

AUDIT COMMITTEE	AGENDA ITEM No. 7
24 JULY 2023	PUBLIC REPORT

Report of:	Cecilie Booth, Executive Director of Corporate Services and s151 Officer
Cabinet Member(s) responsible:	Councillor Coles, Cabinet Member for Legal, Finance and Corporate Services
Contact Officer(s):	Steve Crabtree, Chief Internal Auditor

ANNUAL REPORT: INSURANCE 2022 / 2023

RECOMMENDATIONS	
FROM: Steve Crabtree, Chief Internal Auditor	Deadline date: N/A
<p>It is recommended that Audit Committee:</p> <ol style="list-style-type: none"> 1. Review and then endorse the annual report on the provision of Insurance during 2022 / 2023 included at Appendix 1 	

1. ORIGIN OF REPORT

1.1 This report is submitted to the Audit Committee as a routine planned report on the provision of Insurance to Peterborough City Council and other 3rd parties.

2. PURPOSE AND REASON FOR REPORT

2.1 This Terms of Reference for the Audit Committee (agreed at Full Council) set out key roles of the Committee including:

2.2.1.18 *“To monitor the effective development and operation of risk management and corporate governance in the Council”.*

2.2 The purpose of this report is to present the work carried out during the past year to provide an effective insurance function which provides cover for all aspects of the Council.

3. **TIMESCALES**

Is this a Major Policy Item / Statutory Plan?	NO	If yes, date for Cabinet meeting	N/A
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4. **BACKGROUND AND KEY ISSUES**

4.1 The Insurance Team form part of the wider Audit, Insurance and Investigations Team and provide the following main services:

- Assess the insurance needs of Peterborough City Council and put in place an insurance programme that best reflects these needs, through a mixture of external insurance and use of the Insurance Fund;
- Handle all insurance claims pursued against Peterborough City Council up to the insurance deductible and liaise with insurers concerning all claims over the deductible;
- Evaluate insurance claims to identify both individual areas of risk mitigation and general risk trends, then implement strategies to reduce these; and
- Provide insurance services to other bodies, such as schools including academies, Aragon Direct and City Culture Peterborough

4.2 The annual report (Appendix A) sets out the key achievements in year, these being:

- A new insurance tender exercise undertaken has produced lower than expected premium increases
- New procedures are in place to deal with subsidence claims etc.
- Claims history clearly demonstrate the impact of environmental events (e.g. extended periods of drought / flooding which has impacted on subsidence and road issues)
- How the risk mitigation fund has been utilised to reduce insurance risk across the Council

4.3 Future work will continue to monitor the level of subsidence claims and the effectiveness of the new protocols. Similarly new legislative actions will require careful consideration. While the Council has not seen any increases in fraudulent insurance claims, the ongoing cost of living crisis makes this more likely.

5. **CORPORATE PRIORITIES**

5.1 The report links to all corporate priorities.

6. **CONSULTATION**

6.1 The report has been issued to and reviewed by Executive Director for Corporate Services and s.151 Officer and is happy with the outcomes.

7. ANTICIPATED OUTCOMES OR IMPACT

7.1 That the Audit Committee is informed of the proactive measures taken to reduce the impact of insurance claims both from a financial and reputational perspective.

8. REASON FOR THE RECOMMENDATION

8.1 To enable the Audit Committee to continue to monitor areas of governance across the Council.

9. ALTERNATIVE OPTIONS CONSIDERED

9.1 None

10. IMPLICATIONS

Financial Implications

10.1 The Council will become more aware and will continue to consider the insurable risks and potential consequences. Every effort is undertaken across the Council to reduce the insurance need and mitigate for potential claims in the first place but where it occurs, robust processes will be in place to ensure high service standards are maintained.

Legal Implications

10.2 There are no legal implications in respect of what is proposed.

Equalities Implications

10.3 Not applicable.

11. BACKGROUND DOCUMENTS

Used to prepare this report, in accordance with the Local Government (Access to Information) Act 1985

11.1 None.

12. APPENDICES

12.1 Appendix A: Insurance Report 2022/2023

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