

NORTH LANARKSHIRE COUNCIL REPORT

To: Policy & Resources (Finance & Customer Services) Sub-Committee	Subject: Tender for Council Insurance Programme (Excluding Combined Liability) 2016	
From: Head of Revenue Services		
Date: 1 May 2015	Ref: BC / LA	

1. Purpose of the Report

1.1 The purpose of this report is to seek committee approval to commence a tender exercise for the council's insurance policies, excluding combined liability which was approved at the Policy & Resources (Finance & Customer Services) Sub-Committee of 25th February.

2. Background

2.1 The current insurance policies held by the council, which are on a 5 year long term agreement basis, are due to expire on 31st March 2016. They include:

- Property
- Motor
- Marine
- Group Travel & Personal Accident
- Education & Social Work Travel
- Engineering Inspection

2.2 The annual renewal premium for these policies for 2015/16 is £1,738,629 plus IPT (insurance premium tax) of 6% on all policies with the exception of the Engineering Inspection contract which is subject to VAT rather than IPT. The figure includes all discounts relating to the Long Term Agreement.

3. Tender Proposals

3.1 To improve the management of the contract and assist the Council operationally it is proposed that the contract period will be 5.5 years (66 months) with a renewal date to 1st October.

3.2 Based on current annual premium spend, the estimated minimum contract value is approx £9.6 Million for the 5.5 year Agreement. As this exceeds the financial threshold stipulated in the EU Public Sector Procurement Directive 2004/18/EC, the procurement will be subject to an EU compliant procurement process.


3.3 The Corporate Procurement team will assist the Risk & Insurance team where necessary to undertake the procurement as described above. The Risk & Insurance team will also access the expertise of the council's insurance broker Marsh for this exercise.

4. Corporate Considerations

4.1 Costs will be met from existing budgets.

5. Recommendations

5.1 It is recommended that the committee approve the competitive tendering of the Council's insurance programme (excluding combined liability) as outlined in Section 3

A handwritten signature in black ink, appearing to read "Brian Cook". The signature is written in a cursive style with a long horizontal stroke at the end.

Head of Revenue Services

Members seeking further information on the contents of this report are asked to contact Mrs Lauren Anthony, Risk & Insurance Manager on 01698 403946