

# **Cherwell District Council**

## **Executive**

**3 April 2023**

### **Notification of Urgent Action – Insurance Award**

#### **Report of Assistant Director of Finance (Section 151 Officer)**

This report is public

#### **Purpose of report**

To inform the Executive of the urgent decision that was taken by the Corporate Director Resources accept the outcome for the insurance tender and appoint the insurers for three years, with the option to extend for a further 2 years, so that the necessary insurances will be in place on 1 April 2023.

#### **1.0 Recommendations**

The meeting is recommended to:

- 1.1 To note the decision that was taken by the Corporate Director Resources on 13 March 2023 (Appendix 1).

#### **2.0 Introduction**

- 2.1 The Council last went out to market for insurance in 2018 in conjunction with South Northamptonshire Council. The contract awarded was for 3 years with the option to extend for another 2 years. The option to extend for 2 year was taken.
- 2.2 The purpose of going out to tender was to appoint insurance providers who would deliver the best value for money.

#### **3.0 Report Details**

- 3.1 The urgent decision notice is attached at Appendix 1.
- 3.2 The tender was done through the YPO (Yorkshire Purchasing Organisation) Insurance Dynamic Purchasing Scheme Ref 000978 process was followed. The invitation to tender was placed on 16 December 2022 with a closing date of 6 February 2023.

- 3.3 The Council has worked closely with Marsh Limited, the Council appointed insurance broker, throughout this tender process. The evaluation of the tender was done using Marsh's adjudication format.
- 3.4 The tender has come in within budget expectations. The tender has been based on a contract period of 3 years with the option to extend for another 2 years.
- 3.5 The total contract value over the 5-year period is estimated to be £2,056,625. The contract value is estimated as what we insure, and the levels of cover we have in place, are not fixed for the entire contract term. The Council will go through a renewal process every year to review its needs and negotiate any necessary amendments to the policies with the insurer. The insurer is also entitled to increase the insurance costs in line with market trends on an annual basis if necessary. Marsh's knowledge of the insurance market is invaluable during these annual reviews. The Council may also choose to go out to tender again in 3 years.

## **4.0 Conclusion and Reasons for Recommendations**

- 4.1 In line with the Constitution, this report is informing Executive of the decision which were taken by the Corporate Director Resources to ensure that the Council has insurance in place on 1 April 2023.

## **5.0 Consultation**

None in relation to this report. In relation to the taking of the urgent action, the Leader of the Council, Portfolio Holder for Finance and Vice-Chairman of the Overview and Scrutiny Committee were consulted and supporting the taking of urgent action

## **6.0 Alternative Options and Reasons for Rejection**

- 6.1 The following alternative options have been identified and rejected for the reasons as set out below.

Option 1: Not to note the report. This is not recommended as the urgent action has been taken and it is a constitutional requirement for it to be reported to Executive.

## **7.0 Implications**

### **Financial and Resource Implications**

- 7.1 There are no financial implications arising directly from this report.

Comments checked by:

Joanne Kaye, Strategic Finance Business Partner (Deputy Section 151 Officer)  
01295 221545, [joanne.kaye@cherwell-dc.gov.uk](mailto:joanne.kaye@cherwell-dc.gov.uk)

### **Legal Implications**

- 7.2 The procurement has been carried out using a framework in accordance with the Public Contracts Regulations 2015. The standstill period will be observed prior to the award. The contracts will need to be completed with the successful tenderers.

Comments checked by:

Shiraz Sheikh, Assistant Director Law & Governance | Monitoring Officer

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### **Risk Implications**

- 7.3 There are no risk implications arising directly from this report.

Comments checked by:

Celia Prado-Teeling, Performance and Insight Team Leader

01295 221556, [celia.prado-teeling@cherwell-dc.gov.uk](mailto:celia.prado-teeling@cherwell-dc.gov.uk)

### **Equalities Implications**

- 7.4 There are no equalities implications arising directly from this report.

Comments checked by:

Celia Prado-Teeling, Performance and Insight Team Leader

01295 221556, [celia.prado-teeling@cherwell-dc.gov.uk](mailto:celia.prado-teeling@cherwell-dc.gov.uk)

## **8.0 Decision Information**

### **Key Decision:**

**Financial Threshold Met: No**

**Community Impact Threshold Met: No**

### **Wards Affected**

All.

### **Links to Corporate Plan and Policy Framework**

N/A

### **Lead Councillor**

Councillor Adam Nell, Portfolio Holder for Finance

## **Document Information**

### **Appendix number and title**

- Appendix 1 – Urgent Decision Notice

**Background papers**

None

**Report Author and contact details**

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