

Essex County Council

Insurance Invitation to Tender 2020



Gallagher

Insurance | Risk Management | Consulting

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Introduction

Essex County Council (ECC) are tendering the covers detailed below, in advance of the expiry of their current Long Term Agreements (where applicable) on the 30 March, 2020, and has appointed Arthur J. Gallagher to manage the tender process. The covers concerned are:

- Material Damage/Business Interruption
- Contractors' All Risks
- School Offsite Activities
- Motor Fleet – General Vehicles

Tenders are invited for the insurances of ECC as detailed in this Invitation to Tender for the period commencing the 31 March, 2020. The tender is being conducted under the EU Services Directive – Open Procedure – process. The applicable Contract Notice is 2019-143168

Cover will be awarded on the basis of the overall ability of the potential provider to respond to ECC's demands and needs, with criteria such as breadth of cover, service, risk management and claims handling being taken into consideration. Details of the contract award criteria are set out in this ITT.

Instructions to Tenderers

SECTION 1 - INTRODUCTION

1.1 General Requirements

- 1.1.1 Essex County Council ("ECC") wish to invite Tenders for the supply of insurance, claims handling and risk management services as detailed within the tender documentation. The successful Potential Provider(s) will be responsible for providing this service and liaising closely with the Authority and/or its appointed broker.
- 1.1.2 This procurement process is being managed in accordance with the Public Contracts Regulations 2015.
- 1.1.3. Arthur J Gallagher has been selected by ECC to assist in the tender of various insurances following the expiry of the current Long Term Agreements (where applicable) on the 30 March, 2020.
- 1.1.4 ECC's detailed requirements are defined within the following:
- Instructions to Tenderers, including Award Criteria/Scoring;
 - Service Standards;
 - Claims Handling Arrangements;
 - Individual Lot requirements;
 - Appendices as detailed in this document and attached and marked accordingly as per this document.
- 1.1.5 ECC is utilising an electronic tendering tool to manage this procurement process and communicate with Potential Providers.

There will be no hard copy documents issued to Potential Providers and all communications with ECC including, submission of Potential Provider responses, will be conducted via ECC's 'Procurement Portal' Bip Delta e-sourcing tool.

The portal is located at www.delta-esourcing.com

Potential Providers who experience technical difficulties when using the ECC Procurement Portal should contact the support desk Mon-Fri, 8:30 to 17:30

Tel: 0845 270 7050 (calls cost 2p per minute plus your phone company's access charge.)

1.2 Budget and Scope

- 1.2.1 This Contract will run for 3 years, with an option to extend annually for a further 1 + 1 years, making 5 years in total.
- 1.2.2 Information relating to the scope of insurance cover and services required are set out in the Service Standards, Claims Handling Arrangements and Individual Lot requirements of this document.
- 1.2.3 All prices are to be shown in pounds sterling e.g. £.
- 1.2.4 All prices shown are to be net of commission and discounts. IPT and VAT where applicable must be shown separately but included in the Potential Providers proposal.
- 1.2.5 For Potential Providers requiring the transaction of insurance services via an Insurance Broker, please note that ECC retains the services of Arthur J. Gallagher.
- 1.2.6 Any fee or other sum payable to a Broker, if necessitated by the successful Potential Provider, will be considered by ECC when evaluating any bid. ISA is capped at 3.5% for the purposes of this contract.
- 1.2.7 In the event of an intended break in the Long Term Agreement the Potential Provider must provide ECC with 6 months' notice to enable ECC to procure a suitable alternative. Please advise within your Tender Specification if this cannot be complied with.
- 1.2.8 Insurance Brokers are not permitted to bid for these contracts as stated in the OJEU Notice.
- 1.2.9 There will be no guarantee of the scope of insurance purchased under this contract during the life of the arrangement.

