Council in respect of Environmental Health and Licensing Authority functions and responsibilities. Further, to determine all property related licences and Community Safety functions.

Each Portfolio Holder for his/her remit has power to approve modifications to existing policies even if they have a borough wide application.

Therefore, it is appropriate for the Director for Finance, Operations and Resources to consult with the Portfolio Holder for Regeneration, Housing and Skills as his remit covers all aspects of Housing and also the Portfolio Holder for Safer and Stronger Communities whose remit includes Licensing, Trading Standards and Public Protection together with Environmental Health and Community Protection.

**11. Section 151 Officer Comments**  
*(Deputy S151 Officer or nominee)*

The proposed fee increase is intended to remove financial subsidy from the licensing of HMOs such that landlords bear the full costs of the scheme. It is advised that fee levels are reviewed regularly in line with the annual fees and charges policy to ensure that costs are being met.

**12. Human Resource Comments**  
*(Strategic Workforce Lead or nominee)*

There is no immediate impact on resource.



**13. Risk Assessment (in accordance with the Report Writing Guide)**

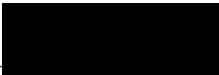
Risks Associated with this decision;

- High Risk - The Council will continue to subsidise the administration of the HMO licensing scheme if the decision is not approved.
- Medium Risk – There is no recording of the number of HMO's in the borough and how many tenants they accommodate. The future demand on the service is unknown at this stage.
- Low Risk – Landlords will successfully challenge the cost of a license. The risk of landlords successfully seeking a judicial review and challenging the cost of a license is low. The proposed cost is calculated by reviewing each task, time taken and actual hourly employee rate. The proposal is competitive with other local authorities.

**14. Decision maker(s)**

Name: Sharon Wroot

Title: Director of Finance, Resources & Operations

Signed: 

Dated: 3/9/18

**15. Consultation carried out with Portfolio Holder(s):**

Name: Cllr. P Wheatley

Title: Portfolio Holder for Regeneration, Housing and Skills

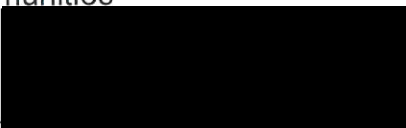


4.9.2018

Signed and Dated

Name: Cllr. D Bolton

Title: Portfolio Holder for Safer and Stronger Communities



4.9.18

Signed and Dated

**16. If the decision is urgent then consultation should be carried out with the relevant Scrutiny Chair/Mayor/Deputy Mayor**

Name:

Title:

Signed and Dated

### Calculation to evidence the true cost of delivering a HMO Licence

Each task has been assessed based on the anticipated time to complete the task x hourly rate.

The hourly rates are actual officer rates as follow;

#### Hourly Charges

Technical Assistance - £14.74

Housing Renewal Officer - £18.77

Manager - £22.12

#### New Application

	Action	Technical Assistant time (hrs)	Housing Renewal Officer time (hrs)	Mgt time (hrs)
1	Enquiry received and service request entered on computer system and information pack sent out, general acknowledgement letter and send to applicant, enter details from application form onto computer.	1.0		
2	Check application valid e.g. all compulsory questions completed and correct fee included.	0.5		
3	Return application form for completion of missing details and chase up missing information including writing and sending appropriate letters / telephone calls etc.	0.5		
4	Check all particulars entered on computer premises record correctly. Examine gas safety and other certificates submitted with licence for validity and consider application. Scan all supporting evidence onto database.		3.0	
5	Carry out a fit and proper person check with other council services e.g. council tax, housing benefit and external agencies and link to property	0.5		
6	Visit property to check licence details and determine priority for inspection including travel time and preparing schedule of works		6.0	
7	Visit to check licence condition compliance including travel		3.0	
8	Prepare licence documents and certificates of service for all interested parties	1.0		
9	Check and sign licence documents, send to interested parties licence documents and consider representations, update records and serve licence documents.			2.0
10	Undertake annual review for duration of licence		8.0	
	Total Hours	3.5	20.0	2.0
	Staff Time Cost	£51.59	£375.40	£44.24
	Total Staff Time Cost			£471.23
	Stationery and Postage – Provisional sum			£3.50



	Cost of Searches (including Land Registry)			£3.00
	<b>Total Licence Fee</b>			<b>£477.73</b>
11	For each additional person (maximum permitted occupancy) including surveys, revisits	0.5hr	1.5hrs	0.5hr
	Staff Time Cost	£7.37	£28.15	£11.06
	Total Completed Cost			£46.58
12	Renewal charge for each additional person including surveys and revisits	0.5hr	1.5hrs	0.5hr
	Staff Time Cost	£7.37	£28.15	£11.06
	Total Completed Cost			£46.58
13	Variation to licence	2.0hrs	3.0hrs	1.0hr
	Staff Time Cost	£29.48	£56.31	£22.12
	Total Completed Cost			£107.91
14	Replacement licence	2.0hrs	3.0hrs	1.0hr
	Staff Time Cost	£29.48	£56.31	£22.12
	Total Completed Cost			£107.91
15	Issue of a first temporary exemption notice including legal support	2.0hrs	8.0hrs	3.0hrs
	Staff Time Cost	£29.48	£150.16	£66.36
	Total Completed Cost			£246.00
16	Issue of second temporary exemption notice	2.0hrs	3.0hrs	1.0hr
	Staff Time Cost	£29.48	£56.31	£22.12
	Total Completed Cost			£107.91



