

Record of Cabinet portfolio member decision

TENDER OF CONTRACT FOR PROVISION OF NON-LIFE INSURANCE SERVICES

DATE OF PUBLICATION – 21 JANUARY 2014

- NB: The Head of Legal and Democratic Services must receive a request to call-in this decision by 5.00pm on Tuesday 28 January 2014.
- Subject to the call-in mechanism (which permits call-in by the chairman or any five members of the scrutiny committee, or any ten councillors^j), this decision will be implemented on expiry of the call-in period.
- The council's cabinet portfolio holder has taken the executive decision outlined below. This decision is published in accordance with the council's procedure rules.

DECISION TAKER	DETAILS OF DECISION
Mr D Dodds	To approve the joint procurement arrangements to tender the contract for provision of non-life insurance services.
	<p>Background</p> <p>The current contract for the provision of non-life insurance services is due to end on 31 March 2014. The council requires to be covered for insured losses, including property, public liability and professional indemnity.</p> <p>It is recommended that the council (in conjunction with Vale of White Horse District Council) re tender jointly under an OJEU accelerated negotiated process for the provision of insurance services. These will be tendered in a series of nine specified lots to ensure the best value for money. All tenders will be assessed on an equal price:quality weighting. It is planned to tender for a 3½ year contract with the option to extend for two years, twice (ie: 3.5 + 2 + 2).</p> <p>The process will be managed by the in-house insurance team, with support from the brokers Gallagher Heath.</p> <p>Use of the 'Negotiated Procedure' is recommended as this allows our brokers the ability to discuss the council's requirements with tenderers and does not rule out any cross-class, co-insured or layered programme options. Also bearing in mind the potential complexity of the combination of SODC and VWHDC insurance programmes, "Negotiated" would provide the necessary flexibility. This is the process most closely aligned with a conventional</p>

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	<p>insurance procurement and has been the most successful procedure in obtaining maximum insurer responses. Agreement to use the negotiated process has been given by the council's strategic director, monitoring officer and s.151 officer.</p> <p>The process is required to be accelerated to ensure that the 1 April deadline is met. There is a higher risk of challenge from tenderers, but officers do not regard this is likely to occur.</p>
	<p>Alternative option considered</p> <p>The council could consider the option of 'self-insurance' against risks, however, the level of potential liabilities (particularly with regard to public liability) could seriously compromise the council's financial footing if any such claims materialise, and for this reason this option is not recommended.</p>

If you have any queries regarding this decision please contact the decision taker above or Bob Watson, Accountancy Manager (Technical), bob.watson@southandvale.gov.uk, 01235 540426

A copy of the report considered by the Cabinet member is available from Kathy Fiander, Democratic Services Officer, Legal & Democratic Services, 01491 823649, kathy.fiander@southandvale.gov.uk

ⁱ The procedures for call-in are set out in the Scrutiny Committee Procedure Rules and the Budget and Policy Framework Procedure Rules in part 4 of the council's Constitution. Democratic Services (contact details above) can provide further guidance.