

East Lothian Council

FOI Ref: 2018/224(495033)

I write to request the following information relating to your authority's insurance provision

PURCHASE AND COSTS OF INSURANCE

1) Who is your authority's insurance provider(s) ?

East Lothian Council (ELC) has the following insurers:

AIG via RMP
QBE via RMP
Royal Sun Alliance

The total premium earned by the insurer/s concerned.

Please refer to Appendix I overleaf.

2) What was the cost of your insurance premium in the following financial years? Where you have more than one policy or insurer, please list these individually.

2a. 2012/13

2b. 2013/14

2c. 2014/15

2d 2015/16

2e 2016/17

Please refer to Appendix I overleaf.

3) Under your current insurance policy (or policies, as appropriate), what is the value of the excess per claim that you pay (for each category of risk for which there is a specific excess, and/or generally)?

Please refer to Appendix I overleaf.

4) Apart from the above, does the council undertake any form of self-insurance?

Yes, ELC has hired in Plant and Artworks.

If so what is the financial ceiling elected by the council in this regard?

There is no ceiling.

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5) Regarding your Authority's stop-loss policy,

a) do you have an authority-wide stop-loss?

No

b) if 'Yes' to 5a, what financial threshold is it set at?

Not applicable

c) if 'Yes' to 5a, what does the premium for this cost?

Not applicable

6) (a) Does the council utilise the services of an insurance broker to place their insurance cover? If so, confirm the identity of the current insurance broker.

Yes, Marsh Limited

(b) Does the council participate in any insurance arrangements with other councils?

No

7)(a) How long has the council worked with its current insurer(s)?

ELC has policies which expire at different dates. Please refer to Appendix I overleaf.

(b) When is the next insurance tender(s)?

All tenders are published on Public Contracts Scotland website. Tenders usually vary between 3 and 5 years.

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Appendix I

Policy	Policy Commencement & term	Annual premium excluding IPT	Excess per occurrence	Annual aggregate stop
	01/10/16 (3 +1 +1)			
Employers/Public Liability	QBE via RMP	£118,900	£75,000	£850,000*
Libel & Slander included within Public Liability				
Professional negligence	QBE via RMP	£6,600	£50,000	£850,000*
Officials Indemnity	QBE via RMP	£23,500	£50,000	£850,000*
Motor Fleet	QBE via RMP	£52,690	£75,000	£160,000
	01/07/15 (3 +1+1)			
Travel	AIG VIA RMP		N/A	N/A
Contractors All Risk	HSB	£4,500	£5,000	N/A
Property/ Material Damage	AIG	£172,791	£250,000	£750,000
	01/10/2013 (5 YEAR)			
Engineering Plant Insurance	Royal Sun Alliance	£6,439	£50,000	N/A

*combined for cross class policy

Please note that the figures provided are at the last tender award for each policy. Although ELC holds information for previous financial years, it is exempt from release under Section 33(1)(b), "Commercial Interests and the Economy". This section exempts information from disclosure if it would, or would be likely to, prejudice substantially the commercial interests of any person (including, without prejudice to that generality, a Scottish public authority).

The term "commercial interests" has been interpreted by the Scottish Information Commissioner as meaning any commercial trading activity undertaken, e.g. the sale and purchase of goods and services, normally taking place within a competitive environment.

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When information is released as the result of a freedom of information request it is technically released to the general public, and not just to the person or organisation making the information request. As previously explained, tenders are issued every 3-5 years. They usually give a fixed rate for the period of the contract, therefore, releasing premium information would disclose the rates previously used by the insurers which could then be used by their competitors to take advantage for next tenders. This would impact ELC's opportunity to obtain more competitive premiums at future tenders. ELC has tenders being issued at a number of dates for various insurance products between October this year and 2020. These will all be advertised on Public Contracts Scotland.

This exemption is subject to the public interest test and can only be used to withhold information if the public interest in maintaining the exemption outweighs the public interest in disclosure. ELC recognises that it is in the public interest for information to be accessible and that as a local authority we are open and accountable, especially in relation to financial matters. However, we believe that the release of this information may discourage potential tenders. Alternatively, if a company believes the information could fall into the hands of its competitors, it may also result in much less information and supporting evidence being provided in tenders. Should this be the case it would be very difficult for East Lothian Council to make sound procurement decisions. Bearing all this in mind, we believe that the public interest in withholding the information outweighs the public interest in its disclosure.