## Officer Decision Record

<b>1. Subject and details of the matter (to include reasons for the decision)</b>
Approval is sought to award the tender for the construction of Cress Marsh (West) Mitigation Site (a key infrastructure project within the South Humber Industrial Investment Programme, SHIIP) in accordance with the Cabinet decision DN.79 dated 14 December 2017.
<b>2. Is it a Key Decision as defined in the Constitution?</b>
Yes.
<b>3. Details of Decision</b>
<p>Pursuant to the Cabinet meeting 14 December 2017 where delegated authority was given to the Director of Economy &amp; Growth in conjunction with the Portfolio Holder for Regeneration, Assets, Skills and Housing to take all actions necessary to secure the continued implementation of the SHIIP programme.</p> <p>The Cress Marsh (West) Mitigation Site is a key part of the SHIIP and will play a key role in creating a "Stronger Economy". The project will reduce risk, in terms of time &amp; cost, for inward investment who wish to develop land allocated for development in the Local Plan on the South Humber Bank. This is achieved by providing mitigation areas for Special Protected Birds from the environmentally important Humber Estuary in advance of development. This approach has been established in the Local Plan under Policy 9, Habitat Mitigation – South Humber Bank.</p> <p>The tender has been prepared by ENGIE's Architectural Team. An open tender process was undertaken on YORtender with 3 bids being received. All tenders have been evaluated by ENGIE's Procurement, Project and Architectural Teams for both quality and price.</p>
<b>4. Is it an Urgent Decision? If yes, specify the reasons for urgency</b>
No.
<b>5. Anticipated outcome(s)</b>
<p>To proceed with the award of the construction contract for Cress Marsh (West) Mitigation Site.</p> <p>To issue award letters to the successful and unsuccessful tenders.</p>
<b>6. Details of any alternative options considered and rejected by the officer when making the decision</b>
N/A
<b>7. Background documents considered:</b>

Cabinet on 14 December 2017 approved the following:

DN.79 – (2) That authority be delegated to the Director of Economy and Growth, in conjunction with the Portfolio Holder for Regeneration, Assets, Skills and Housing, to take all actions necessary to secure the continued implementation of SHIP.

**8. Does the taking of the decision include consideration of Exempt information?  
If yes, specify the relevant paragraph of Schedule 12A and the reasons**

No.

**9. Details of any conflict of interest declared by any Cabinet Member who was consulted by the officer which relates to the decision (in respect of any declared conflict of interest, please provide a note of dispensation granted by the Council's Chief Executive)**

N/A

**10. Monitoring Officer Comments**  
(Monitoring Officer or Deputy Monitoring Officer)

The above decision follows an open procurement process with appropriate governance. The decision falls to the Director of Economy and Growth in consultation with the Portfolio Holder for Regeneration, Assets, Skills and Housing as mandated by Cabinet (DN.79). The anticipated decision is consistent with the stated aims of the Council and specifically the ambition of the SHIP program.

**11. Section 151 Officer Comments**  
(Deputy S151 Officer or nominee)

The tender is proposed to be awarded to the tenderer offering the highest quality as well as the lowest cost, evidencing value for money.

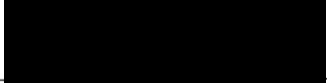

The tender price, although slightly higher than original estimates, can be managed within the approved SHIP Capital Project budget.

**12. Human Resource Comments**  
(Strategic Workforce Lead or nominee)

There are no HR implications

**13. Risk Assessment (in accordance with the Report Writing Guide)**

Failure to award the tender for the Cress Marsh (West) Mitigation Site will directly impact the viability of development on the South Humber Bank and will subsequently effect the rate of inward investment and “stronger economy” in North East Lincolnshire.

<b>14. Decision maker(s)</b>	Name: Angela Blake Title: Director of Economy and Growth  Signed:  Dated: <u>17/9/18.</u>
<b>15. Consultation carried out with Portfolio Holder(s):</b>	Name: Cllr Peter Wheatley Title: Portfolio Holder for Regeneration, Housing, Skills and Assets   <u>17.9.18</u> Signed and Dated
<b>16. If the decision is urgent then consultation should be carried out with the relevant Scrutiny Chair/Mayor/Deputy Mayor</b>	Name: Title:   Signed and Dated



## Officer Decision Record

<b>1. Subject and details of the matter (to include reasons for the decision)</b>
This ODR is to obtain approval to award the Contract of the Town Hall Street works to C.R Reynolds following a compliant procurement process in accordance with Council's Corporate Procurement Regulations and Cabinet decision DN.72 dated 27 November 2017, pursuant to the Cabinet meeting of 22 November 2017.
<b>2. Is it a Key Decision as defined in the Constitution?</b>
Yes, although noting that Cabinet at its meeting of 22 November 2017 delegated authority to progress the procurement and all actions necessary and ancillary there to be completed, to the Director of Economy and Growth in conjunction with the Portfolio Holder for Regeneration, Assets, Skills and Housing, and in consultation with the Monitoring Officer.
<b>3. Details of Decision</b>
<p>'Unlocking the Potential' is a capital programme that will accelerate the development of four key sites in Grimsby Town Centre. This programme will make a significant contribution to the Council's strategic objective of a 'Stronger Economy' by delivering key infrastructure and public realm works that will unlock and accelerate private sector investment in the town centre. The programme, part funded through Humber Local Growth Funding and the Council's Capital Programme, will create an environment which will help secure business investment in a new cinema and restaurant complex, redevelopment of St James House, further investment in the Cartergate site and at Town Hall Square.</p> <p>Specifically, this document relates to the 'Town Hall Square' element of the programme. Approval is now required, following a fully compliant procurement process, to let the public realm improvement Contract to C.R.Reynolds at a cost of £474,732.75.</p> <p>The project is slightly over budget, therefore on award of the Contract, a compensation event will be issued in relation to value engineering to reduce the cost by £20,000 to ensure the project is still deliverable within budget. The value engineering element has been approved by the Town Centre Improvement Board.</p> <p>The budget for Town Hall Square is £500,000 and the Highway Fees are £45,000 leaving £455,000 for construction works.</p>
<b>4. Is it an Urgent Decision? If yes, specify the reasons for urgency</b>
Yes. The Humber LEP funding allocation for this scheme is within financial year 2018/19, therefore the Contracts need to be let quickly to allow the project to be delivered within the timescales set out in the LEP Funding Agreement. Failure to let the Contract quickly, will impede progress and prevent the scheme being completed within the necessary timescales.



