



Report
Staff Report
 The Corporation of the City of Brampton
 5/7/2025

Date: 2025-04-30

Subject: **Request to Begin Procurement: Risk and Insurance Management Services for a three-year period**

Contact: Jonathan Brewer
 Manager, Insurance and Risk Management

Report number: Legislative Services-2025-304

RECOMMENDATIONS:

1. That the report from Jonathan Brewer, Manager, Insurance and Risk Management, to the Committee of Council meeting of May 7, 2025, re: **Request to Begin Procurement: Risk and Insurance Management Services for a three-year period**, be received; and
2. That the Purchasing Agent be authorized to commence the procurement for the City's Risk and Insurance Management services.

OVERVIEW:

- **This report seeks to obtain Council approval to commence procurement for the City's Risk and Insurance Management Services for a three-year period with the option to extend for two additional one-year periods.**
- **Funding for the current Risk and Insurance Management Services contract is included in the approved 2025 operating budget. While final costs will be determined through the upcoming procurement process, staff will account for known budget pressures in future annual operating budget submissions for the Mayor's consideration.**

BACKGROUND:

The City of Brampton has gone to the insurance marketplace every five years with a Request for Proposal (RFP) for Risk and Insurance Management Services. This encompasses the City's entire portfolio of risks and involves placement of 12 separate insurance policies, such as liability, property, transit, cyber, crime, fleet etc. As the 7th largest municipality in Canada, it is extremely important that the City of Brampton has

the most comprehensive coverage available at the best price. This has been continuously accomplished with the program currently in place. The City's existing contract was competitively procured in 2020 through a Request for Proposal and remains in effect until December 31, 2025.

CURRENT SITUATION:

The City of Brampton provides a wide variety of services that its residents depend on every day. It also manages large capital assets. These services, facilities and infrastructure all come with risk. Insurance is essential for protecting the financial interests of the City. It allows the City to transfer much of the financial risk to its insurers.

Increases in damage awards in civil litigation, rising costs for building and vehicle repairs, and emerging risks such as those posed by technology, and climate change make the need for insurance greater than ever. The City remains diligent in mitigating risk and has been successful in securing competitively priced, comprehensive coverage.

Given the RFP process takes approximately six months from commencement to award, staff recommends that we proceed to prepare the RFP for Risk and Insurance Management Services to establish a contract to be effective for January 1, 2026

CORPORATE IMPLICATIONS:

Financial Implications

Funding for the current Risk and Insurance Management Services contract is included in the approved 2025 operating budget.

Staff anticipate increased costs under a new contract due to inflation, increased repair costs for buildings and automobiles, higher damage awards imposed by the courts on liability, climate change, and emerging risks such as cyber threats. In addition, as the City grows, liability risk increases, leading to higher insurance premiums.

While final costs will be determined through the upcoming procurement process, staff will account for these known budget pressures in future annual operating budget submissions for the Mayor's consideration.

Purchasing Implications

A public procurement process will be conducted, and the submissions shall be evaluated in accordance with the published evaluation process within the RFP bid document. Purchase approval shall be obtained in accordance with the Purchasing By-law.

All communication with Bidders involved in the procurement must occur formally, through the contact person identified in the RFP document.

STRATEGIC FOCUS AREA:

This report supports the City's strategic focus on Government & Leadership. Maintaining a robust, comprehensive insurance program ensures the City is able to deliver its many services in a financially responsible and sustainable manner.

CONCLUSION:

This report recommends that the Purchasing Agent be authorized to commence the procurement for Risk and Insurance Management Services.

Authored by:

Jonathan Brewer
Manager, Insurance and Risk
Management

Approved by:

Laura Johnston
Commissioner, Legislative Services

Approved by:

Marlon Kallideen
Chief Administrative Officer