

Date: 7th February 2018
Property Reference: Office Copy
Contract Reference: 17/006
Officer: Dominic Clarke

 **Camden**
Leaseholder services
Camden Town Hall
Judd Street
London
WC1H 9JE

FIRST CLASS

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Tel: 020 7974 4444

Dear Leaseholder(s),

Lease Address:

Qualifying long-term agreement for the provision of leasehold building insurance

I am writing further to Camden's Notice of Intention dated **10th August 2017** for the provision of buildings insurance. The London Borough of Camden ('the Council'), as your Landlord, proposes to enter into a long-term agreement, details of which are given in the proposal. We ask that you take some time to read this letter and the enclosed documents as they contain important information for you.

How will this Proposal Affect Me?

The Council is planning to enter into what the Act and the Regulations call "qualifying long term agreements" ("QLTAs"). These are agreements, which last for more than 12 months and concern services to be carried out in relation to the building, or estate in which you are a leaseholder. The new buildings Insurance contract will start on 1 April 2018.

Please find enclosed the Council's second stage notice, Notice of Proposal, to enter into a qualifying long-term agreement for a borough wide contract of building insurance for leasehold properties. The Council is responsible for arranging buildings insurance for most leasehold properties under the lease terms.

The Council is a member of the London Insurance Consortium. This is a consortium of seven London boroughs set up with the joint aim of obtaining better value for insurance and has undertaken a tendering exercise for all member Councils in accordance with the Public Procurement Regulations.

Bidders have been evaluated on a combination of price, policy coverage and quality of service. The winning bids for this tender have been assessed on an individual borough basis.

We now invite you to make any written observations on the proposal.

Should you have any questions regarding this Notice please do not hesitate to contact Leaseholder Services on the telephone number above.

Yours sincerely



Mike Edmunds
Head of Leaseholder Services

Enclosed:

- Statutory notice of proposal for Insurance
- Summary of observation to the first stage Notice of Intention
- Observation form for Insurance

Frequently asked questions

Who are the consortium members?

- London Borough of Camden
- London Borough of Croydon
- London Borough of Islington
- London Borough of Lambeth
- Royal Borough of Kingston upon Thames
- London Borough of Sutton
- London Borough of Tower Hamlets

What are the benefits of a joint tender?

We see the potential benefits of the joint tender as follows:

- a) greater buying power leading to better rates
- b) improved insurance cover
- c) improved service levels particularly for claims

The total premium spend for the seven boroughs means there has been a greater interest in the tender because of seven boroughs participating together, but equally the price has been evaluated separately for each borough.

**INSURANCE AGREEMENT:
NOTICE OF PROPOSAL TO ENTER INTO A LONG TERM AGREEMENT FOR
WHICH A PUBLIC NOTICE IS REQUIRED
Section 151 Commonhold and Leasehold Reform Act 2002 - Schedule 2**

Lease Address:**Details of the Landlord's Proposals:**

To all leaseholders of the London Borough of Camden and all recognised tenants' associations. It is the intention of the London Borough of Camden to enter into a long-term agreement for the provision of buildings insurance, with respect of which we are required to consult leaseholders.

1. Proposed contractor:

The proposed insurer (parties to the agreement):

The party to the Proposed Agreement is: (There is no connection between the landlord and any parties)	
Arthur J Gallagher 67 Lombard St, London EC3V 9AJ	The total contract cost will therefore be £1,311,085.00 in year one

There were three tenders received and their tender costs are:

Tender	£
Arthur J Gallagher	£1,311,085.00
Tender B	£1,666,049.00
Tender C	£3,331,304.00

Your Individual building insurance premium for year one is £.

The Insurance Provider will provide an annual % inflationary uplift to sums Insured in line with the market.

Policy Excesses

Subsidence - £1,000
 Accidental Damage - £250
 Other Losses - £250

2. Length of Agreement

The new contract starts on 1 April 2018 and will run for 5 years.

3. Summary of Stage 1 Observations:

Observations received from leaseholders and Recognised Tenants Associations in relation to Camden's Notice of Intention, dated 4th August 2017 and Camden's responses to these, are summarised in the enclosed document, Appendix 1: Summary of Stage 1 Observations (Contract 17/006).

5. Observations

We invite you to make written observations regarding the proposals contained in this notice by sending them to:

Dominic Clarke
London Borough of Camden
Camden Town Hall
Judd Street
London
WC1H 9JE

Email capitalservices@camden.gov.uk quoting Consultation reference "**17/006**" and Property reference "**Office Copy**".

Observations must be made in writing within the consultation period and should be received within 30 days from the date of this notice. I have enclosed an observation form for your convenience. The consultation period will end on **12th March 2018** and all observations should be received by this date.

Signed on behalf of London Borough of Camden:

Yours sincerely



Mike Edmunds
Head of Leaseholders Services