The Contract is estimated to be 4-5 months. Some localised work will commence in November 2018 with the main works starting on site in January 2019.
<b>5. Anticipated outcome(s)</b>
To allow for the Contract to be let and onsite works commence at Town Hall Square.
<b>6. Details of any alternative options considered and rejected by the officer when making the decision</b>
N/A
<b>7. Background documents considered:</b>
Cabinet on 22 November 2017 DN.72 – <b>LOCAL GROWTH FUND 3 – IMPROVEMENT WORKS TO TOWN HALL SQUARE, RIVERHEAD SQUARE, ST JAMES SQUARE AND FREDERICK WARD WAY</b>
<b>‘Unlocking the Potential’ funding Agreement from the LEP</b>
<b>Tender Assessment Report</b>
<b>8. Does the taking of the decision include consideration of Exempt information? If yes, specify the relevant paragraph of Schedule 12A and the reasons</b>
No
<b>9. Details of any conflict of interest declared by any Cabinet Member who was consulted by the officer which relates to the decision (in respect of any declared conflict of interest, please provide a note of dispensation granted by the Council's Chief Executive)</b>
N/A
<b>10. Monitoring Officer Comments</b> <i>(Monitoring Officer or Deputy Monitoring Officer)</i>
The above anticipated decision is consistent with the previous decision and delegations of Cabinet (22nd November 2017) and the process followed is compliant with the Contract Procedure Rules and Public Contracts Regulations.
<b>11. Section 151 Officer Comments</b> <i>(Deputy S151 Officer or nominee)</i>
As outlined above, the tender price currently exceeds the construction works budget by £20k. The scheme will be value engineered by this amount in order to stay within the approved budget allocation.

**12. Human Resource Comments***(Strategic Workforce Lead or nominee)*

There are no Human Resource implications associated with this report.

**13. Risk Assessment (in accordance with the Report Writing Guide)**

The Humber LEP funding allocation for this scheme is within financial year 2018/19, therefore the Contracts need to be let quickly to allow the project to be delivered within the timescales set out in the LEP Funding Agreement. Failure to let the Contact quickly will impede progress and prevent the scheme being delivered within the funding timescales.

Other risks identified include: -

- Project obstructions – surveys have been undertaken to mitigate this risk
- Disruption caused by on-site works – stakeholder engagement has been undertaken (and will continue) and a communications plan developed to mitigate this risk.

**14. Decision maker(s)**

Name: Angela Blake

Title: Director of Economy and Growth

Signed: \_\_\_\_\_

Dated: 5/11/18

**15. Consultation carried out with Portfolio Holder(s):**

Name: Cllr Peter Wheatley

Title: Portfolio Holder for Regeneration, Assets, Skills and Housing

\_\_\_\_\_

5-11-18  
Signed and Dated

**16. If the decision is urgent then consultation should be carried out with the relevant Scrutiny Chair/Mayor/Deputy Mayor**

Name:

Title:

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Signed and Dated

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## Officer Decision Record

<b>1. Subject and details of the matter (to include reasons for the decision)</b>
Approval is sought to award the tender for the construction of Cleethorpes Public Realm Project (a key project within the Cleethorpes Regeneration Programme) in accordance with the Cabinet DN.5 dated 2 <sup>nd</sup> July 2018 and CB.24 dated 29 August 2018.
<b>2. Is it a Key Decision as defined in the Constitution?</b>
Yes.
<b>3. Details of Decision</b>
<p>Pursuant to the Cabinet meetings on 2<sup>nd</sup> July and 29 August 2018, where delegated authority was given to the Director of Economy &amp; Growth in conjunction with the Portfolio Holder for Regeneration, Housing, Skills and Assets to tender, approve and manage the detailed aspects of the project. This includes detailed design and to appoint contractors to undertake the works subject to a competitive process, in accordance with the Council's Corporate Procurement Regulations, and subject to the tenders being of a value within the allocated project budget.</p> <p>The tender was prepared by ENGIE's Civil Engineering Design Team through a competitive tendering process utilising the North East Lincolnshire Council's Highways Framework, lot 3.</p> <p>Five tenders were received on time and have been evaluated by ENGIE's Procurement and Civil Engineering Design Teams for both quality and price.</p> <p>The preferred tenderer has been identified in both terms of cost and quality. The tender received is within the budget allocation identified for the Cleethorpes Regeneration Programme. The successful tenderer is PBS Construction Ltd at a cost of £2,955,261.55.</p>
<b>4. Is it an Urgent Decision? If yes, specify the reasons for urgency</b>
No.
<b>5. Anticipated outcome(s)</b>
<p>To proceed with the award of the construction contract for Cleethorpes Public Realm.</p> <p>To issue award letters to the successful and unsuccessful tenders.</p>
<b>6. Details of any alternative options considered and rejected by the officer when making the decision</b>
N/A

<b>7. Background documents considered:</b> Cabinet on 2 <sup>nd</sup> July 2018 & 29 August 2018 approved the following:  DN.5 & CB.24 – That authority be delegated to the Director of Economy and Growth, in consultation with the Portfolio Holder for Regeneration, Assets, Skills and Housing and Monitoring Officer to: <ul style="list-style-type: none"> <li>• Tender, approve and manage the detailed aspects of the project including detailed design;</li> <li>• Appoint contractors to undertake the works subject to a competitive process, in accordance with the Council's Corporate Procurement Regulations, and subject to the tenders being of a value within the allocated project budget.</li> </ul>
<b>8. Does the taking of the decision include consideration of Exempt information?</b> If yes, specify the relevant paragraph of Schedule 12A and the reasons No.
<b>9. Details of any conflict of interest declared by any Cabinet Member who was consulted by the officer which relates to the decision (in respect of any declared conflict of interest, please provide a note of dispensation granted by the Council's Chief Executive)</b> N/A
<b>10. Monitoring Officer Comments</b> <i>(Monitoring Officer or Deputy Monitoring Officer)</i>  The above anticipated decision is consistent with the previous decision and delegations of Cabinet (22nd November 2017) and the process followed is compliant with the Contract Procedure Rules and Public Contracts Regulations. A framework approach has the benefits of approved suppliers already meeting certain benchmarks and flagging agreement in advance to appropriate terms and conditions. There are further advantages of assurance in that any such framework by necessity must be compliant with Public Contracts Regulations 2015. A framework approach is considered good practice and comes with its own efficiencies
<b>11. Section 151 Officer Comments</b> <i>(Deputy S151 Officer or nominee)</i>  The tender price remains within the budget for the public realm works of £4.005m. The budget is to be funded from Coastal Communities Fund (£2.320m), Heritage Lottery Fund (£0.810m) and Local Transport Plan funding (£0.875m).
<b>12. Human Resource Comments</b> <i>(Strategic Workforce Lead or nominee)</i>  There are no direct HR implications arising from the contents of this report.
<b>13. Risk Assessment (in accordance with the Report Writing Guide)</b>  Failure to award the tender for the Cleethorpes Public Realm Project will directly impact the regeneration of Cleethorpes Town Centre and will subsequently effect the rate of inward investment and "stronger economy" in North East Lincolnshire.



