

To receive an updated report on the Town Council's property valuation and consider any actions and associated expenditure

Report to: Policy and Finance

Date of Report: 7 January 2026

Officer Writing the Report: Finance Officer

Pursuant to: P&F 11 November 2025, minute nr 245/25/26

Purpose of the report:

To provide an update to Members with regards to carrying out the insurance valuation for the Town Council's property and assets and ensure the sums insured figure is at the correct level.

Officers Recommendations

Members are asked to note the contents of this report and its appendices, and to approve the use of the December 2025 Reinstatement Cost Assessments to update the Town Council's insured sums.

The Responsible Finance Officer and Finance Officer further recommend that the Council's Zurich insurance cover be amended as a matter of high priority to address the identified underinsurance at the following properties:

- Isambard House
- Cornish Cross
- The Guildhall
- Churchtown Cemetery Toilet
- Maurice Huggins
- Longstone Park Toilets

Revised sums insured should be aligned with the most recent assessments, with adjustments for VAT where recovery is not permitted.

It is also recommended that the Finance Officer liaises with Zurich to proceed with a mid-term adjustment working with budget 6224 Professional Costs.

Report Summary

The last property valuation report for insurance purposes was completed in March 2022. In line with insurer recommendations, full reassessment should be conducted every two years to reflect rising building costs and ensure adequate coverage. However, Bailey Partnership recommends every three years with a desktop update on an annual basis. The Responsible Finance Officer and Finance Officer recommend Members adhere to the insurers advice of every two years subject to the economy at the time.

Please refer to **Appendix A** for Bailey Partnerships summary report for each building and **Appendix B** for the detailed report broken down into Base Cost Estimate and VAT.

Please refer to **Appendix C** for a clear comparison between the previous assessment undertaken in 2022, the sums insured under the Town Council's current insurance policy, and the latest reinstatement cost valuation.

Note: The 2025 reinstatement valuations currently include VAT. However, because not all Saltash Town Council properties are eligible to reclaim VAT, the reinstatement values need to be adjusted accordingly, in line with the recommendations of the Town Council's VAT Consultant Parkinson Partnership. Further details to follow.

Summary of Overall Position

- 6 assets are currently underinsured
- 8 assets are overinsured
- Several assets show material movement between March 2022 and December 2025, reflecting construction inflation, scope changes, or corrections in valuation
- Highest exposures are concentrated in Isambard House, Cornish Cross, Guildhall, and selected toilet and cemetery assets

Risk Implications

Underinsurance Risk

- Potential application of average in claims settlement
- Budget exposure in the event of a major insured loss
- Heightened risk for listed, heritage or public-facing assets

Overinsurance Risk

- Unnecessary premium spend
- Budget inefficiency with no corresponding risk reduction

Budgets

Budget Codes: 6224 PF Professional Costs

Budget Availability: £6,025

Signature of Officer:

Finance Officer