SECTION 2 - INSTRUCTIONS TO POTENTIAL PROVIDERS**2.1 General Instructions**

- 2.1.1 These instructions are designed to ensure that all Potential Providers are given equal and fair consideration. It is important therefore that you provide all the information asked for in the format and order specified.
- 2.1.2. ECC is utilising an electronic tendering tool to manage this procurement and communicate with Potential Providers. There will be no hard copy documents issued to Potential Providers and all communications with ECC including, submission of Potential Providers' responses, will be conducted via ECC's procurement portal (BiP delta) which is located at: www.delta-esourcing.com

- 2.1.3 Potential Providers should read these instructions carefully before completing the Tender documentation. Failure to comply with these requirements for completion and submission of the Tender may result in the rejection of the Tender. Potential Providers are advised therefore to acquaint themselves fully with the extent and nature of the services and contractual obligations. These instructions constitute the conditions of Tender and participation in the Tender process automatically signals that the Potential Provider accepts these conditions of participation.
- 2.1.4 All material issued in connection with this ITT shall remain the property of ECC and shall be used only for the purpose of this procurement exercise, subject to any changes required by ECC for the final placement of the insurance programme on the 31 March, 2020.
- 2.1.5 The Potential Provider shall not make (direct or indirect) contact with any employee, agent or consultant of ECC who are in any way connected with this procurement exercise, unless instructed otherwise by ECC or its appointed broker.
- 2.1.6 Potential Providers shall accept and acknowledge that by issuing this ITT ECC shall not be bound to accept any Tender and reserves the right not to conclude a contract for some or all of the services for which Tenders are invited.
- 2.1.7 Where Potential Providers are required to submit an attached document in response to a question, attachments must be submitted in an acceptable format to ECC. Acceptable formats include MS Word, MS Excel, MS PowerPoint, JPEGs and PDF files. Potential Providers who wish to submit an attachment in an alternative format should first check with ECC that it will be accepted. ECC reserves the right to deem a response incomplete if a Potential Provider does not submit an attachment in the above named formats without ECC's prior approval.
- 2.1.8 The Authority reserves the right to amend, add to or withdraw all or any Section of this ITT at any time during the procurement exercise.

2.2 Confidentiality and Ownership of Documents

- 2.2.1 Subject to the exceptions referred to in Instruction 2.2.2, the contents of this ITT and any information supplied by ECC in connection with this ITT are being made available by ECC on condition that Potential Providers shall:
- 2.2.1.1. at all times treat the contents of the ITT and any related documents (together called the 'Information') as confidential, save in so far as they are already in the public domain;
 - 2.2.1.2. not disclose, copy, reproduce, distribute or pass any of the Information to any other person at any time or allow any of these things to happen;

- 2.2.1.3. not use any of the Information for any purpose other than for the purposes of submitting (or deciding whether to submit) a Tender; and
- 2.2.1.4. not undertake any publicity activity within any section of the media.
- 2.2.2. Potential Providers may disclose, distribute or pass any of the Information to the Potential Provider's advisers, sub-contractors or to another person provided that either:
 - 2.2.2.1. this is done for the sole purpose of enabling a Tender to be submitted and the person receiving the Information undertakes in writing to keep the Information confidential on the same terms as if that person were the Potential Provider; or
 - 2.2.2.2. the Potential Provider obtains the prior written consent of ECC in relation to such disclosure, distribution or passing of Information; or
 - 2.2.2.3. the disclosure is made for the sole purpose of obtaining legal advice from external lawyers in relation to the procurement or to any contract arising from it; or
 - 2.2.2.4. the Potential Provider is legally required to make such a disclosure.
- 2.2.3. With regards to Instructions 2.2.1 and 2.2.2 above the definition of 'person' includes but is not limited to any person, individual, firm, organisation, body or association, corporate or incorporate.
- 2.2.4. The copyright in all the documents that constitute the Contract shall vest in ECC and all such documents and all copies thereof are and shall remain the property of ECC and must be returned to ECC upon demand.

