

NORTH LANARKSHIRE COUNCIL

REPORT

To: INTERIM EXECUTIVE COMMITTEE		Subject: APPOINTMENT OF RISK MANAGEMENT & INSURANCE ADVISERS/BROKERS
From: DIRECTOR OF FINANCE		
Date: 18 September, 1995	Ref: JM/EMcC/ NLC42	

I refer to Item 3 of the agenda for the meeting of 21 September.

I recommend that North Lanarkshire Council appoint a firm of brokers to act as advisers on risk management and insurance. Much preparatory work has to be carried out prior to the marketing of the Council's insurance business and the need to advertise in Europe in accordance with the procurement directive restricts the time available. An early appointment is therefore necessary.

On 14 September I, along with representatives from Cumbernauld & Kilsyth, Monklands and Motherwell District Councils and from Strathclyde Regional Council heard presentations from the following firms -

Rollins Hudig Hall Ltd
Sedgwick UK Ltd
Alexander & Alexander (UK) Ltd
Bowring Marsh & McLennan Ltd

These firms were chosen because they act or had acted in the recent past on behalf of the North Lanarkshire Council constituent authorities. They also happen to be the four biggest firms of Brokers.

Conclusion

Following an assessment of the presentations, it is my recommendation that Bowring Marsh & McLennan Ltd be appointed Insurance Brokers/Advisers to North Lanarkshire Council. While this firm did not submit the cheapest proposal (see attached), the team support the recommendation for a number of reasons, including:

- a knowledge of the risk profiles of Strathclyde Regional and Motherwell District Council
- evidence of a well prepared approach, having presented a realistic timetable
- confidence in the personnel employed by the firm



North Lanarkshire Council
Summary of Brokers' Price Structures

Alexander & Alexander (UK) Ltd 145 St. Vincent Street Glasgow G2 5NX	Year 1	Year 2	Year 3
	£14,000	£12,000	£12,000

Bowring Marsh & McLennan The Bowring Building 151 West George Street Glasgow G2 2NZ	Year 1	Year 2	Year 3
	£16,250	£16,250	£16,250

Rollins Hudig Hall Limited 125 West regent Street Glasgow G2 2SG	Unbundled fee :	Consultancy	£7,500
		Full Service	5,000
		Claims Handling (pa)	5,000
		Run Off Claims Handling (pa)	3,500
		RMG Support	2,000
		Training	1,500
		RHH Hazard (per man day)	500

Sedgwick UK Limited Sedgwick House 178 Bath Street Glasgow G2 4SE	Year 1	Year 2	Year 3
	£20,000	£20,000	£20,000