

AGENDA

Page No

1. MINUTES

To confirm the decisions of the meeting held on 3 September 2019 (CA11 - CA.20), previously circulated.

2. APOLOGIES FOR ABSENCE

Resources Management

3. COUNCIL INSURANCE POLICY

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This report provides an update on the future insurance cover for the Council and recognises the decreased costs in insurance premiums.

In accepting the recommendation, Cabinet will accept the insurance costs as set out in Annex A of the report at £166,352.

Relevant Ward(s): All Wards

4. STOKESLEY - LEISURE IMPROVEMENTS

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This report outlines the planned approach to proposed improvements at sports facilities at Stokesley and requests some additional capital finance to support these.

In accepting the recommendations, Cabinet will approve and recommend to Council that the planned approach to investment at Stokesley for sports and physical activity improvements highlighted within the report be approved and that £98,000 is allocated from the Capital Programme to improve the health and fitness facilities at Stokesley Leisure Centre.

Relevant Ward(s): Stokesley Ward

HAMBLETON DISTRICT COUNCIL

Report To: Cabinet
8 October 2019

Subject: COUNCIL INSURANCE POLICY

All Wards

Portfolio Holder for Economic Development and Finance: Councillor P R Wilkinson

1.0 PURPOSE AND BACKGROUND:

- 1.1 The purpose of this report is to:
- update Cabinet on the future insurance cover for the Council; and
 - recognise the decreased costs in insurance premiums.
- 1.2 The Council's insurance policy expires on 1 November 2019. Insurance is a specialised market and therefore a broker was engaged, Arthur J. Gallagher Insurance Brokers Limited (Gallagher), to carry out the required tender exercise under Crown Commercial services RM3731 framework in discussion with Council Officers.
- 1.3 The tender exercise provided an opportunity to review existing insurance arrangements to confirm that they are fit for purpose going forward and to review the information on which the insurance programme is based. One key change made was to engage external valuers Align Property Partners to revalue for insurance purpose, the Council's property portfolio which had not been done for some time. Another key change has been to increase the fidelity guarantee from £6m to £10m in response to the existing property portfolio.
- 1.4 The tender bids were invited on a similar basis of insurance cover and programme structure that the Council currently holds including existing levels of self-insurance, taking into account the revised sums insured, risk management measures and other exposure information.
- 1.5 The insurance market for Local Authority risks is very specialist and limited to a few insurers with the necessary skills and experience. Bids were received from the majority of the established Public Sector insurers plus additional bids from other insurers in the market for certain aspects of the insurance programme. The tenders received have been evaluated on the basis of the published award criteria and sub-criteria and been scored to make an informed decision in awarding the contract.
- 1.6 The annual cost of insurance cover to the Council in November 2018 was £287,777. The cost to renew the Council's insurance in November 2019 is £166,352. The overall decrease in insurance cost of £121,425 is mainly due to the decrease in premium for Combined Liability of £112,679. The improved liability insurance cover for fidelity guarantee from £6m to £10m has only increased the cost to the Council of £1,800.
- 1.7 The insurance budget in 2019/20 has been set at £302,870. Therefore due to the insurance decreasing part way through the year, there will be a decrease cost of insurance for five months.
- 1.8 Attached at Annex A is a breakdown of the insurance categories and costs for the tendered cost in November 2019 compared to the insurance costs paid in November 2018.

2.0 LINK TO COUNCIL PRIORITIES:

2.1 The procurement exercise undertaken has achieved value for money for the Council in renewing its insurance policy. It has obtained the best rates possible, whilst striving to achieve the lowest costs possible.

3.0 RISK ASSESSMENT:

3.1 Risk in not approving the recommendation

Risk	Implication	Gross Prob	Gross Imp	Gross Total	Preventative action	Net Prob	Net Imp	Net Total
Council is exposed to insurance claims as no protection exists	Negative impact on Council finances	5	5	25	Accept the renewal insurance premium costs	2	5	10

Prob = Probability, Imp = Impact, Score range is Low = 1, High = 5

4.0 FINANCIAL IMPLICATIONS:

4.1 The current budget for the Council's insurance in 2019/20 is £302,870. The insurance premium negotiated from November 2019 was £166,352 which resulted in an annual saving of £136,518 split over 2 financial years. Therefore for the 2019/20 this saving is £56,883.

4.2 For the 2020/21 financial year, there will be a growth requirement in the budget, which will include the 7 months of the known insurance costs paid in November 2019 of £79,635 and also a consideration for the increase that will occur next year. It should be noted that even when a long term agreement is entered into, the cost of insurance rises on an annual basis in accordance with insurance market conditions at the time.