<b>14. Decision maker(s)</b>	Name: Angela Blake Title: Director of Economy and Growth  Signed:  Dated: <u>6/11/18</u>
<b>15. Consultation carried out with Portfolio Holder(s):</b>	Name: Cllr Peter Wheatley Title: Portfolio Holder for Regeneration, Housing, Skills and Assets   <u>7.11.18</u> Signed and Dated
<b>16. If the decision is urgent then consultation should be carried out with the relevant Scrutiny Chair/Mayor/Deputy Mayor</b>	Name: Title:   Signed and Dated



## Officer Decision Record – Property Transaction

### 1. Subject and details of the matter

Barbarah Garth Centre, Washdyke Lane, Immingham

The above property (outlined red on the attached plan at Appendix One) is held by way of a freehold title by North East Lincolnshire Council (the 'Council') and comprises a former community centre, which has been declared surplus by the Council. The property has been vacant for a number of years following the termination of a lease to SLM in 2011.

After a period of marketing, offers were received from a developer and a local community group, in addition to the interest from Lincolnshire Housing Partnership ('LHP') (previously Shoreline). Cabinet approval was granted for the transfer to Shoreline at that time on the basis that the Council's ownership only extends to the footprint of the building, meaning any alternative use would prove problematical in terms of planning and parking. To accept any other offer could also hinder future redevelopment opportunities of the surrounding site.

A condition of the approval by Cabinet was that the disposal would take into account any short term community interest in using the building in the interim period leading up to any redevelopment. LHP have considered this and have reported that due to its extremely poor state of repair, to bring the building back into temporary use would be unviable.

Cabinet approval was granted on 10<sup>th</sup> December 2014 for the disposal for nil consideration subject to the following conditions:

- a) Incorporates the property into a redevelopment proposal for the surrounding site now in Shoreline's ownership; and
- b) Takes account of any short term community interest in using the building in the interim period leading up to any redevelopment; and
- c) Reserves to the Council an option to either re-acquire the building if a redevelopment scheme does not materialise within an agreed period or receive a market value consideration from Shoreline; and
- d) Provides for the Council to receive a share of any capital receipt for the building in the event that Shoreline sells the building to a third party.

LHP have requested the removal of c) and d) above for comfort moving forward and to simplify the legal documentation associated with the disposal to ensure viability and haste with the demolition. This request cannot be accommodated on the basis of the Cabinet decision and as such this matter will proceed in line with the Cabinet decision.

### 2. Details of Decision

That the freehold of the property is transferred to Lincolnshire Housing Partnership (LHP) for a nil consideration with the aforementioned restrictions imposed by Cabinet in accordance with the Cabinet Decision Notice of 10 December 2014 (DN.84).

### 3. Is it a Key Decision as defined in the Constitution?

No – the decision:

- will result in a capital receipt below the threshold definition of a Key Decision;
- relates to and impacts solely on one Ward (Immingham);
- is not significant in terms of the number of residents / service users that will be affected in the ward;
- is not likely to result in substantial public interest; and
- will not incur a significant social, economic or environmental risk

<b>4. Has the principle of the disposal been approved by Cabinet</b>			
Yes – DN.84 of 10 <sup>th</sup> December 2014.			
<b>5. Is it an Urgent Decision? If yes, specify the reasons for urgency</b>			
Yes – derelict buildings are susceptible to arson and other forms of anti-social behaviour. A fire risk has been identified to the adjoining flats so it is important that the freehold is transferred to LHP quickly to enable the demolition and reduce/remove the risk of arson.			
<b>6. Anticipated outcome(s)</b>			
The property is transferred to Lincolnshire Housing Partnership (LHP) at nil value.			
<b>7. Have the Premises been marketed by advertising or by auction? (if not why not)</b>			
Yes			
<b>8. Background documents considered:</b>			
There are no background documents to be considered.			
<b>9. Does the taking of the decision include consideration of Exempt Information? If yes, specify the relevant paragraph of Schedule 12A and the reasons</b>			
No			
<b>10. Monitoring Officer Comments (Assistant Director Law &amp; Solicitor to the Council or nominee)</b>			
<p>Despite the above comments this is a key decision as the disposal is on a less than best basis (s123 Local Government Act 1972). However, Cabinet has already considered this in the report of 10<sup>th</sup> December 2014 and the officer decision above is consistent with that decision. Despite the lapse of time it is unlikely that the valuation evidence relied upon has changed to any significant degree, save perhaps a reduction in value. It is accepted that the property poses a risk in terms of void costs and being a target for vandalism and arson therefore it is in the Council's best interests to dispose of it as soon as is reasonably practicable.</p> <p>The conditions imposed by Cabinet will continue to bind and protect the Council so far as the restrictions remain relevant.</p>			
<b>11. Section 151 Officer Comments (Director of Finance or nominee)</b>			
<p>Disposal of the property will save the Council from continuing to incur ongoing void property costs. By disposing at less than best consideration the Council will lose, based on estimates at the time of the original report, a potential capital receipt of £15,000 or lose an annual lease rental income of £2,250.</p> <p>Disposing of the asset to Shoreline for nil consideration could, however, facilitate the redevelopment of the wider site and generate additional revenue to the Council. For example, new housing would generate additional council tax income.</p>			
<b>12. Human Resource Comments (Assistant Director Strategic Business Support or nominee)</b>			
There are no direct HR implications arising from the contents of this report.			
<b>13. Risk Assessment (in accordance with the Report Writing Guide)</b>			
<p><b>Crime and Disorder</b> – The property adjoins a block of social housing flats owned by LHP and is adjacent to a number of derelict garages. The property has been subject to extensive vandalism and disposal will ultimately remove any on-going risk to the Council.</p> <p><b>Diversity</b> – The potential disposal will facilitate the development of the surrounding site, improving the area and resulting in the demolition of a badly damaged and vandalised building.</p> <p><b>Value for Money</b> – The recommendation to dispose of this property will result in the removal of the costs associated with maintaining a void building.</p>			
<b>14. Notification of Ward Councillors (Immingham Ward)</b>	Cllr. D Bolton Dated: 25/10/18 Comments: <b>None Received</b>	Cllr. S Swinburn Dated: 25/10/18 Comments: <b>None Received</b>	Cllr. D Watson Dated: 25/10/18 Comments: <b>None Received</b>

