



Report on 2026/27 Insurance Renewal for Minehead Town Council

Background

Minehead Town Council is required to maintain suitable insurance to protect its staff, assets, services and operational liabilities. As the Council's responsibilities have increased, particularly following the transfer of additional parks and open spaces from Somerset Council, the scope and value of the insurance programme have expanded accordingly.

The Council is now in the final year of a three-year agreement with its current insurance provider (now referred to as Quote A). In preparation for renewal, the Clerk contacted several insurers and brokers to test the market and ensure value for money.

Needs

Although only Employers' Liability Insurance of at least £5 million is legally mandated, councils are expected to maintain a wide range of cover suited to their services. Typical elements include:

- Public Liability
- Property and Asset Insurance
- Fidelity Guarantee
- Libel and Slander
- Personal Accident
- Volunteer Cover
- Legal Expenses
- Cyber Insurance
- Business Interruption

Given the Council's large asset base, digital services and extensive public-facing facilities, these protections remain essential.

Organisations Approached and Responses

Four organisations were approached for quotations. All required detailed operational, asset and risk information, resulting in a comprehensive but time intensive process.

- Two organisations declined to quote, largely due to their internal assessments categorising several Council sites as being located within flood-risk zones. This was despite no known history of flooding at those locations.
- Two organisations provided quotations, set out below as Quote A and Quote B.

Quotations Received

Quote A – Current Provider

Quote A supplied the following renewal terms:

- **One-year premium:** £21,055.44
- **Three-year Long-Term Agreement (LTA):** £19,891.52 per year

Quote A offers a broad and well-established municipal policy. It includes extensive property schedules, higher indemnity levels across liabilities and detailed cover for many of the Council's significant assets, such as mowers, machinery, floodlights, play equipment, fences, benches, memorials and civic regalia. It also provides additional protections including libel and slander cover and higher fidelity guarantee limits.

Quote B – Alternative Provider

Quote B provided:

- **One-year premium:** £13,939.81
- **Three-year LTA premium:** £13,403.25

While considerably cheaper, Quote B reflects narrower asset and risk coverage. Examples include:

- Fewer individually insured items, such as machinery, tools, street furniture and play equipment, which are all itemised under Quote A but not scheduled under Quote B's property section.
- Fine Art and Collections cover excluded, whereas Quote A provides specific cover for regalia, paintings and trophies. Quote B explicitly lists this section as *not insured*.
- Lower limits for ancillary protections, including reputational risk and similar areas which are provided at stronger levels under Quote A.
- Reduced All Risks breadth overall, meaning fewer high-value or mobile assets are covered on a "worldwide/anywhere" basis.

Comparison of Quote A and Quote B

Both quotations meet statutory minimums; however:

- **Quote A** provides the most comprehensive and resilient protection, with broader schedules, higher indemnity limits, specialist asset cover and stronger ancillary protections.
- **Quote B**, while cost-efficient, insures fewer assets in detail and omits or restricts several cover types that are relevant to the Council's increasingly diverse operations.

Councillors are able to review each quote in full, with links provided alongside the agenda email to support informed decision-making. This report is intended to offer a summary of the key information.

Financial and Legal Considerations

The Council has budgeted £23,000 for insurance for 2026/27, meaning both quotations fall within the approved budget.

Statutorily, the Council must hold Employers' Liability of at least £5 million. While Public Liability is not legally prescribed, £10 million is widely considered the minimum acceptable level for councils. Additional protections included in Quote A are supported under the Local Government Act 1972 and Local Government Act 2000.

Recommendation

Councillors are asked to:

Approve renewal with the current provider (Quote A) by entering into a three-year Long-Term Agreement, recognising that although Quote B offers a lower premium, Quote A delivers significantly broader protection across the Council's assets, services and risk profile.

Ben Parker
Town Clerk
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