

## Town Council Insurance 2016/17

The Council has used Zurich Insurance since 2013/14 with annual premiums as shown below. This followed insurance with WPS in 2012-13 with an annual premium of **£4,578.09**.

<b>2013-14</b>	<b>£3,341.04</b>
<b>2014-15</b>	<b>£2,537.85</b>
<b>2015-16</b>	<b>£2,614.21</b>

The Council entered into a 3-year contract with Zurich in 2014-15; this is the final year of that agreement.

The premium calculated this year (2016-17) is **£2,840.51**; this represents an increase of 8.5%, (£226.30). The increase can be attributed to the following:

- ✓ Insurance Premium Tax has increased from 6% to 9.5%
- ✓ All risk is 'Index Linked' as standard so represents a 1% increase
- ✓ All Building/Premises is index linked as standard so represents a 5% increase

Our Customer Account Manager has assured us that there has been no further increase to the basis of our policy under the long-term agreement, other than the changes we have notified. This information is input and an adjustment is calculated, equating to £90.42 (inclusive of IPT). The changes made to the policy are detailed below:

1. Salaries increased from £52,400 to £60,134
2. Asset Register lowered as 'actual' purchase costs entered for Christmas Lights and for new play equipment/surface at Highfield Park. These both represent lower overall figures (both Asset Registers are attached).

<b>Asset Register</b>	<b>Initial Cost</b>	<b>Replacement Cost</b>
<b>2015</b>	<b>£418,658</b>	<b>£610,533</b>
<b>2016</b>	<b>£339,052</b>	<b>£545,927</b>
<b>difference</b>	<b>-£79,606</b>	<b>-£64,606</b>

On reflection, although £226.30 does represent a significant increase when overall assets are lower, the increase relates to industry standard calculations and premium tax rather than a 'commercial' increase.

It is also worth noting that in February 2017, the council will be seeking renewal quotations to ensure value for money.