**15. Consultation with  
Portfolio Holder:**

**Name:** Cllr P Wheatley

**Title:** Portfolio Holder for Regeneration, Housing, Skills and Assets



2.11.18

Signed and Dated

**16. Decision maker:**

**Name:** Sharon Wroot

**Title:** Director of Resources and Governance

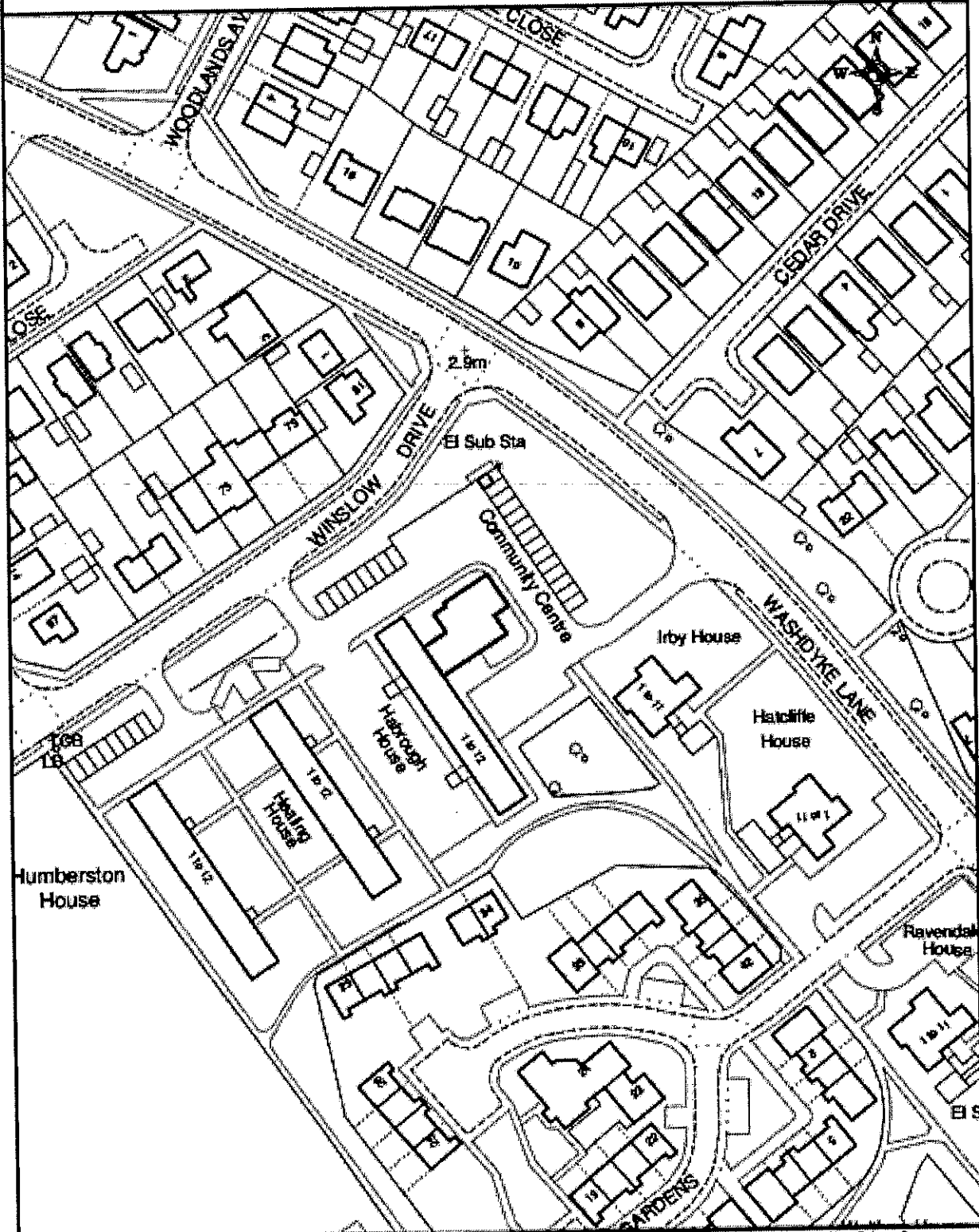


1/11/18

Signed and Dated



## Location Map



Details  
Barbican Community Centre, Birmingham

Rev  
No.

MLPG  
19079028

Scale  
1:1250

Date  
25/10/2009

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## Officer Decision Record

<b>1. Subject and details of the matter (to include reasons for the decision)</b>
<p>Insurance Policy</p> <p>A successful and systematic risk management process underpins and supports the efficient and effective delivery of the Council's strategic outcomes and the high level strategic framework. As part of this approach it is vital that consideration is given to how risks are controlled through the provision of insurance, either internally or externally. The attached policy lays out the Council's approach to Insurance.</p>
<b>2. Is it a Key Decision as defined in the Constitution?</b>
No
<b>3. Details of Decision</b>
<p>The aim of this policy is to provide an effective framework for the council to manage those risks that could be controlled through either internal or external insurance and to support the successful delivery of the Medium Term Financial Strategy. It is designed to;</p> <ul style="list-style-type: none"> <li>• Set out the risk appetite for the Council for internal and external insurance.</li> <li>• Set out how decisions are taken on the options to either insure or retain risk</li> <li>• Provide a process for the governance arrangements of insurance and the use of any insurance fund to pay for retained risks</li> <li>• Be considered in line with the Council's financial regulations</li> <li>• Be considered in line with 'Insurance Procedure Guide'(to be produced)</li> </ul>
<b>4. Is it an Urgent Decision? If yes, specify the reasons for urgency</b> <b>Urgent decisions will require sign off by the relevant scrutiny chair(s) as not subject to call in.</b>
No
<b>5. Anticipated outcome(s)</b>
Help in raising awareness of the overarching principles of insurance and to assist staff in applying sound insurance practices to support the achievement of strategic objectives.

