

**TAVISTOCK TOWN COUNCIL
BUDGET AND POLICY COMMITTEE
WEDNESDAY 12TH JULY, 2023**

**BRIEFING NOTE
CYBER INSURANCE COVER**

1. INTRODUCTION

- 1.1 The Committee will recall the recent procurement exercise undertaken in connection with the provision of insurance services to the Council (Minute No. 403 (a) refers). At the time of tender, it was not possible for the Council to access a Cyber Insurance policy.

2. CURRENT POSITION

- 2.1 Since the procurement exercise your Council's insurance brokers have been able to identify a potential Cyber Insurance package through "Coalition". An explanation of Cyber Insurance (Appendix 1), and confidential document comprising an outline of the levels of insurance available under the scheme and associated premiums (Appendix 2 (Confidential)) are appended.
- 2.2 On previous occasions when Council insurance services have been tendered a Cyber Insurance option has not been progressed reflecting either: -
 - a) Unavailability/immaturity of such cover in the market place; and/or
 - b) That the organisational configuration of the Council is such as to seek to minimise, wherever possible, the holding of sensitive data.
- 2.3 However, it is acknowledged that both cyber crime and operator/system error can have increasingly significant consequences for organisations of all sizes. In the circumstances there is a potential case for taking out, at the least, a baseline of cover to address those contingencies should they arise.
- 2.4 By way of context Coalition undertook a cyber risk assessment of the organisation's cyber securities arrangements from which it identified 0 critical vulnerabilities, 0 high risks, 12 medium risks and 0 low risks. The Council is in consultation with its IT provider to identify which, if any, of the medium risks can be addressed and how. One of the benefits associated with the Coalition insurance policy is that those active risk assessments/system tests would be undertaken on a continuing basis thereby providing insight into the changing cyber

landscape, and an ongoing understanding of its risk profile. The Council is also a party to the national Cyber Security Initiative via its ICT partner, Microshade.

3. CONCLUSION

- 3.1 Whilst the level of sensitive and/or personal data held by the Council is kept to a minimum, some such information is necessarily held in connection with third parties and associated bodies alongside the routine financial and other management systems of the organisation.
- 3.2 Whilst previously unavailable to the organisation, now that a policy is available, it is recommended that the Council's policy be extended to include cover for loss in the range £100,000(cover)/£2,500 (excess). This level reflects the desirability of cover on the one hand, and the lower level of personal information/sensitive data held by the organisation on the other.
- 3.3 However, should it so wish the Council may decide to seek one or other of the higher levels of cover as listed.

4. RECOMMENDATION

- 4.1 That the Council take up Cyber Insurance cover on the basis as listed in para 3.2 above.
- 4.2 The instructions of the Committee and Council are sought.

**CARL HEARN
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TAVISTOCK TOWN COUNCIL
JULY 2023**