

# Nottingham City Council Delegated Decision



**Nottingham**  
**City Council**

**Reference Number:**

4722

**Author:**

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**Department:**

People

**Contact:**

Michelle Gabbitas

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**Subject:**

Procurement of School Staff Absence Insurance

**Total Value:**

Up to £47,000 (Type: Revenue)

**Decision Being Taken:**

1) To go out to tender for a provider of Staff Absence Insurance to the City's schools and academies from 1 September 2022 to 31 August 2025. 2) To delegate authority to the Director for Education Services to award and enter into the contract.

**Reasons for the Decision(s)**

The Council is seeking to establish a provider of Staff Absence Insurance to its schools and academies - in total, a maximum of 101 learning establishments (the key end users will be schools, academies, pupil referral units, and learning centres). This insurance previously went out to tender in July 2019 and the current contract will cease on 31 August 2022, so it is now necessary to find an external provider. The Education Directorate has so far gained an income in the form of a rebate of £78,0000 for procuring these services since April 2014.

**Other Options Considered:**

To do nothing: this option is rejected as the wise use of staff absence insurance is vital to a schools budget. The most-cost effective method of procuring this type of cover for schools is where the Education Services team lets and procures a contract on behalf of the school. This gives the opportunity of economies of scale for the school by being part of a large tender process with the beneficial prices that such an exercise brings, which may not be available if schools were to tender individually. It also allows for the provider of the insurance service to cost out their bids to a wide customer base in one tender process. The procurement exercise meets the school's own correct rules and regulations and saves on further administration. This method also allows opportunity to apply a rebate scheme to the successful bidder and generate an income stream. With this in mind, the procurement of the service in this manner is the option that best suits the authority and school's needs. Options have been considered to break the process down into smaller lots, or to ask the schools to run a procurement exercise of their own. These would not generate the economies of scale elements and costs savings, nor would it enable us to apply a rebate scheme.

**Background Papers:**

None

**Published Works:**

None

**Affected Wards:**

Citywide

**Colleague / Councillor Interests:**

None

**Consultations:**

Those not consulted are not directly affected by the decision.

**Crime and Disorder Implications:**

None

**Equality:** EIA not required. Reasons: This decision does not relate to proposals for a new or changing policy, service or function.

**Social Value Considerations:** Not applicable

**Decision Type:** Portfolio Holder

**Subject to Call In:** Yes

**Call In Expiry date:** 26/09/2022

**Advice Sought:** Legal, Finance, Procurement

**Legal Advice:** The proposed decision raises no significant legal concerns and is in compliance with the Council's Contract Procedure Rules and public procurement rules.  
  
Advice provided by Sarah O'Bradaigh (Senior Solicitor) on 22/07/2022.

**Finance Advice:** There is no financial impact on the council for this transaction, other than a rebate in the form of income, which ranges from £40,000 to potentially £47,000. This contract is tendered for on behalf of schools, but schools deal directly with the contracted organisation. The only advice Finance would provide is to ensure that someone is nominated to chase the income to ensure the Council receives the rebate due to it in a timely manner.  
  
Advice provided by Clare Rickett (Senior Commercial Business Partner) on 27/07/2022.

**Procurement Advice:** This procurement raises no concerns. It provides an income to the Council and the majority of spend is done so directly by the earning establishments to the provider. The Procurement team will work in conjunction with the client team to ensure a compliant tender process is followed, achieving best value.  
  
Advice provided by Louise Dobson (Business Support) on 25/07/2022.

**Signatures**

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|---|
| <b>Cheryl Barnard (Portfolio Holder- Children, Young People, Schools)</b> |
| <b>SIGNED and Dated: 16/09/2022</b>                                       |
| <b>Catherine Underwood (Corporate Director for People)</b>                |
| <b>SIGNED and Dated: 14/09/2022</b>                                       |