This policy sets out the reasoning for utilising insurance to transfer some risks giving the following benefits

- Improved strategic management
- Improved operational management
- Improved Financial Management
- Improved customer service
- Opportunities Management

**6. Details of any alternative options considered and rejected by the officer when making the decision**

The alternative option was not have a policy. However, this would mean that Members and staff would not be aware of the overarching principles of insurance, increasing the risk of staff not applying sound insurance practices to support the achievement of strategic objectives

**7. Background documents considered:**

Insurance Act 2015

**8. Does the taking of the decision include consideration of Exempt information?  
If yes, specify the relevant paragraph of Schedule 12A and the reasons**

N/A

**9. Details of any conflict of interest declared by any Cabinet Member who was consulted by the officer which relates to the decision (in respect of any declared conflict of interest, please provide a note of dispensation granted by the Council's Chief Executive)**

N/A

**10. Monitoring Officer Comments**  
(Monitoring Officer or Deputy Monitoring Officer)

Constitutionally the Director for Finance, Resources and Operations has the responsibility and delegation to determine and issue general guidelines to Officers on management of insurance generally. It would be prudent for this to be exercised in consultation with the Portfolio Holder for Finance, Governance and Resources

**11. Section 151 Officer Comments***(Deputy S151 Officer or nominee)*

There are no direct financial implications as a result of the approval of the Insurance Policy.

The Council already has an insurance provision and an insurance reserve in place that are available to cover known and future insurance claims. It is important that the levels of the balances on the provision and reserve continue to be subject to regular review.

**12. Human Resource Comments***(Strategic Workforce Lead or nominee)*

There are no direct HR implications contained within the policy

**13. Risk Assessment (in accordance with the Report Writing Guide)**

This policy provides an effective framework for the council to manage those risks that could be controlled through either internal or external insurance, and in so doing helps mitigate the financial and reputational impact when adverse events occur

**14. Decision maker(s)**

Name: Sharon Wroot

Title: Director of Finance and Governance

Signed: \_\_\_\_\_

Dated: 5/12/18

**15. Consultation carried out with Portfolio Holder(s):**

Name: David Watson

Title: Deputy Leader and Portfolio Holder for Finance, Governance and Resources

\_\_\_\_\_  
Signed and Dated

12/12/18

**16. If the decision is urgent then consultation should be carried out with the relevant Scrutiny Chair/Mayor/Deputy Mayor**

Name:

Title:

\_\_\_\_\_  
Signed and Dated





# North East Lincolnshire Council Insurance Policy

2018

Stronger Economy, Stronger Communities

BACKGROUND INFORMATION			
Document Purpose	This policy is designed to help in raising awareness of the overarching principles of insurance and to assist staff in applying sound insurance practices to support the achievement of strategic objectives.		
Author			
Last Review and Publication Date	2018		
Target Audience	Council Wide		
Subject	Insurance Policy		
Reference and Version	V.03		
For Further Copies Email	Caroline.wilson@nlbusinessconnect.co.uk		
Location of Published Copy	Top desk- Audit and Assurance Section		
Copyright	North East Lincolnshire Council		
Integrated Impact Assessment (inc E&D) done?	YES <input type="checkbox"/>	NO <input type="checkbox"/>	N/A <input type="checkbox"/>
Risk Assessments done?	YES <input type="checkbox"/>	NO <input type="checkbox"/>	N/A <input type="checkbox"/>
Name of Lead Officer undertaking Assessments	Peter Hanmer/ Caroline Wilson		
IIA Action Plan with Recommendations Produced	YES <input type="checkbox"/>	NO <input type="checkbox"/>	N/A <input type="checkbox"/>

## **Forward**

Our strategic priorities are clear – to promote a stronger economy and stronger communities.

Our high level strategic framework is composed of:

- i. Economic Strategy
- ii. Health and Wellbeing Strategy
- iii. Prevention and Early Intervention Strategy
- iv. Financial Strategy
- v. Safeguarding

A successful and systematic risk management process underpins and supports the efficient and effective delivery of the Council's strategic outcomes and the high level strategic framework. As part of this approach it is vital that consideration is given to how risks are controlled through the provision of insurance, either internally or externally

This policy is designed to help in raising awareness of the overarching principles of insurance and to assist staff in applying sound insurance practices to support the achievement of strategic objectives.

## **Contents**

- Introduction and Benefits
- Aims & Priorities
- Current Insurance Position
- Roles and Responsibilities
- Insurance Guidance
- Implementing the Policy
- Definition of Terms

## Introduction and Benefits

Insurance is a risk transfer mechanism that provides a level of protection from financial loss. It has been in existence as a form of protection in the UK since around 1666 following the Great Fire of London. It is usually in place to ensure full or partial compensation against the risk of a contingent or uncertain loss.

The Insurance Act 2015 is the most significant reform of UK insurance contract law since the Marine Insurance Act 1906 and it came into force on 12<sup>th</sup> August 2016. One of the main provisions of the Act is the duty of fair presentation which requires policyholders to undertake a reasonable search of information available to them, and defining what a policy holder knows or ought to know. It is vital that when the decision to purchase insurance is taken that all relevant information relating to the risk being insured are provided.

The purchase of insurance is an option considered by the Council to provide a level of protection in line with the Council's risk appetite.

