



Report on the Reinstatement Cost Assessments for Minehead Town Council Assets

Background

To ensure Minehead Town Council's buildings are adequately insured, it is essential to maintain accurate reinstatement values. Insurance policies rely on these figures to determine the cost of rebuilding in the event of damage or loss. If values are outdated or based on market prices rather than rebuild costs, the Council risks underinsurance, which could lead to reduced payouts under the "Average Clause." Conversely, overinsurance inflates premiums unnecessarily.

A professional Reinstatement Cost Assessment (RCA) provides an accurate valuation based on current construction costs, demolition, debris removal, statutory fees, inflation and compliance requirements. It also serves as evidence to insurers that sums insured are based on RICS-compliant valuations, reducing disputes and ensuring claims are settled promptly. Given recent cost fluctuations in materials and labour and the Council's acquisition of additional assets through devolution, updating these valuations is now a priority.

Needs

RICS guidance recommends a comprehensive RCA at least every three years. Minehead Town Council's assets are now due for review, particularly as the Council has taken responsibility for several new sites. Aligning valuations with current insurance requirements will support accurate quotations ahead of the April 2026 renewal.

The following sites require assessment:

- Amenities Depot, Unit 26, Brunel Way
- Cemetery Office and Workshop, Porlock Road
- King George Pavilion, King George Road
- Irnham Public Conveniences, Irnham Road
- Warren Road Public Conveniences & Retail Kiosk
- Quay West Public Conveniences
- Summerland Road Public Conveniences & Changing Place Toilet
- Blenheim Gardens Public Conveniences (Ladies and Men's)
- Community Centre, Irnham Road
- Blenheim Gardens Band Stand
- Blenheim Gardens Café

- Jubilee Gardens Café
- Jubilee Retail Kiosk
- Blenheim Gardens Storm Shelter

Our current insurer has quoted **£3,240 (ex VAT)** for these valuations, which can be completed via desktop assessment. These valuations are accepted by all insurers provided they are current.

Finance and Legal Considerations

There is an underspend of **£2,593** in the insurance budget for this financial year, leaving a shortfall of **£647**. It is recommended that this balance be funded from the Devolution Ear Marked Reserve, given that many of the assets were acquired through devolution.

Legal responsibilities include:

- **Insurance Act 2015 Sections 14 & 15:** Duty to present risk accurately and maintain correct insured values.
- **Local Government Act 1972 Sections 140 & 151:** Obligation to insure against accidents and ensure proper administration of financial affairs.

Recommendation

That the Council reviews the quotation and approves instructing the Clerk to engage the insurer's valuation services without delay, ensuring compliance and accurate cover ahead of the April 2026 renewal.

Ben Parker

Town Clerk

December 2025