5.0 LEGAL IMPLICATIONS:

5.1 There are no legal implications to consider with this report.

6.0 EQUALITY/DIVERSITY ISSUES

6.1 Equality and Diversity Issues have been considered however there are no issues associated with this report.

7.0 RECOMMENDATION:

7.1 It is recommended that the Cabinet accepts the insurance costs set out in Annex A at £166,352.

LOUISE BRANFORD-WHITE
DIRECTOR OF FINANCE AND COMMERCIAL (s151 OFFICER)

Background papers: Insurance tender process documentation
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INSURANCE COSTS FOR HAMBLETON DISTRICT COUNCIL 2019 COMPARED TO 2018			
Cover	2018 Premiums	2019 Insurer	2019 Premiums
Lot 1 - Property Damage	£42,997.59	Travelers	36,725.93
Lot 2 - Combined Liability	£154,445.29	Zurich Municipal	53,839.34
Lot 3 - Motor Fleet	£24,500.00	Zurich Municipal	30,000.00
Lot 4 - Contract Works	£950.00	RMP	700.00
Lot 5 - Computers	£2,100.00	RMP	1,423.39
Lot 6 - Fidelity Guarantee/Crime	£8,290.00	Zurich Municipal	4,946.00
Lot 7 - Personal Accident	£2,297.69	Zurich Municipal	970.73
Lot 8 - Engineering Combined	£6,580.80	RMP	7,118.85
Lot 9 - Terrorism	£4,372.00	Travelers	7,533.84
Lot 10 - Medical Malpractice	£1,500.01	Zurich Municipal	-
Lot 11 - Cyber	£8,910.67	Chubb	5,270.82
Total premiums	£256,944.05		£148,528.90
** prices excludes 12% insurance Premium Tax (IPT)			
Total cost including IPT	£287,777.34		£166,352.37

included within Combined Liability cover from Zurich

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HAMBLETON DISTRICT COUNCIL

Report To: Cabinet
8 October 2019

Subject: STOKESLEY – LEISURE IMPROVEMENTS

Stokesley; Great Ayton and Hutton Rudby Wards
Portfolio Holder for Leisure and Communities: Councillor Mrs B S Fortune

1.0 PURPOSE AND BACKGROUND:

- 1.1 To outline the planned approach to proposed improvements at sports facilities in Stokesley and to request some additional capital finance to support these.
- 1.2 Annex A highlights a range of proposed sports facilities improvements at Stokesley, some of which the Council has previously committed to through the Capital Programme and others which require further funding. Elements 1 and 2 (3g pitch and sports hall) require joint delivery with other partners as they either belong to or are built on land belonging to others. These improvements can only be made when funds from other partners are in place. Section 106 funds have been allocated to these projects and previously supported at Cabinet via approval of Stokesley's Public Space, Sport & Recreation Action Plan (4 June 2019). Element 3 is to improve the activity room adjacent to the sports hall; whilst this is a Council facility the ideal intention is to improve it at the same time as the sports hall as this strengthens any partnership bid the Council and the school might submit for external funding. However, should the sports hall improvements take longer to expedite, then the enhancements to the activity room could be undertaken earlier. Presently £20,000 is allocated within the Capital Programme 2019/20 for this. Element 4, the reception, would also ideally be undertaken in co-ordination with the sports hall, however due to its dated appearance and operational difficulties it is proposed that this is undertaken as soon as can be programmed. £33,900 is already allocated within the Capital Programme for this.
- 1.3 The gym is a major generator of income (£205,000 in 2018/19 representing a third of the total income at the centre). Whilst opportunities exist to expand the gym room, the cost of this is prohibitive. However, at present £72,000 is allocated within the Capital Programme for gym equipment across all centres (except Northallerton) and on the basis that Thirsk is likely to be subject to a separate capital improvement scheme and Bedale Leisure Centre will be considered at a later stage, it is suggested that the £72,000 is allocated entirely to Stokesley and is supplemented by a further £73,000. This sum, £145,000, will change the entire stock of equipment in the gym, as well as enable the room to be refreshed. It is also requested that £25,000 is allocated to replace the indoor cycling bikes within the cycling studio. Delivering these improvements will have the following benefits:
- Improved customer satisfaction with the service and therefore customer retention rates;
 - Tackling declining income and create opportunities for revenue growth and
 - Enable personal health tracking and support the delivery of health intervention programmes such as the Take that Step wellbeing scheme.
- 1.4 The proposal is therefore to deliver elements 4, 5 and 6 identified in Annex A within 2019/20, whilst also progressing works on elements 1 and 2, with our sports partners in the town. The timing for delivery of element 3 can be flexible. In addition, the Capital Programme includes £60,000 for the installation of an underwater detection system, helping the safety and efficiency of our lifeguarding arrangements, as well as £10,000 for shower

works. The installation of underwater detection cameras will provide some marginal employee cost savings from 2020/21 as a key feature of the system allows for ‘blended lifeguarding’, whereby lifeguard patrols and the camera system will be fully harmonised to improve bather safety. Digital systems are used across many UK swimming pools to excellent effect, improving safety whilst also helping to address the shortfall in qualified lifeguards in the country.