This policy sets out the reasoning for utilising insurance to transfer some risks giving the following benefits

- **Improved strategic management**
  - Greater ability to deliver against strategic outcomes;
  - Improved decision making;
- **Improved operational management**
  - Reduction in managerial time spent dealing with the consequences of an insurable event having occurred;
  - Improved service delivery;
- **Improved Financial Management**
  - Better informed financial decision-making;
  - Greater financial control;
  - Minimising poor value for money;
  - Financial protection from claims against the Council;
  - Protection from catastrophic events
- **Improved customer service**
  - Reductions in service disruption to customers and positive external reputation;
- **Opportunities Management**
  - It is a tool for informed decision making;

## Aims and Priorities

The aim of this policy is to provide an effective framework for the council to manage those risks that could be controlled through either internal or external insurance and to support the successful delivery of the Medium Term Financial Strategy. It is designed to;

- Set out the risk appetite for the Council for internal and external insurance.
- Set out how decisions are taken on the options to either insure or retain risk
- Provide a process for the governance arrangements of insurance and the use of any insurance fund to pay for retained risks
- Be considered in line with the Council's financial regulations
- Be considered in line with 'Insurance Procedure Guide'(to be produced)

### Our strategic insurance priorities

- To identify those risks which can be controlled through internal and external insurance policies based on the risk appetite of the Council.
- To place external insurance through an appropriate procurement route utilising the services of an appointed Broker.
- To clearly identify the objectives of any external insurance arrangements
- To have suitable financial protection in place, in the form of an insurance fund, to cover those risks insured internally or for which an external excess is applied.
- To review the insurance reserve on an annual basis to provide a level of assurance on the appropriateness of insurance provisions and reserves for self-insured claims
- To have transparent arrangements in place for internal charging of insurable risks
- To have clear guidance in place for minimum levels of insurance required for services that are contracted
- To set authority and handling limits for the processing of claims
- To provide an annual report to Audit Committee as part of the risk report giving a level of assurance on insurable risks

### Supported by

- A clear structure of roles and responsibilities
- Services providing details of new risks and changes to existing risks
- Services adhering to the requirement for claim notification
- Audit and Assurance Team for advice, guidance and claims management
- Appointed broker for underwriting advice and expertise. To assist with market engagement for the benefit of renewal and tender processes
- Strategic insurance advice from Lincolnshire County Council



## Current Insurance Position

The insurance programme was tendered in October 2018 using the CCS Framework with the support of the appointed brokers, Aon, with the exception of the run off class on insurance which was a single approach direct to the provider.

The majority of insurance cover remained with existing insurers with the exception of property insurance which transferred to RMP(AIG)

In addition the Personal Accident class of insurance was placed with the North Lincolnshire policy.

Class of Insurance	Insurer	Limits/Excess	Comments
Employer's Liability Public Liability Official Indemnity	ZMI	£35m, £100k each & every £35m, £100k each & every £5m, £100k each & every	LTA expires 2022
Property Damage Business Interruption Balance of Perils Leased & Rented Contract Works	RMP	General £203,583,591 declared value, £100k Beach Huts £460,170 declared value, £250 Education £37,804,801 declared value, £100k	LTA expires 2022
Motor	ZMI	£500 any one occurrence iro TP & AD	LTA expires 2022
Fidelity Guarantee	ZMI	£10m, £10k each & every	LTA expires 2022
Engineering & Inspection	ZMI	£5m explosion/collapse, £100 £5m surrounding property, £100 £100k fragmentation, £100	LTA expires 2022
Computer	RMP	Refer to policy for limits, £150	LTA expires 2022
Professional Indemnity – Technical services run off	Canopus	£2m, £2.5k each and every	In run off

## Roles and Responsibilities

All members, managers, employees and partners should understand the nature of insurance and when it is appropriate to use this to transfer risk and when it is not. The roles and responsibilities of all individuals/groups involved in the risk management process is summarised below:

Group or Individuals	Roles & Responsibilities
Cabinet	<ul style="list-style-type: none"> <li>Approval of a risk management policy statement and strategy together with subsequent review and ensuring that proper insurance exists where appropriate</li> <li>Authorisation from time to time to commence appropriate procurement exercises in relation to insurance providers</li> </ul>
Audit & Governance Committee	<ul style="list-style-type: none"> <li>Receive and consider risk management progress report which will include insurance updates and report as appropriate</li> </ul>
Leadership Team	<ul style="list-style-type: none"> <li>To be aware of emerging insurance risks</li> <li>To be briefed on claims with a potential to exceed the financial limit of £x and/or impact on the reputation of the Council.</li> <li>To review the Council's approach to insurance at least annually</li> <li>To receive updates on claim activity where appropriate</li> </ul>
Assurance Board	<ul style="list-style-type: none"> <li>Oversight of compliance, emerging risks and notifications of tenders and renewals</li> </ul>
Director of Finance, Resources and Operations	<ul style="list-style-type: none"> <li>Overall responsibility for the adequacy of the Council's insurance provisions</li> <li>Approving the Council's insurers, the level of cover provided and the level of excesses</li> <li>Determining the level of reserves held by the Council</li> </ul>
Monitoring Officer	<ul style="list-style-type: none"> <li>Agreement of claims above the agreed level as set in Insurance Procedure Guide, Authority limits.</li> <li>Providing legal advice on complex claims where appropriate</li> </ul>
Commissioners/ Project Managers	<ul style="list-style-type: none"> <li>Ensure that contractors have adequate insurance levels to protect the Council from any significant financial risks which could potentially result from the contract</li> <li>Ensure that the minimum levels of insurance cover within contracts are consistent with Council policy, and seek advice at the beginning of the commissioning process if the risk is potentially higher than the minimum levels</li> </ul>
Partners	<ul style="list-style-type: none"> <li>Ensure that partnership agreements have clarity on the acceptance and handling of any potential future insurance liabilities caused by the negligence of one of the partners</li> <li>Have sufficient insurance coverage for those operations delivered in partnership with the Council</li> <li>Co-operate with the Council and its insurers in relation to the investigation and settlement of claims</li> </ul>

Head of Audit & Assurance/Strategic Lead Risk & Governance	<ul style="list-style-type: none"> <li>• Reviewing the annual insurance programme</li> <li>• Appointing brokers</li> <li>• Advising on the adequacy of the insurance fund</li> <li>• Agreement of claims up to an agreed level as set in the Insurance Procedure Guide, Authority limits.</li> <li>• Reporting on emerging trends in terms of risk and nature of claims</li> </ul>
Insurance and Risk Team	<ul style="list-style-type: none"> <li>• Support the placing of suitable insurance cover in conjunction with services</li> <li>• Support the claims process and provide the interface between insurers and services on claim issues</li> </ul>
Employees	<ul style="list-style-type: none"> <li>• Adherence to all internal policies</li> </ul>

## Insurance Guidance

The risk appetite for the Council is 'open' but our approach still needs to be proportionate to the impact of the particular risk. It is vital not to over insure our risks or equally over expose the Council.

