

Written statement of a key decision
Cabinet member finance and corporate services

Title	Insurance cover renewal
Decision maker	Cabinet member finance and corporate services Information about cabinet, including the names and contact details of the cabinet members, can be found here: http://councillors.herefordshire.gov.uk/mgCommitteeDetails.aspx?ID=251
Date of decision	26 July 2019
Report exemption class	Part exempt (Background Papers)
A notice was served in accordance with Part 2, Section 5(2) (Procedures prior to private meetings) of The Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012. Further notice was served in accordance with Part 2, Section 5(4) of the same regulations.	
Reason for being a key decision	This is a key decision because it is likely to result in the council incurring expenditure which is, or the making of savings which are, significant having regard to the council's budget for the service or function concerned. A threshold of £500,000 is regarded as significant.
A notice was served in accordance with Part 3, Section 9 (Publicity in connection with key decisions) of The Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012.	
General exception or special urgency (as defined in the constitution)	No
Purpose	To approve insurance cover renewal arrangements from 1 st October 2019 following a tender process via the Insurance Services 2 - Crown Commercial Services (CCS) framework agreement.
Decision	That: (a) the placing of the council's insurance business be approved at a cost of approximately £572k per annum (including Insurance Premium Tax (IPT)) for a maximum five year period 1 October 2019 to 30 September 2024 to include the following individual contract arrangements: i. Material damage (with an excess of £50k) is

	<p>placed with AIG via Risk Management Partners (premium £176k including IPT) and contractors all risk is placed with HSB via Risk Management Partners (annual premium £6k including IPT);</p> <p>ii. Fidelity guarantee is placed with Zurich Municipal (annual premium £6k including IPT);</p> <p>iii. Combined liability (including professional negligence, officials and members indemnity and hirer’s liability) with an excess of £50k is placed with QBE via Risk Management Partners (annual premium £323k including IPT);</p> <p>iv. Motor fleet (including uninsured loss recovery) is placed with Zurich Municipal (annual premium £32k including IPT);</p> <p>v. Engineering (including inspection and insurance) is placed with HSB via Risk Management Partners (annual premium £6k including IPT);</p> <p>vi. Personal accident (including business travel) is placed with Zurich Municipal (annual premium £3k including IPT);</p> <p>vii. Computer is placed with HSB via Risk Management Partners (annual premium £3k including IPT);</p> <p>viii. Claims handling for liability and motor – Gallagher Bassett via Risk Management Partners to be appointed (annual premium £16k).</p>
Reason for the decision	<p>As set out in the report. Documents relating to this decision are available at</p> <p>http://councillors.herefordshire.gov.uk/mglIssueHistoryHome.aspx?IId=50028067</p>
Options considered	<p>1. There are no alternative options as all other received tenders cannot be accepted without the significant risk of procurement challenge.</p> <p>2. There is no option to extend the current insurance, which expires on 30 September 2019. Without agreeing to this recommendation, the council will not hold valid certificates of insurance.</p>
Declarations of interest (see below)	
Call-in expiry date (decisions are not subject to call-in where special urgency)	1 August 2019

provisions apply)	
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Councillor:	Date 26 July 2019
Cabinet member finance and corporate services (Councillor Liz Harvey)	

- a record of any conflict of interest declared by any executive member who is consulted by the member which relates to the decision;
- and
- in respect of any declared conflict of interest, a note of dispensation granted by the relevant local authority's head of paid service.