

Report to the Finance and Performance Management Cabinet Committee



**Epping Forest
District Council**

**Report Reference: FCC-017-2008/09.
Date of meeting: 17 November 2008.**

Portfolio: Finance and Performance Management

Subject: Insurance Performance Monitoring

Responsible Officer: Brian Moldon (01992 564606).

Democratic Services Officer: Gary Woodhall (01992 564470).

Recommendations/Decisions Required:

To note the insurance claim trends on the property policy.

Executive Summary:

This report sets out the analysis of the property policy claim trends as requested by Members at the last meeting.

Reasons for Proposed Decisions:

The Committee's Terms of Reference include: "To advise and make recommendations to the Cabinet on risk management and insurance issues."

This report is intended to provide additional analysis of the property policy claims following the last meeting.

Other Options for Action:

This report is for noting only.

Report:

1. A report was presented to the last meeting of this Committee on 22 September 2008 identifying the insurance trends for the various policies. Members requested additional analysis of the property policy insurance trends.

2. Table 1 identifies the property claims for the last three years splitting the claims between claims made by our leaseholders, commercial tenants and our own property.

Table 1 – Property claims trend

Policy	Insurance Year 2005/06	Insurance Year 2006/07	Insurance Year 2007/08
Leaseholders	16	14	18
Commercial tenants	2	14	8
Own property	10	15	24
Total	28	43	50

3. Insurance claims made by commercial tenants increased during 2006/07, the main reason for this related to some heavy storms in December 2006 and January 2007 which resulted in 7 claims being made.

4. Our own property consists of housing stock (i.e. council houses), general properties (i.e. depots, civic office), and items included on our All Risk policy (i.e. parking meters).

5. Table 2 further breaks down the own property claims row in to insurance perils.

Table 2 – Breakdown of own property by insurance peril

Perils	Insurance Year 2005/06	Insurance Year 2006/07	Insurance Year 2007/08
Fire	2	3	4
Malicious Persons	4	6	10
Escape of Water	1	2	4
Impact by road vehicle	2	1	6
Storm	0	3	0
Subsidence	1	0	0
Total	10	15	24

6. Insurance claims on our own property have seen a steadily increase over the past three years, the two main perils that showed the highest increases during 2007/08 are malicious persons and impact by road vehicle. Malicious persons consist of five break-ins / attempted break-ins, three cases of vandalism, and two properties where lead was stolen from the roofs. Impact by road vehicle consists of four property and two parking meters being hit.

Resource Implications:

The previous report highlighted the savings that had been achieved by changing the excess level on the public liability policy. The excess levels on property policies have not been changed. Where there is an increasing trend in claims insurance costs in subsequent periods are likely to rise.

Legal and Governance Implications:

None.

Safer, Cleaner, Greener Implications:

None.

Consultation Undertaken:

None.

Background Papers:

None.

Impact Assessments:

No equalities impacts.

By monitoring claims and any recurrent causes the Council seeks to identify avoidable claims and put in place preventative measures.