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| <b>Committee</b>   | <b>COUNCIL MEETING</b>               |
| <b>Date</b>        | <b>11<sup>th</sup> February 2019</b> |
| <b>Agenda Item</b> | <b>7d</b>                            |

### **Insurance Renewal**

HTC's current insurance policy is a 3-year policy, negotiated in March 2016. A new policy must be taken out before 1 April 2019, and a 3-year term again is recommended as this reduces the premium, and the work involved in renewing.

Several insurance companies have been contacted, and this has resulted in 3 quotations. It is interesting to note that insurance premiums are at a lower level now than three years ago, and this is reflected in all 3 quotations. All include the Insurance premium tax.

**The current premium is £5170.56, inclusive of Insurance premium Tax and/or VAT as appropriate.**

#### **Quote no 1**

This company have given a 5% discount if the Council has an award under the Local Council Award scheme, and another 5% discount for a 3-year term.

They have taken the value of our property assets as in our asset register, but added another £500,000 to better reflect the real cost of rebuild.

The quote includes cover for charitable events being managed in Halstead under the Council's aegis, such as May Day and the Christmas Fayre.

After all the discounts their quote is **£4043 per year for a 3-year term**

#### **Quote no 2**

This company has a valuation toolkit available for clients, in order to work out the value insured for buildings, rather than use the original value of the asset when it was bought. This ensures that we are not underinsured should it come to rebuilding. The Town Clerk has used this to assess the insured value of the large properties we own. The company also stated that if the valuation using their toolkit was out by a few hundred thousand this would not affect the pay-out.

They will also cover us for a 3-year term and included in the quote are any charitable events being managed in Halstead under the Council's aegis, such as May Day and the Christmas Fayre.

Their quote is **£4052 per year for a 3-year term**

#### **Quote no 3**

This company has taken the asset value of the properties and not added anything to allow for increased value over time. This would mean that if one of our large buildings was damaged the insurance paid out would not cover the cost of rebuilding. They also said that they could not cover any events not directly managed by the Council. These would have to be managed through a separate insurance policy on each occasion at a cost of around £150 on each occasion.

Their quote is **£3896 for a one- year term (+ separate policies for non-Council events)**

**Conclusion**

While quote no 1 is slightly cheaper, the advantage of the valuation toolkit is that the value of the property will always be up to date, and there is no extra work in administration of separate policies for events.

**Recommendation:** that HTC goes with quote no 2 for the next 3 years.

A handwritten signature in black ink that reads "Sarah Greatorex". The signature is written in a cursive, slightly slanted style.

Sarah Greatorex Town Clerk