

WESTMINSTER CITY COUNCIL

STATEMENT OF DECISION

SUBJECT: INSURANCE TENDER 2024 - 2029

Notice is hereby given that the Cabinet Member for Finance and Council Reform has made the following executive decision on the above mentioned subject for the reasons set out below.

Summary of Decision

The Cabinet Member for Finance and Council Reform has approved the following contract awards:

Contract	Insurer	Year 1 Premium	Estimate five years premium	Contract Period
Lot 2 Combined Liability	Zurich Insurance Company PLC (UK Branch) trading as Zurich Municipal BR000105	£313,605.44	£1,568,027.20	5 years
Lot 3 Terrorism	Lloyd's Market via Marsh Limited Co. Reg. 01507274	£144,775.29	£723,876.44	5 years
Lot 4 Director & Officers Liability	Lloyd's Market via Marsh Limited Co. Reg. 01507274	£92,881.60	£464,408.00	5 years
Lot 5 Crime	Zurich Insurance Company PLC (UK Branch) trading as Zurich Municipal BR000105	£47,040.00	£235,200.00	5 years
Lot 6 PA and Travel	Aon UK Limited Trading as Maven Public Sector (Company number 210725)	£17,758.42	£88,792.10	5 years
Lot 7 School Journey	Zurich Insurance Company PLC (UK Branch) trading as Zurich Municipal BR000105	£4,502.40	£22,512.00	5 years
Lot 8 Motor Fleet	Zurich Insurance Company PLC (UK Branch) trading as Zurich Municipal BR000105	£15,746.52	£78,732.62	5 years
Lot 10 Engineering Inspection	Zurich Insurance Company PLC (UK Branch) trading as Zurich Municipal BR000105	£178,290.56 exc VAT	£891,452.80 exc VAT	5 years

The Cabinet Member has agreed not to award Lot 1 (Property) & Lot 9 (Residential leasehold buildings) at this time and will be subject to a further tender process as detailed in paragraphs 4.25-4.28 of the report.

The Cabinet Member for Finance and Council Reform has delegated authority to the Executive Director of Finance and Resources to subsequently approve the award of Lots 1 and 9, noting they need to be in place prior to 1 April 2024.

Reasons for Decision

In respect of the award of leasehold buildings insurance the Council needs to award a contract of insurance to comply with the Council's legal obligations under the leasehold agreement entered into at the time of sale of the lease to the leaseholders the covenant to insure their asset and ensure the relevant portion of the Councils freehold is insured.

In respect of the award of Property insurance this is to provide funds to reinstate Council assets following damage by insured perils, in the absence of which the financial costs of re-instatement would place considerable or impossible financial demands upon the Council.

In respect of the award of Combined Liability Insurance this is to indemnify the Council against legal costs and damages arising from legal claims against the Council in Negligence, Nuisance, Libel, and Slander. The absence of which would place considerable or impossible financial demands upon the Council.

It is a requirement of the Public Contract Regulations 2015 that these insurance contracts are competitively procured and as established above, the non-purchase of insurance coverage would result in uncapped financial exposures for the Council and for which the potential value of losses could exceed reserves. Prudence would therefore dictate purchase of insurance to mitigate against this and to comply with statutory requirements.

**Stuart Love, Chief Executive,
Westminster City Hall,
64 Victoria Street
LONDON SW1E 6QP**

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Decision Date: 22 February 2024

Implementation Date: 29 February 2024

Reference: FCR24-08