

Meeting	Full Council
Date	13 th December 2022
Report Title	Vehicle Insurance
Agenda Reference	9M
Author	Jodie Smart, Finance Officer & Deputy RFO

Recommendations:

1. To approve the vehicle insurance quotation from Supplier A.
2. To approve the 3-year long term agreement with Supplier A.

Vehicle Insurance Options

The vehicle insurance is due for renewal on 21st January 2023. The Finance Officer has requested quotations from the existing provider plus two alternative suppliers that can tailor to the specific needs of a Parish Council.

The quotations are for all motor vehicles currently under the ownership and lease hire of the Parish Council.

Supplier	1 year premium	3 year long term agreement premium
A	£3,023.01	£2,871.86
B	£7,209.00	Not offered
C	Declined to quote as could not compete with Supplier A	

There is a saving for taking out a long-term agreement with an insurance provider. The premium will be reduced for the term of the agreement with annual increments index linked.

All figures are inclusive of insurance premium tax. All quotations include a £250.00 policy excess.

Supplier B has specified that the quotation excludes the minibus which would need separate cover.

Budget Implication

There is £5,605.00 budgeted for the insurance renewal in the current financial year. However, from an accounting point of view, the insurance should be apportioned to the relevant financial year. Therefore costing 2 of 12 months to 2022/23 and 10 of 12 months to 2023/24. The requirement from the current year budget will be £478.64 (based on supplier A long term agreement). Saving a total of £5,126.36 in the current year. For 2023/24 the remaining £2,393.22 plus two months of the 2024 renewal will be payable. Estimated total of £2,895.80 for 2023/24 expenditure. The current budget for 2023/24 is provisionally set at £4758.00. Therefore insuring with Supplier A for the 3 year agreement will result in a reduction in these budget lines of £1,862.20. (0.16% and £0.21 reduction in overall precept) for 2023-24.