

COPYTHORNE PARISH COUNCIL MEETING – TUESDAY JUNE 11TH 2019

Item 10. To approve the arrangements for the annual review of the Parish Council's Insurance Policy

The Parish hold a "Council Commercial Combined Insurance Policy" with AXA which is arranged through Came & Company a sector specialist insurance broker. Each year, Came & Co submits a renewal invitation which provides quotations from three insurance companies who provide bespoke cover to local councils.

In June 2018 the three quotations (including a £50 Admin Fee) which provide cover at appropriate levels for all required areas of risk were as follows:-

AXA/Inspire	£525.52	(CHOSEN PROVIDER FOR 2018/19)
Hiscox	£681.21	
Ecclesiastical	£701.36	

In November 2018, my predecessor asked AXA to increase the sum assured for "Street furniture" from £9,657 to £14,827 to allow for the new WW1 bench and telephone boxes. A premium increase of £16 was waived by the insurers and we were advised to expect a renewal premium (including a £50 Admin Fee) of circa £565.

This year, I have - as previously agreed – asked that the renewal quotations including the War Memorial. Following discussions with other local Parish Councils, an insurance value of £40,000 was to be used.

The three renewal quotations are:

AXA/Inspire	£686.72
Hiscox	£1,257.27
Ecclesiastical	£1,244.19

AXA/Inspire offer a 3 year binding Long Term Agreement (LTA) under which the annual premium can be reduced by a further 5%, giving an LTA premium of £604.89 including insurance premium tax, plus our administration fee of £50.00, giving a total annual premium of **£654.89**. This means Copythorne Parish Council will commit to keep their policy with Inspire for the period of the LTA.

In return Inspire agrees not to increase the premium except for:

- Policy changes where the sums insured for assets covered against loss or damage are increased (additional assets will be covered at the same % rate though)
- The annual inflationary increase (index linking) applied to the sums insured for the assets covered against loss or damage.
- The imposition by the Government of a higher rate of Insurance Premium Tax (IPT).
- The imposition by the Insurer of a higher rate resultant from claims made against the policy.

Any changes to terms or conditions other than those stated above **releases** the Council from the LTA.

Given the premium increases seen from Hiscox and Ecclesiastical it would appear that the number of insurers that want to deal with local council insurance is reducing and so those insurers remaining may well see this as an opportunity to increase premium rates. I **recommend therefore that we accept the renewal premium from AXA/ Inspire and enter into the 3 year LTA with this year's renewal costing £654.89.**

David Rigby
Clerk/RFO