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SHREWSBURY TOWN COUNCIL
POLICY AND RESOURCES COMMITTEE
13th March 2026

Officer: Andy Watkin – Head of Resources (RFO)

INSURANCE EXTENSION

Purpose of the Report

The Council has a legal obligation to insure against some risks such as Employers Liability but it also has a wider policy for other perils such as public liability, property and loss of income, which it insures against

Some assets are self insured where risk is low eg bus shelters but cover is still in place for Public Liability and any damage from a third party would be claimed through their policy.

Insurance is in place for 2026/27, however the provider via the brokers are offering a discount on the current terms and security for a further 2 years.

Insurance provision 2026/27

The Motor Policy is in place for 26/27 and placed with a different broker, it is an easier proposition the vehicles are typically low mileage, low geographical radius well maintained with a lower risk profile unlike the main insurance policy.

The insurance broker James Hallam takes out a number of policies covering different aspects including cyber insurance but the main commercial combined policy is very council specific and diverse covering children in play areas to events in the quarry, all activities undertaken and other assets.

It is broad and whilst many claims are repudiated some are not and even those that are there is still time to appeal and can range from small to potentially over seven figures.

The current main commercial combined policy for 2025/26 including was £106,814 And under the existing agreement is £121,555 for 2026/27 incorporating the new risks and expanded workforce and budget.

Extension Proposal

The brokers strive to obtain the lowest renewals for the cover required across the market. Longer periods are also explored providing the insurance company lower overall risk based on our claims experience as they look over a longer time frame.

On that basis the current insurer (Aviva) would like to extend the current agreement for a further 2 years issue a CN for premiums paid reducing to £115,769 with estimated premiums for YE28 £118,663 and YE 29 £121,629 (subject to changes in requirement)

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The brokers comments are:

As independent chartered brokers we would recommend option 2 and our reasoning is :

The uncertain geopolitical landscape adds volatility to the UK and global reinsurance marketplace potentially triggering hardening of rating structures which in turn will result in significant premium increases.
The local authority insurance sector is limited to 4 insurers with the scope of coverage suitable for a council of your size .
JHL are brokers and have access to all markets (Zurich Municipal – direct), we have credibility and leverage given the largest independent broker on town and parish councils in England and Wales.
The Aviva scheme is profitable , hence ratings and coverage market leading.
Our placings team are constantly monitoring market availability and premium, service , depth of coverage and security.

RECOMMENDED:

(i) The report be noted and 2 year extension option be accepted