

Committee	Dated:
Police Committee – For Information	03/11/2016
Subject: Uninsured Risk in Collaboration Agreements	Public
Report of: Chamberlain	For Information
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Summary

Since the abolition of the Association of Chief Police Officers, there have been a number of collaboration agreements relating to national functions for the police service, which have included inadequate indemnity and insurance provisions.

As many of the clauses currently stand, all forces signing up to the agreements are exposed to an unquantified level of financial risk with a lack of clarity on the risks and liabilities the host force is willing to be indemnified for and what risks, if any, they are taking on themselves. Further to this, there remain uninsurable liabilities that all forces would have to meet from their own budgets.

The Chairman of the Police Committee has written to the Chairman of the National Police Chief's Council to raise the issue and propose a solution to be considered for future agreements.

Recommendation

Members are asked to:

- Note the report and the actions underway to address the issue

Main Report

Background

1. Since the abolition of the Association of Chief Police Officers (ACPO), there have been a number of collaboration agreements circulated across the police service to ensure that critical national functions are continued and there are no gaps in the operational capabilities of the service. The new dominant model for provision of national services is for one force to act as host and other forces to be signatories to an agreement with that force.
2. Previously, ACPO, being a separate legal entity, carried insurance for the liabilities arising out of its activities including the functions it carried out nationally and the cost covered centrally. Some functions of ACPO have been assumed by

the NPCC and others are being delivered by host forces, with separate collaboration agreements applying to each function. Within the agreements, host forces have sought to limit their exposure to risks and liabilities and share the potential costs with the participating forces. However, this has led to inconsistent, complex clauses being drafted which in some cases are conflicting and lack coherence. Additionally, many of the clauses are unclear as to what risks and liabilities the host force wants to be indemnified for and what risks, if any, they are taking on themselves. There also remain uninsurable liabilities, which exist purely by virtue of the agreement and that all forces would have to meet from their own budgets. This issue alone creates an increasing and serious risk for the service.

3. During the initial period following the abolition of ACPO, there was rightly some urgency to ensuring that critical national functions were continued and the agreements were approved despite these inadequacies. However, it is now time to address this issue and at least ensure that future agreements have appropriate and fair insurance provisions.

Current Position

4. The Chairman of the Police Committee has written to the Chairman of the NPCC, Sara Thornton, to raise this issue (letter at Annex A), copied to APCC and HMIC. In the letter, it is proposed that standard, common clauses are drafted whereby the host force effects liability insurance and splits this cost across all forces. Where liabilities are uninsured or uninsurable for the host force, only then should they look for indemnity from the other signatory forces and then, not in circumstances where liability arises because the host force is itself negligent. The NPCC should then seek a commitment from forces that these terms are used in future agreements.
5. The current provisions do not provide adequate cover and while the risk of an event triggering the clauses in any one agreement is small, the risk is compounded as more agreements are signed and the quantum of the liability is unknown, and could be significant.

Conclusion

6. A deficiency in the terms of the current collaboration agreements has been identified by the City of London Corporation. The matter has been raised by the Chairman with the NPCC suggesting an appropriate solution and we await their response.

Appendices

- Annex 1 – Letter to Sara Thornton, Chairman of the National Police Chiefs' Council

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