

FINANCE URGENT KEY DECISION



DECISION OF:	SECTION 151 OFFICER
WITH ADVICE FROM:	MUNIR YOOZOOPH
DIRECTORATE:	RESOURCES
DECISION NO:	032
SUBJECT:	DECISION TO AWARD CONTRACT SUM INSURANCE FOR EXCESS VALUE UPON BRISTOL BEACON PRACTICAL COMPLETION (DUE ON 30TH NOVEMBER 2023)
KEY DECISION:	YES
REASON	INCREASED BRISTOL BEACON INSURANCE COVER REQUIRED ON COMPLETION OF THE CONSTRUCTION PHASE

BACKGROUND

The Bristol Beacon capital construction project is on course for completion on 30 November 2023. The council's insurers, Zurich, maintain cover for the building insurance based on an asset under construction. The council's broker, Gallaghers, has advised that following the completion of the construction phase the difference in value will need to be addressed via an excess layer of cover for the remaining contract period to ensure appropriate building cover is in place from completion.

DECISION

Approval is sought:

- for the council, via its broker, to procure and direct award a contract for the 'excess layer' insurance covering the Bristol Beacon venue to a value not exceeding £90,000 to be funded from the council's corporate insurance account.

To note:

- This will take the total premium value for the Bristol Beacon venue up to a potential £250,000

FINANCIAL IMPLICATIONS

The overall cost of the insurance cover for Bristol Beacon is to increase following property completion. The current insurer has provided cover during construction. A latest property valuation has been provided now that final construction of the venue is near and it is recommended from our insurers, Zurich, and Gallaghers, our brokers, that current cover is maintained with Zurich with a premium of £160,000 and an excess layer of insurance is procured with an estimate not exceeding £90,000, taking the full cost of the premium, including fees, up to £250,000. The insurance contracts are due for retender on 31 March 2025 following which full cover for Bristol Beacon, subject to all relevant investigations, will be incorporated within this contract.

The approval sought is for the additional premium cover to this value. An approved corporate budget is in place for the council's insurance contracts and the additional cover for Bristol Beacon will be met from this budget. Where applicable the insurance costs may be recharged under relevant agreements.

This decision is undertaken as an emergency decision which, in line with the council's constitution, will be reported to the next available meeting of cabinet.

LEGAL POWERS AND IMPLICATIONS

Section to be completed by legal services.

Legal services will advise and assist officers regarding the procurement process and the resulting contractual arrangements.

CLIMATE CHANGE AND ENVIRONMENTAL IMPLICATIONS

N/A

CONSULTATION

Consulted with procurement, legal, directors, cabinet member, Chair of Communities Scrutiny, Monitoring Officer

RISK MANAGEMENT

The risk management unit will advise and assist officers regarding necessary risk improvement initiatives and processes to keep the council's exposures low. This decision, taken under urgency, reduces the council's exposure to risk.

EQUALITY IMPLICATIONS

Have you undertaken an Equality Impact Assessment? Yes

Yes (overarching insurance equality impact assessment completed)

CORPORATE IMPLICATIONS

Insurance renewals and additional are periodically required, this decision is considered urgent due to the timing of the construction completion and the latest valuation.

SIGNATORIES

DECISION MAKER

Title:

Signed:

Note: If electronic signature used email from Director confirming decision and allowing use of electronic signature must be attached

S151 Officer

Title: **Director of Finance/s151 Officer**

Signed:

Date:

Consultees

Title:

Signed:

Date:

Note: If electronic signature used email from the relevant certifier confirming consultation and allowing use of electronic signature must be attached. If consultation undertaken verbally Director must record date and time of the conversation and any agreement/concerns raised by consultee.