



COMMUNITY JUSTICE SECURITY

## DECISION RECORD

### Decision Record Number 22

This document records a decision taken by the Police and Crime Commissioner, together with details of the advice he received prior to taking the decision.

### Decision taken

The Police and Crime Commissioner has taken the decision to:

Accept Option 2 in relation to the renewal of The Police and Crime Commissioner for Northamptonshire insurance programme due on 1 November 2017

### Details of advice taken

Professional financial advice has been sought to ensure the insurance renewal provides the best level of insurance cover, as well as value for money.

**Martin Scoble**  
**OPCC Chief Executive**  
**31<sup>st</sup> October 2017**

**END**



COMMUNITY JUSTICE SECURITY

## Northamptonshire Police and Crime Commission

### Supporting Report to the Police and Crime Commissioner

<b>Date of Report</b>	31 <sup>st</sup> October 2017
<b>Subject</b>	Insurance Renewal
<b>Report Author</b>	Richard Jones

#### 1. Purpose of Report

1.1 To approve the renewal of The Police and Crime Commissioner for Northamptonshire insurance programme due on 1 November 2017

#### 2. Decision(s) Recommended:

2.1 To accept Option 2 which will entail an Excess of £125k which will mean a total premium of £359,656

#### 3. Relevant background / Chronology of Key Events:

3.1 The 2016 Premium was £326,231. based on £100k excess

3.2 Change in discount rate has changed from 2.75% to a negative 0.75% - As a result due to the material changes in discount rate this is going to be reviewed in March 2018. If it is expected to be 1% Northants are likely to receive a rebase on the 2018 renewal as it would be deemed that we have overpaid. If there is no change then the premiums will remain the same.

3.3 There have been increases to the Combined Liability and Motor Fleet as a result to changes in the discount rate

3.4 Insurance Premium tax has increased from 10% to 12 %

3.5 Claims history show that we have had 23 claims in the last 10 years, but as claimants have 3 years to claim this may indicate that there may be a number of claims are under reported. However, there is no evidence corroborate the total claims; only to document claims that have been formally lodged.

3.6 Out of the 23 claims only 3 have breached the current deductibles (13%)

3.7 However, with insurance past performance of claims is not liner with future potential claims, but is used by Insurance actuaries to determine existing premiums.

#### **4. Consultation:**

4.1 N/A

#### **5. Compliance Issues:**

##### **5.1 Is this a decision of 'significant public interest?'**

5.1.1 No

##### **5.2 Is the recommended decision consistent with the priorities set out in the Northamptonshire Police and Crime Plan 2014/17?**

5.2.1 Yes - Ensure Value for Money

##### **5.3 What are the financial and procurement implications of this decision?**

5.3.1 The 2017 premium will total £359,656 which will entail an Excess of £125k

##### **5.4 Will further decisions be required?**

5.4.1 Further decisions will be required as per the schedule of insurance

##### **5.5 Legal Implications**

5.5.1 N/A

##### **5.6 Risk Management**

5.6.1 N/A

##### **5.7 Has an Equality Impact Assessment been undertaken?**

5.7.1 N/A

**6. Evaluation of alternative option(s):**

6.1 Existing Excess £100k - Total Premium £388,598

6.2 Option 1 Excess 150k - Total Premium £330,8753

6.3 Option 2 Excess £125k - Total Premium £359,656

6.4 There has been a material jump between last year's premium (2016) of the existing excess movement of £62,367 +

- Option 1 £4,463 +
- Option 2 £33,424+

6.5 The existing option is the most expensive. Option 1 is the cheapest with a modest increase of £4,463. However, this has a cost in terms of an increase of excess of £50,000 per claim. Option 1 and option 2 are still within the existing budget provision of £380,000

**7. List of background reports used to compile this report:**

N/A

**8. List of appendices accompanying this report (if any):**

N/A

**9. Approvals**

**Date**

Has this report been approved by the author's line manager?

Has this report been approved by the Chief Executive?