

WARRINGTON BOROUGH COUNCIL
RECORD OF DECISION TAKEN BY AN OFFICER

DECISION TITLE: INSURANCE SERVICE

Executive Board Decision No and/or Forward Plan No (Executive decisions only)	EB 153
Directorate Ref No (Non Executive decisions only) If applicable	N/A
Decision detail	<p>Since 1 July 2016, the insurance service has been provided by Salford City Council under contract to Warrington Borough Council, at an annual cost of £110,000. The Contract is overseen by the Risk and Insurance Manager, reporting to the Head of Internal Audit, Risk and Insurance. The decision to contract the service to Salford, following a competitive tendering process, was taken to:</p> <ul style="list-style-type: none"> • Mitigate risks associated with the previous in-house arrangements, particularly relating to capacity and skills gaps. • Ensure the continued provision of a resilient, fit for purpose service representing and protecting the interests of the Council. • Secure savings in overall service provision. <p>The service has operated successfully since its inception and has resulted in service improvements as well as savings, as evidenced by the annual reports for 2016/17 and 2017/18.</p> <p>The contract was awarded for three years to 30 June 2019 plus two optional one year extensions.</p> <p>We would like to take the first annual extension, from 1 July 2019 to 30 June 2020, so that we can continue to satisfy the objectives of the original procurement and provide an effective and efficient insurance service to the Council.</p>
Reason for decision	Executive Board delegated authority to the Deputy Chief Executive to conclude and implement the contract arrangements with Salford. Although this matter came to Executive Board originally because it was a significant change to long-standing operational arrangements, insurance matters are normally excluded from the definition of key decisions under 12.5.3 of the Constitution. We therefore consider that it is appropriate for this decision to be made by the Deputy Chief Executive on the Council's behalf.
Decision Maker/ Responsible Officer	Decision Maker: Lynton Green, Deputy Chief Executive and Director of Corporate Services Responsible Officer: Alison Weir, Risk and Insurance Manager
Directorate	Corporate Services

Lead Executive Board Member consulted (if applicable)	Cllr Bowden (contracts) – confirmed 17 January 2019 Cllr Patel (service) – confirm 18 January 2019
Decision Date	16 January 2019
Date Decision was published / notified (normally within 2 clear working days of decision being made)	14 February 2019
Summary of options considered	<p>Alternatives to extending the contract are:</p> <p>Ceasing to provide the service – not considered viable because of the need to respond to compensation claims made against the Council's insurance policies and liaise with insurers. Claims handling could return to insurers but this would require an increase in internal resource to support insurers and may result in fewer investigations and more settlements.</p> <p>Bringing the service in house – not considered viable because this could not be achieved without an increase in internal resource.</p> <p>Procuring the service from another provider – could be a viable option provided the procurement is commenced promptly but would not necessarily guarantee savings or further improvements in service delivery.</p>
Interests declared	N/A
Background Papers (if applicable) <i>(period expires after 4 years from date of decision)</i>	<p>Agenda items 9 and 13, Executive Board 11 April 2016 (original decision)</p> <p>Agenda item 7, Executive Board 11 September 2017 (annual report 2016/17)</p> <p>Agenda item 5, Executive Board 10 September 2018 (annual report 2017/18)</p>
Confidential / exempt information Category (if applicable)	The original decision was made under Part 2, being exempt by virtue of Category 3 of Schedule 12A to the Local Government Act 1972

NB. This form expires after 6 years.