Report to Chief Executive

Approval For Insurance Tender Process and Award of Contracts

Officer Contact: Lee Walsh, Director of Finance

Report Author: Joanne James, Insurance Manager

Date: 2nd November 2026

Reason for Decision

Oldham Council and its current insurers have been subject to Long-Term agreements in respect of Liability, Property, Terrorism, Motor, Fine Art, and other ancillary insurance policies which conclude in 2027.

The report seeks authority to proceed via the YPO Framework and Procurement's recommended route to market, to tender for the Council's insurance contracts that are due to commence on the 1 April 2027.

Executive Summary

The Council's current insurance programme is designed to protect our financial position in respect of losses it may suffer when undertaking the diverse nature of activities required to meet statutory duties, general business functions and income generating operations.

The current programme is held under a Long-Term Agreement. This agreement ends on the 31 March 2027.

The main Property and Liability insurance policies are currently held with Maven Public Sector and Protector insurance hold the Motor insurance for the motor vehicle fleet.

In addition, the Council purchases several smaller policies with various other insurers. These include, but are not limited to:

- Personal Accident/Business Travel, School Journey & Crime insurance - RMP
- Engineering Insurance – Zurich Insurance
- Fine Art – AXA Art
- Terrorism – AJG
- Legal Expenses - ARAG

The objectives of the tender are to:

- Provide financial certainty in relation to the Council's maximum exposure to individual high value claims and the overall cost of claims in any one year.

- Provide financial certainty for losses that have occurred but may not be reported for many years in the future.
- Comply with the Contract Procedure Rules entered into by the Council.

It should be noted that in the absence of an appropriate insurance programme, the Council will be at risk of significant financial loss.

Given the cost of obtaining new insurance arrangements with Long Term Agreements, we are required to competitively tender for new policies. The process will ensure the Council purchases cover that meets the varied needs of the organisation and ensure that as far as possible, all services are adequately protected.

Due to the specialist nature of the insurance market sector, the process will be overseen by the Council's insurance broker – AJ Gallagher with an evaluation of all bids taking place to include financial certainty, depth of cover, service delivery, claims handling and social value. Contracts will be awarded based on the most advantageous bid, after consideration of all factors in the evaluation matrix.

Insurance cover for all policies will commence on 1st April 2027.

Recommendations

1. To approve the tender process and award of contracts to the most advantageous tenderer based on the tender criteria.
2. To delegate authority to the Director of Finance to award the contracts following the tender, subject to compliance with the Contract Procedure Rules.
3. Delegate authority to the Director of Legal Services or nominee to carry out all legal formalities.

Options/Alternatives

Option 1 / Recommended Option:

The Chief Executive accepts the decision to proceed to tender and award contract(s) for insurance to the most advantageous tender(s) in terms of costs and quality and delegate this decision to the Director of Finance.

Option 2:

The Chief Executive does not agree to the tender process and award contracts for insurance but alternatively, self-insure the total cost of risk without the benefit of an insurance policy. The disadvantage of this option is that the Council does not have any financial certainty in the event of large claims which may occur during the 5-year period.

Preferred Option

Option 1 / Recommended Option:

The Chief Executive agrees to the tender process and award of the contract(s) for insurance to the most advantageous bidder(s) in terms of costs and quality and delegate the decision to the Director of Finance. Consultation will be carried out with the Council's procurement team and external appointed brokers AJ Gallagher. The term of the contract will be 3 years with an option to re-new for a further 1 + 1 years.

In a period of financial uncertainty, proceeding without insurance cover is not recommended as the Council would risk significant claims spend, particularly if a total property loss was to be suffered. The Council participating in a tender exercise enables all available market options to be explored, which is considered advantageous whilst the insurance market remains unsettled.

Financial Implications

Further financial and commercial details are set out in the Part B report.

Legal Implications

Further financial and commercial details are set out in the Part B report.

Procurement Implications

Further financial and commercial details are set out in the Part B report.

Equality Impact, including implications for Children and Young People - N/a

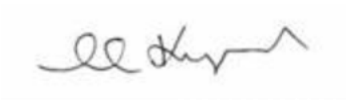
Key Decision

Yes

Key Decision Reference - KDD-26-22

Background Papers - N/A

Appendices - N/A

Approved by the Chief Executive following consultation with the political group leaders who were in attendance as follows:- Councillors: Maggie Hurley, Sam Al-Hamdani, Paul Taylor, Ioan Williams, Arooj Shah, Lisa Navesey, Beth Sharp, Max Woodvine, Brian Hobin, Elaine Taylor, Kamran Ghafoor and Aisha Kouser Decision made under the authorisation contained in Section 9C (5) Delegations of Specific Officers of Part 3 (Responsibility for Functions) and Section 3.6 of Part 4 (Executive Procedure Rules) of the Council Constitution for the Chief Executive to take emergency decisions in respect of the Council's executive functions.
Signed:  Shelley Kipling, Chief Executive Dated: 05/11/2026
Date of Group Leaders meeting: 02/11/2026
Summary of feedback from the political group leaders: Group Leaders noted a typographical error within the report, where the insurance cover expiry date incorrectly referred to 2026 rather than 2027. Confirmation was also sought that the proposed contract structure mirrored the existing arrangement. Subject to the correction being made, the recommendations were approved.