

Buckinghamshire & Milton Keynes Fire Authority



MEETING	Executive Committee
DATE OF MEETING	13 July 2016
OFFICER	Mark Hemming, Deputy Director of Finance and Assets
LEAD MEMBER	Councillor Andy Dransfield
SUBJECT OF THE REPORT	Insurance Arrangements Update
EXECUTIVE SUMMARY	<p>At the meeting of the Committee on 18 March 2015, it was resolved that the Authority would increase the level of excess in relation to fleet insurance (from £1,000 to £5,000 per claim). It also resolved to create an insurance reserve of £50k to smooth out any potential claims volatility.</p> <p>At this meeting Members also requested that an update be presented to the Committee in one year.</p> <p>There were eight fleet related insurance claims during 2015/16 (four relating to red fleet and four relating to white fleet). The total cost of these claims to the brigade was £4k. Only one of the eight claims (totalling £3k) was above the £1,000 excess but below the £5,000 excess. The Authority therefore had to cover the cost of this claim, whereas previously it could have recovered the cost (less the £1,000 excess).</p> <p>During 2015/16 the insurance contract was retendered and a new contract commenced on 1 April 2016, saving the Authority £20k per annum.</p> <p>Whilst the Authority will experience minor additional costs as a result of increasing the excess, it will still make a significant net saving each and every year.</p>
ACTION	Information.
RECOMMENDATIONS	That Members note the update.
RISK MANAGEMENT	No direct impact.
FINANCIAL IMPLICATIONS	The new contract will save the Authority £20k per annum.
LEGAL IMPLICATIONS	No direct impact.
CONSISTENCY WITH THE PRINCIPLES OF	At the meeting of the Committee on 18 March 2015 it was decided not to apply to join the Fire and Rescue

COLLABORATION	<p>Insurance Consortium (FRIC). This will however be kept under review as a potential future option.</p> <p>The Authority recently procured CCTV cameras for the Red Fleet jointly with Royal Berkshire FRS. This has been beneficial in reducing the annual insurance premium.</p>
HEALTH AND SAFETY	<p>The Authority's active health and safety culture has improved our risk profile and supported the negotiation of a lower premium than would have otherwise been possible.</p>
EQUALITY AND DIVERSITY	<p>No direct impact.</p>
USE OF RESOURCES	<p>The saving achieved will be factored into the MTFP for 2017/18.</p>
PROVENANCE SECTION & BACKGROUND PAPERS	<p>Insurance Arrangements from 2015/16, Executive Committee, 18 March 2015: http://bucksfire.gov.uk/files/6814/2564/4308/ITEM_1_2_Insurance_Renewal_2015-16_Exec.pdf</p>
APPENDICES	<p>None.</p>
TIME REQUIRED	<p>10 minutes</p>
REPORT ORIGINATOR AND CONTACT	<p>Mark Hemming mhemming@bucksfire.gov.uk 01296 744687</p>