2.0 LINK TO COUNCIL PRIORITIES:

2.1 Improving community leisure facilities, including those at Stokesley, is included as a ‘Key Project’ within the Council Plan under the Health and Wellbeing priority theme.

3.0 RISK ASSESSMENT:

3.1 There are no significant risks attached to this report.

4.0 FINANCIAL IMPLICATIONS:

4.1

Element	Section 106 Funds	HDC Funds Presently In Place	Additional HDC Funds Required
i. 3g Pitch	£200,000	-	-
ii. Sports hall	£210,000	-	-
iii. Activity room	-	£20,000	-
iv. Reception	-	£33,900	-
v. Improved Gym	-	£72,000	£73,000
vi. Cycling Studio	-	£0	£25,000
vii. Improved Shower Areas	-	£10,000	-
viii. Underwater Detection Cameras	-	£60,000	-
TOTAL	£410,000	£195,900	£98,000

4.2 These proposals in total represent a £703,900 commitment of investment to sport in Stokesley.

5.0 LEGAL IMPLICATIONS:

5.1 There are no legal implications arising from this report

6.0 EQUALITY/DIVERSITY ISSUES:

6.1 Equality and diversity issues have been considered however there are no issues associated with this report. All facility and equipment improvements will look to improve accessibility to all sections of the community.

7.0 HEALTH AND SAFETY ISSUES:

7.1 A full and comprehensive risk assessment has been considered and will be reviewed prior to installation of the underwater detection system. Benchmarking and review of Health and Safety Executive guidance (HSG179) has been undertaken and a programme of delivery has been scheduled.

8.0 RECOMMENDATIONS:

8.1 It is recommended that Cabinet approves and recommends to Council:

- (1) the planned approach to investment at Stokesley for sports and physical activity improvements highlighted within this report, and
- (2) that £98,000 is allocated from the Capital Programme to improve the health and fitness facilities at Stokesley Leisure Centre.

STEVEN LISTER
DIRECTOR OF LEISURE AND COMMUNITIES

Background papers: None

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Stokesley Sport Facilities Improvement Opportunities:

	Element and Description	Approx Cost	Budget Provision	Stakeholders	Potential Funders	Comments	Approx Timing	Next Steps?
1	Full-sized 3g pitch – on Stokesley Sports Club land	£700k-£800k	In place £200k* (S106) *part of £410k sum in POSS&R Action Plan	Stokesley Sports/Football Club; North Riding County FA; Stokesley School; HDC	Football Foundation £400k; HDC £200k; NRCFA £100k; School £50k; Club	Needs to include safe road crossing/access. NRCFA are lead organisation and potential operator. SSC is landowner. Community Access Agreement needed. Impact upon SLC £15k income.	2020/21	Further discussions between partners
2	Sports Hall (including PE changing rooms). Stokesley School owned.	£500k - £1.5m?	In place £210k* (S106) *part of £410k sum in POSS&R Action Plan	School; cricket clubs (Stokesley and Gt Ayton); HDC	DoE Condition Improvement Fund; School – Sugar Tax; HDC; ECB; Cricket Clubs; Sport England	School's sports hall. Refurb or rebuild? School are lead organisation. School 18/19 bid to Dept of Ed rejected. Community Access Agreement needed.	2020/21	Further liaison with school and application to other funders
3	Activity Room: • Lighting/ceiling • Walls • Floor • Storage	£20k - £50k?	In place £20k (within 19/20 Capital Prog)	HDC; School	DoE Condition Improvement Fund; HDC; School – Sugar Tax; Sport England	Best as part of sports hall project but can be undertaken independently. To be used as studio/classroom? Community Access Agreement needed (significant income for SLC)	2019/20 or 2020/21 (part of Sports Hall project?)	Further liaison with school and application to other funders
4	Reception	£34K	In place £34k (within 19/20 Capital Prog)	HDC	None unless part of a bigger scheme	Visual access with customers/contemporary finishes. Drawings completed	2019/20	
5	Improved Gym	£145k	In place £24K and £48K (within 19/20 Capital Prog) Additional £73K request from Capital Prog	HDC	None	New equipment and room refresh	2019/20	
6	Cycling Studio	£25K	£25K requested from Capital Prog	HDC	None	New indoor cycling bikes and room refresh. Links with #5	2019/20	

POSS & R - Public Open Space, Sport and Recreation Action Plan (previously approved by Cabinet 4 June 2019)