Insurance Readiness Checklist

Local Government Reorganisation

Why this matters

Insurance is one of the most complex areas affected by Local Government Reorganisation (LGR), where timelines, data quality, workforce capacity, and market conditions all influence outcomes.

This checklist will help you:

- Identify key risks early
- Prioritise critical actions
- Prepare for successful tendering and ongoing delivery

How to use this checklist

Use this tool to assess your current level of readiness. For each question, assign:

- **Green** – In place and working well
- **Amber –** In progress / partially understood
- **Red –** Not started / significant gaps

Early Planning & Readiness

Insurance programmes are complex and require significant preparation. Starting early gives authorities time to gather information, align stakeholders, procure advisers and prepare for Day 1 requirements without compromising cover, value or market engagement.

Timelines, Information & Feasibility

A successful insurance tender depends on accurate, complete data and realistic timelines. Assessing feasibility early helps identify gaps, reduce delays and improve insurer responses.

Do you have the critical data needed to begin tender preparation?			
Have key information gaps been identified and prioritised?			
Are your timelines realistic for completing an insurance tender?			
Are senior stakeholders aware a full tender can take **12+ months**?			
Have risks of incomplete or delayed data been assessed?			
Is your broker procurement strategy defined?			

Capacity & Workforce

LGR can place additional pressure on already stretched insurance, risk and claims teams. Understanding capacity helps identify where extra support may be needed.

Do your insurance and claims teams have sufficient capacity?			
Is LGR activity is currently delayed due to BAU pressures?			
Have you identified where external support may be needed?			
Are resourcing risks documented and actively managed?			

Knowledge Retention & Staff Churn

Critical knowledge often sits with a small number of individuals. Capturing and transferring that knowledge early helps reduce gaps in tender information and future risk exposure.

Have you identified individuals holding critical knowledge?			
Are any key staff expected to leave before Day 1?			
Is there a defined knowledge transfer plan?			

If gaps exist, consider:

- Starting data collection immediately
- Adjusting programme timelines
- Engaging early with brokers/insurers

Data & Asset Readiness

Insurers rely on accurate asset, claims and exposure data to assess risk and price cover. Poor-quality or inconsistent information can lead to higher premiums, coverage restrictions or reduced market appetite.

	✓	!	✗
Asset, Risk & Portfolio Alignment New authorities may inherit assets and liabilities from several organisations. Aligning this information helps ensure no key exposures are missed.			
Are assets consistently recorded across systems?	☐	☐	☐
Have assets been mapped to new authority structures?	☐	☐	☐
Are differences in deductibles, limits and funding understood?	☐	☐	☐
Have data gaps and uncertainties been clearly documented?	☐	☐	☐
Property Risk Preparedness High-value and high-risk properties can heavily influence insurance costs. Good property risk information supports more accurate assessment and may improve pricing or cover terms.			
Have high-risk or high-value assets been identified?	☐	☐	☐
Is COPE data (Construction, Occupation, Protection, Exposure) complete?	☐	☐	☐
Are property data gaps tracked and prioritised?	☐	☐	☐
Have boundary-related risks been flagged?	☐	☐	☐
Data Usability Data needs to be accessible, accurate and in a usable format. Good-quality data reduces preparation time, supports evaluation and improves insurer confidence.			
Is claims and asset data available in usable formats (e.g. Excel)?	☐	☐	☐
Have data preparation workloads been assessed?	☐	☐	☐
Are there significant manual data cleansing requirements?	☐	☐	☐
Are evaluation processes focused on quality, not formatting?	☐	☐	☐

If gaps exist, consider:

- Centralising data sources
- Allocating dedicated data resource
- Running early data quality reviews

Tender Strategy & Design

The way an insurance tender is structured can influence cost, risk retention, market appetite and long-term protection. A clear strategy helps ensure the programme reflects the authority's financial position, risk appetite and future service needs.

	✔	!	✘
Shape of the Tender Decisions around deductibles, limits, lot structure and procurement approach can affect how attractive the opportunity is to insurers.			
Can the new authority sustain current deductible levels?	☐	☐	☐
Have alternative structures been explored?	☐	☐	☐
Are priorities for post-LGR service delivery defined?	☐	☐	☐
Tender Design Clear specifications help insurers provide accurate, comparable quotations and reduce ambiguity in the tender process.			
Have decisions been made on structure (perils, retention, limits)?	☐	☐	☐
Have strategies been developed for:			
• Unoccupied properties	☐	☐	☐
• Estate investment and maintenance	☐	☐	☐
Is insurer support (e.g. surveys, audits) included in scope?	☐	☐	☐

Specialist & High-Risk Areas

Complex exposures such as children's services, highways, leasehold properties and historical liabilities may attract greater insurer scrutiny. Understanding these areas early can help avoid pricing surprises or coverage issues.

	✔	!	✘
Key Areas to Validate			
Leaseholder arrangements – fully understood and categorised?	☐	☐	☐
Children's services & education – delivery model clearly defined?	☐	☐	☐
Historical exposures – understood and documented?	☐	☐	☐
Claims ownership – clearly assigned?	☐	☐	☐
Highways – responsibilities and claims segmented correctly?	☐	☐	☐

Claims & Legacy Considerations

Historic claims and liabilities may transfer into the new authority. Clear ownership, funding arrangements and claims management processes are essential to avoid disputes, support continuity and inform future programme design.

Historic Claims & Liabilities

Insurers use claims history to assess future risk. Understanding legacy liabilities supports realistic pricing, reserving and programme design.

Have high-risk historic liabilities been identified?			
Are claims records complete and accessible?			
Is ownership of legacy claims clearly assigned?			
Are funding and reserve arrangements defined?			
Have you considered gaps in cover? (i.e. retroactive cover on claims made basis of cover)			

Claims Management Approach

A clear claims handling model can improve outcomes, control costs and give insurers confidence in the authority's risk management approach.

Is the future claims model defined (in-house vs outsourced)?			
Are financial arrangements (deductibles, imprest accounts) agreed?			
Has exposure analysis been completed across combined entities?			
Are pre- and post-LGR policy structures mapped?			

Market Engagement & Governance

Early engagement with brokers and insurers helps test market appetite, identify concerns and shape a tender that attracts quality responses. Strong internal governance also ensures insurance remains visible throughout the wider LGR programme.

	✓	!	✗
Insurer & Market Engagement Insurers value clarity and certainty during major organisational change. Early dialogue can improve understanding, competition, pricing and service propositions.			
Are expectations of insurer support clearly defined?	☐	☐	☐
Have you explored insights from other councils' experiences?	☐	☐	☐
Are there opportunities for early market engagement?	☐	☐	☐
Internal Understanding & Sponsorship Senior leadership support is important because insurance decisions affect finance, governance, risk transfer and service continuity.			
Do senior leaders understand insurance risks in LGR?	☐	☐	☐
Is insurance represented in governance and decision-making?	☐	☐	☐
Is insurance embedded in wider LGR planning?	☐	☐	☐
Is insurance treated as a strategic priority?	☐	☐	☐

If gaps exist, consider:

- Mock tenders, templates or workshops, to add value

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Final Reminder

During LGR, insurance readiness is more than a tender exercise. It helps ensure the new authority has the right protection, financial resilience and operational continuity in place from Day 1.

For further information or speak to a member of the team, please contact LGR@uk.zurich.com

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