

Crawley Borough Council

Report to Cabinet 15 January 2020

Insurance Tender Appraisal

Report of the Head of Corporate Finance, **FIN/486**

1. Purpose

The purpose of this report is to seek Cabinet approval to delegate the decision of the award of the Council's insurance contract and the Commercial Property insurance contract to The Leader of the Council. The Council is currently undertaking a procurement exercise for insurance placements using the Yorkshire Procurement Organisation (YPO) Framework.

2. Recommendations

2.1 To the Cabinet

The Cabinet is recommended to:

- a) Note the current work taking place on the Council's insurance contract and the Commercial Property insurance contract.
- b) Delegate the decision to award the contracts for the provision of insurance to The Leader of the Council, following the evaluation of the tender process.

3. Reasons for the Recommendations

- 3.1 In line with the Constitution, Cabinet would normally award any contract with a total value over £500,000. Due to tight implementation timescales, the report recommends that the best approach in order to meet the contract start date is to seek approval to delegate the contract award decision. It is therefore recommended that the Leader of the Council makes the award decision.

4. Background

- 4.1 The Council's main insurance contract expired on 31 March 2019 and the Commercial Properties insurance contract expires on 31 March 2020. The main insurance contract was extended for a further year to explore alternatives. Previously, Cabinet had awarded the main insurance contract for a period of 3 years with the option to extend for a further 2 years which was exercised. The Commercial Properties Insurance Contract was awarded for a period of 5 years which expires on 31st March 2020. The Council is now required to retender for both these contracts.

5. Description of Issue to be resolved

- 5.1 In line with the Council's procurement code, the Council are running two, separate tenders, through the YPO framework to select suitable insurers for the next three years. The contract commences on 1 April 2020 for a period of 3 years with the option to extend for a further 2 years.

6. Information & Analysis Supporting Recommendation

- 6.1 Under the framework procurement arrangements a mini tender exercise will be run for both contracts to find a suitable provider.

7. Implications

- 7.1 The procurement processes undertaken are compliant with the Council's Procurement Code and The Public Contracts Regulations 2015.
- 7.2 The Council has power under section 1 of the Localism Act 2011 to enter into contracts for the provision of insurance cover to protect its assets, liabilities and risks.

8. Background Papers

None

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