
Report To: Policy & Resources Committee

Date: 13/08/2013

Report By: Chief Financial Officer

Report No: FIN/59/13/BH

Contact Officer: Brendan Hurrell

Contact No: 712654

Subject: Request for Delegated Authority to Accept Insurance Tender

1.0 PURPOSE

- 1.1 The purpose of this report is to seek Committee approval for delegated authority to be granted to the Head of Legal and Democratic Services to accept the most economically advantageous tender for Insurance Services on behalf of the Council.

2.0 SUMMARY

- 2.1 The Council's current Insurance Services contract is due to expire on 30 September 2013.
- 2.2 Approval was given at the August 2012 Policy and Resources Committee to tender for Insurance Services. The Tender was then advertised in June 2013 in order that the most relevant and up to date pricing could be obtained from the market.
- 2.3 The annual spend value on this contract is approximately £530,000. Tenders were advertised on the basis of a 3 year contract with two potential 1 year extensions. The total potential contract value is in excess of £2,500,000. In terms of the Contract Standing Orders, Committee must approve the acceptance of tenders that exceed £500,000.
- 2.4 Tenders have now been received from 4 suppliers and these are being evaluated. At this stage in the evaluation it is thought that competent bids have been received from more than one of these suppliers. It is also thought that costs can be maintained within existing budgets.
- 2.5 The current contract ends in September and there is an obligation to apply a 10 day mandatory standstill period in terms of the EU Procurement Regulations. As this is the case, there is not enough time to bring the award decision back to Committee in September. Approval is therefore sought to delegate the acceptance of the most economically advantageous tender to the Head of Legal and Democratic Services. A further report will be submitted to the Policy and Resources Committee in September detailing the results of the tender evaluation and contract award.

3.0 RECOMMENDATIONS

- 3.1 It is recommended that the Head of Legal and Democratic Services be granted delegated authority to accept the most economically advantageous tender for Insurance Services on behalf of the Council.

Alan Puckrin
Chief Financial Officer

4.0 BACKGROUND

- 4.1 The Council's current Insurance Services contract is due to expire on 30 September 2013.
- 4.2 Approval was given at the August 2012 Policy and Resources Committee to tender for Insurance Services. The Tender was then advertised in June 2013 in order that the most relevant and up to date pricing could be obtained from the market.
- 4.3 The annual spend value on this contract is approximately £530,000. Tenders were advertised on the basis of a 3 year contract with two potential 1 year extensions. The total potential contract value is in excess of £2,500,000. In terms of the Contract Standing Orders, tenders with a value of exceeding £500,000 may only be accepted on behalf of the Council by the Head of Legal and Democratic Services with authority from the appropriate Committee.
- 4.4 Tenders have now been received from 4 suppliers and these are being evaluated. At this stage in the evaluation it is thought that competent bids have been received from more than one of these suppliers. It is also thought that costs can be maintained within existing budgets.
- 4.5 The current contract ends on 30 September 2013. There is also a requirement in terms of the EU Procurement Regulations to apply a 10 day standstill period between the date the tenderers are informed about the outcome of the tender process and the proposed start date of the new contract. As this is the case, there is not enough time to bring the award decision back to Committee for approval in September and any delay could result in a delay to the start of the new contract. Approval is therefore sought to delegate the acceptance of the most economically advantageous tender to the Head of Legal and Democratic Services. A further report will be submitted to the Policy and Resources Committee in September detailing the results of the tender evaluation and contract award.

5.0 IMPLICATIONS

5.1 Financial Implications - Annual Cost

Cost Centre	Budget Heading	Budget Year	Proposed Spend this Report	Virement From	Other Comments
Various	Insurance	From 2013/14	Approx £530,000	N/A	Costs to be contained within approved budgets

- 6.2 Legal Implications:- The Head of Legal and Democratic Services has been consulted on the content of this report.