This policy should be considered alongside

- The Council's Financial Regulations
- The Risk and Opportunities Strategy
- The Insurance Procedure Guide

The main classes of insurance and the type of cover are set out below but it must be remembered that cover and definitions will vary from insurer to insurer so specific details around particular policy cover, terms and exclusions needs to be referred to the Audit and Risk Team in the first instance.

**Employer's Liability** – this class of insurance cover is one of the few compulsory insurance requirements in the UK. Whilst Local Authorities are exempt from the compulsory requirement, most choose to insure as a prudent financial control and budget protection.

It basically indemnifies the employer, (the Council), for any damages or compensation they may be legally liable to pay for injury to an employee which occurs or arises in the course of their employment.

The Employers' Liability (Compulsory Insurance) Act specifies that an employer must display a Certificate as evidence that there is insurance in place. It specifies the insurer, the policy number, the name of the insurers and the effective dates of the period of insurance.

**Public Liability** – this is not a compulsory insurance requirement in the UK.

It basically indemnifies the insured,(the Council), for accidental events which give rise to a claim for damage or bodily injury to a third party or damage or loss to third party property.

There is no legal requirement to arrange public liability cover and therefore a certificate of insurance is not necessary. If evidence of cover is required please contact the Audit and Risk Team.

**Property** – this is not a compulsory insurance requirement in the UK.

It provides cover for buildings and their contents, usually against defined policy perils. For clarification of the perils covered please contact the Audit and Risk Team.

A certificate of insurance is not necessary. If evidence of cover is required please contact the Audit and Risk Team.

**Motor** – this class of insurance covers motor vehicles owned by, hired, leased or loaned to the policyholder (the Council). It does not cover employees own vehicles unless specifically stated.

It provides legal liability for the death of or injury to third parties or damage to third party property.

It provides cover for loss of or damage to insured vehicles caused by theft, fire, accidental or malicious means.

It provides cover for windscreen/glass breakage of insured vehicles.

The Road Traffic Act requires that a certificate is issued to the policyholder as evidence that there is insurance in place. It states who is entitled to drive, what they are permitted to use the vehicle for and what exclusions apply.

The insurance process is detailed in the Insurance Procedure Guide which covers the following topics

- Setting insurance objectives – when to insure when not to insure/how to decide on objectives (performance indicators)
- Broker appointments
- Insurance procurement
- Authority limits for claims handling/decisions
- Insurance requirements for contract services
- Reserve management – setting up a reserve, review fund
- Recharging – how services are charged

The Audit and Assurance Team are available to help with any insurance related matters.



## **Implementing the Policy**

- Setting insurance objectives – when to insure, when not to insure, how to decide on objectives (performance indicators)
- Produce guidance on Broker appointments
- Produce guidance on Insurance procurement
- Set and agree authority limits for claims handling/decision making
- Set insurance requirements for contract services
- Produce guidance for reserve management – setting up a reserve , review fund, reporting
- Produce guidance on recharging – how services are charged
- Produce Insurance procedure manual for the Audit and Risk Team

## Definition of Terms

**Broker** - an insurance intermediary who gives advice on insurance and associated matters, arranges insurance and places them with authorised insurance companies or underwriters.

**Certificate** is a legal document providing evidence of an insurance policy. For example Employer's Liability Certificate.

**Claim** is a request for payment under the terms of a policy for a loss that has been sustained.

**Claimant** is the party who has suffered loss or injury and brings a claim against a defendant. See also Plaintiff.

**Deductible** is the amount the insured is responsible for in the event of a loss or claim. Often referred to as excess or self-insured retention limit.

**Deductible** is the amount the insured is responsible for in the event of a loss or claim. Often referred to as excess or self-insured retention limit.

**Excess** – the amount the Council is required to pay on each and every claim that is made. This will vary depending on the policy

**Indemnity** is protection or security against damage or loss. It is also used to refer to the financial compensation sufficient to place the Insured in the same financial position after a loss as they enjoyed immediately before the loss.

**Insurance Broker** – a specialist in insurance and often risk management who acts on behalf of their clients (the Council) to procure insurance and provide advice.

**Insurance** – is a financial product sold by an insurance company to provide a level of protection against specific risks in exchange for a premium

**Insurance Market** – the companies that are involved in the buying and selling of insurance

**Insurance policy** is contract (generally a standard form contract) between the insurer and the insured, known as the policyholder, which determines the claims which the insurer is legally required to pay. In exchange for an initial payment, known as the premium, the insurer promises to pay for loss caused by perils covered under the policy language.

**Insured Peril** is a cause of loss or specific risk covered under an insurance policy. Any loss suffered as a result of the insured peril will be met by insurers, subject to policy terms and conditions.

**Long Term Agreement (LTA)** is an agreement whereby in return for the insured agreeing to continue insurance for a fixed number of years, they receive a beneficial premium rate, usually by way of a LTA discount. The insurer usually retains the right to vary the terms of the insurance during the agreed term but if this right is exercised, the insured may withdraw from the agreement without forfeiture of premium discounts already received. Whilst the agreement may run for a number of years, policies will be renewable on an annual basis.

**Renewal** is a term used for the continuance of insurance from the expiry of the existing insurance policy.

**Reserve** – represents the amount of money to be held to meet future claims. For the Council this will include the claims which fall into the excess and any claims where insurance has not been purchased.

**Risk Appetite** refers to the "amount and type of risk that an organisation is prepared to pursue, retain or take".

