

Nottingham City Council Delegated Decision



Nottingham
City Council

Reference Number:	3384
Author:	Mick Evans
Department:	Children and Adults
Contact:	Mick Evans (Job Title: Pupil and School Services Manager, Email: mick.evans@nottinghamcity.gov.uk, Phone: 01158765022)
Subject:	School Absence Insurance
Total Value:	£75,000 (Type: Nil)
Decision Being Taken:	1. To go out to tender for a provider of Staff Absence Insurance to the city schools and academies from 1 April 2019 to 31st March 2022. 2. To delegate the award of the contract to the most economically advantageous tender received to the Corporate Director of Childrens and Adults.
Reasons for the Decision(s)	Nottingham City Council is looking to establish a provider of staff absence insurance to its schools and academies, in total a maximum of 101 learning establishments. Staff absence insurance went out to tender in 2014 and this awarded contract will cease on 31st March 2019 which is why it is now necessary to find an external provider. Nottingham City Council, Education Directorate has so far gained an income in the form of rebate of £78,000 since April 2014. The key end users will be schools, academies, pupil referral units, and learning centres.

Other Options Considered:

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 Nottingham team based in the Education Department lets and procures a contract on behalf of the schools. This gives the opportunity of economies of scale for the school by being part of a large tender process with beneficial prices such an exercise brings that 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 schools own contract 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 that have been considered is 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. Therefore these options were rejected.

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:

There are no crime and disorder implications in letting this contract for staff absence insurance

Equality:

EIA not required. Reasons: An EIA is not required as the decision does not relate to a changing policy or service

Social Value Considerations:

A contract of this nature in schools allows the school to plan for continuity within the class room and financial assistance for the school budget. The social value for the pupils is that should staff absence occur then every effort will be made to get quality replacements to ensure a learning environment exists.

Decision Type:

Portfolio Holder

Subject to Call In: Yes

Call In Expiry date: 31/01/2019

Advice Sought: Legal, Finance, Procurement

Legal Advice: This report does not raise any significant legal issues. The City Council is undertaking a limited procurement process to create a framework type of arrangement to identify a preferred insurance provider on behalf of the schools and academies. Advice provided by Andrew James (Team Leader Contracts and Commercial) on 10/12/2018.

Finance Advice: Total of the decision is Zero. The Council procure the service on behalf of the schools. The schools then pay the provider and the council receive a commission .
Potential earnings of £15k per year for the length of the contract.
2018/19 forecasted income £15,549.
Advice provided by Stewart Clark (Commercial Business Analyst) on 22/01/2019.

Procurement Advice: Procurement colleagues will assist with the tender process to ensure that a fully compliant value for money contract is entered into. Advice provided by Paul Ritchie (Lead Procurement Officer) on 18/12/2018.

Signatures
Neghat Khan (Portfolio Holder for Education & Skills)
SIGNED and Dated: 24/01/2019
Alison Michalska (Corporate Director for Children and Adults)
SIGNED and Dated: 24/01/2019