

REPORT TO: FINANCE COMMITTEE - 12 FEBRUARY 2007
REPORT ON: INSURANCE AND RISK MANAGEMENT PROGRAMME 2007/08
REPORT BY: HEAD OF FINANCE
REPORT NO: 107-2007

1 PURPOSE OF REPORT

This report provides an overview of the proposed insured/self-insured risk management arrangements for the financial year 2007/08.

2 RECOMMENDATIONS

It is recommended the Committee ratifies the Insurance programme, self-funding and claims handling procedures for the 2007/08 financial year as detailed in this report.

3 FINANCIAL IMPLICATIONS

The financial implications of the 2007/08 Insured and self-insured programme are set out below:

Class of Insurance	Insurers	Net Premium £	Insurance Fund Deposit for Self-Insured Losses £	Estimated Total Cost £
Property	Zurich Municipal	1,148,000	750,000	1,898,000
Liabilities	Zurich Municipal/AIG	299,000	600,000	899,000
Motor	Royal Insurance	124,000	200,000	324,000
Accident Inspection	Thomson Lumsden	6,000	-	6,000
Personal Accident	AIG/Various	36,000	-	36,000
Broker Fees	Willis	3,000	-	3,000
Risk Management	-	<u>180,000</u>	<u>-</u>	<u>180,000</u>
		<u>1,796,000</u>	<u>1,550,000</u>	<u>3,346,000</u>

The net effect of the foregoing will be that the 2007/08 insurance and risk management programme has been negotiated within the allowance included in the 2007/08 Provisional Revenue Budget.

4 SUSTAINABILITY POLICY IMPLICATIONS

None

5 EQUAL OPPORTUNITIES IMPLICATIONS

None

6 **BACKGROUND**

Renewal Negotiations

This was a straightforward renewal exercise with all insurance covers renewed without alteration to the prevailing rate of premium. One pleasing factor within the gathering of underwriting information has been the continuous improvement in the Council's self-insured property claims.

7 **CONSULTATION**

The Chief Executive and the Depute Chief Executive (Support Services) have been consulted in the preparation of this report.

8 **BACKGROUND PAPERS**

None

**MARJORY STEWART
HEAD OF FINANCE**

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