

## WAVERLEY BOROUGH COUNCIL

EXECUTIVE – 31 MARCH 2009

---

**Title:**

**ELECTIONS – INSURANCE ARRANGEMENTS**

[Wards Affected: N/A]

---

**Summary and Purpose**

With the forthcoming local and European elections, this report reviews the insurance arrangements in place covering elections to ensure that they are adequate.

---

**How this report relates to the Council's Corporate Priorities:**

Improving local democracy is a key priority of the Council.

**Equality and Diversity implications**

There are no direct implications arising from this report.

**Resource and legal implications**

As part of the Star Chamber proposals, officers negotiated with the Council's insurer to secure lower insurance premiums by accepting increased excess levels on some policies. The Council agreed to contribute part of the saving in premium to the insurance fund to meet any additional excess costs arising from claims. Officers are currently seeking to negotiate a reduction in the excess for the elections element of the insurance policy and this may result in a small increased premium.

---

**Introduction**

1. It is normal risk management practice for officers to periodically review Waverley's insurance arrangements, particularly prior to an event or action that carries specific risks. In the coming months, Waverley will be managing a Borough by-election, the Surrey County Council local election and the European election. Officers have, therefore, reviewed the insurance arrangements in place that cover election activity.

**Current Insurance Arrangements**

2. Waverley's public liability, employer's liability, fidelity guarantee money and motor insurance policies all include cover for claims against the Council arising in connection with parliamentary and local elections. These policies cover a range of risks and carry standard excesses that would apply in the event of a claim that Waverley would meet from its General Fund budget. Officers have reviewed these policies and are satisfied that adequate cover is in place and that excess levels are appropriate to the risks.
3. The other relevant insurance policy that Waverley holds is officials' indemnity. The Council's officials' indemnity insurance policy (relating to errors and omissions giving rise to financial loss by a third party) specifically includes cover for the Returning Officer, or acting Returning Officer, in Parliamentary and local elections

(but not European elections) in respect of the cost of holding another election should the original election being declared invalid as the result of accidental contravention of the Representation of the Peoples Act. The policy also includes legal expenses reasonably incurred in connection with the defence of any proceedings brought against the Council or the Returning Officer.

4. The Council's insurance policies do not provide indemnity for the Returning Officer in European elections as separate cover is arranged nationally to cover all Returning Officers on an election-by-election basis. In the event that an Officer of the Council decides to act as the Returning Officer for the larger European Constituency (embracing more than one District Council area) then it would be necessary to arrange specific insurance cover for European elections.
5. Following the recent negotiation of reduced premiums, the officials' indemnity insurance is now subject to an excess of £5,000 (was £500 previously). Officers consider that the coverage of the policy continues to be appropriate. However, the Returning Officer and Deputy Returning Officer act in a separate capacity when they are managing the parliamentary and local elections and they are not acting as representatives of Waverley Borough Council. Whilst the Council is covered for financial loss arising from the Returning Officer's actions by the special provisions in the insurance policy, the Returning officer is currently personally liable to meet the cost of any excess arising from a claim.
6. Officers are currently negotiating with Waverley's insurer, Zurich Municipal, to reduce or eliminate the excess for the election element of the officials' indemnity insurance policy, which may attract an additional premium, but the outcome is not yet known. Given that the Returning Officer could potentially be faced with a significant financial cost now that the excess is set at a much higher level, it is appropriate for the Council to provide an indemnity up to the value of the insurance excess in place on this policy. Therefore, in the event of a claim that results in an irrecoverable excess, Waverley would meet this cost from its General Fund resources.

### **Recommendation**

It is recommended that, in relation to the insured events covering parliamentary and local elections, the Executive agree to indemnify the Returning Officer and Deputy Returning Officer up to the value of the excess amount on the Council's insurance policies.

---

### **Background Papers (DCEx)**

There are no background papers (as defined by Section 100D(5) of the Local Government Act 1972) relating to this report.

---

### **CONTACT OFFICER:**

**Name:** Graeme Clark

**Telephone:** 01483 523236

**E-mail:** graeme.clark@waverley.gov.uk

Comms/exec/2008-09/320