2.3 TRANSFER OF UNDERTAKINGS (PROTECTION OF EMPLOYMENT) REGULATIONS 2006

- 2.3.1 Potential Providers are advised that ECC believes that the Transfer of Undertakings (Protection of Employment) Regulations 2006 and/or European Communities Acquired Rights Directive 2001/23EC do not apply to this contract at its commencement.
- 2.3.2 However, Potential Providers must satisfy themselves as to whether or not in their view the TUPE regulations will apply and the extent of their obligations in relation to pensions. Potential Providers are advised to seek independent professional advice on the consequences for them if they are the successful Potential Provider and the TUPE regulations are held to be applicable.

- 2.3.3 Potential Providers should also note that the successful Potential Provider shall, at the end of its Contract with ECC, be required, where appropriate, to supply details of its workforce engaged in the provision of the services (and that of any relevant sub-contractors and any information relating to it as ECC reasonably requires).

2.4 Freedom of Information/Government Transparency Agenda

- 2.4.1. In accordance with the obligations and duties placed upon public authorities by the Freedom of Information Act 2000 with 2012 updates (the 'FOIA'), and the Local Government Transparency Code 2014 ECC may, acting in accordance with the Secretary of State's Code of Practice on the Discharge of the Functions of Public authorities under Section 1 of the said Act, or the Environmental Information Regulation (the "EIR") be required to disclose information submitted by the Potential Provider to ECC.
- 2.4.2. In respect of any information submitted by a Potential Provider that it considers to be commercially sensitive the Potential Provider **must complete the FOI Exemption Certificate (Appendix 4) for this ITT. If applicable providers shall adhere to ALL of the following:**
- 2.4.2.1. identify such information as commercially sensitive;
 - 2.4.2.2. explain the potential implications of disclosure of such information; and
 - 2.4.2.3. provide an estimate of the period of time during which the Potential Provider believes that such information will remain commercially sensitive.
- 2.4.3. Where a Potential Provider identifies information as commercially sensitive, ECC will endeavour to maintain privacy. Potential Providers should note, however, that, even where information is identified as commercially sensitive, ECC may be required to disclose such information in accordance with the FOIA or the EIR or the Government Transparency Code 2014. In particular, ECC is required to form an independent judgment concerning whether the information is exempt from disclosure under the FOIA or the EIR and whether the public interest favours disclosure or not. Accordingly, ECC cannot guarantee that any information marked 'confidential' or "commercially sensitive" will not be disclosed. However, ECC will take into account the current Government Guidance on commercial interests prior to making any such disclosure.

- 2.4.4. The Potential Provider acknowledges that, except for any information which is exempt from disclosure in accordance with the provisions of the FOIA, the content of the Contract is NOT confidential Information. ECC shall be responsible for determining in its absolute discretion whether any of the content of the Contract is exempt from disclosure in accordance with the provision of the FOIA. Notwithstanding any term of this Contract, the Potential Provider hereby gives their consent for ECC to publish the Contract in its entirety but with any information which is exempt from disclosure in accordance with the provisions of the FOIA redacted. Also redacted will be information submitted by the Potential Provider in the Freedom of Information Section of this tender where it is agreed by both ECC and the Potential Provider to be commercially sensitive. This also includes from time to time agreed changes to the contract.
- 2.4.5. ECC is committed to being open, accountable and transparent. As such, ECC publishes a range of information for its customers to access which is available on the below link:

www.essex.gov.uk

2.5 Tender Validity

- 2.5.1. Your Tender should remain open for acceptance for period of 119 days. A Tender valid for a shorter period shall be automatically rejected.

2.6 Preparation of Tenders

- 2.6.1 The Potential Provider must obtain for themselves at their own responsibility and expense all information necessary for the preparation of Tender. Potential Providers are solely responsible for the costs and expenses incurred in connection with the preparation and submission of their Tender and all other stages of the suitability and evaluation process. Under no circumstances will ECC, or any of their advisers, be liable for any costs or expenses borne by Potential Providers, sub-contractors, suppliers or advisers in this process.
- 2.6.2. The Potential Provider is required to complete and provide all information required by ECC in accordance with all parts of the ITT documentation. Failure to comply with all parts of the ITT will lead ECC to reject the Tender.
- 2.6.3. Tenders and supporting documents must be completed in English.

- 2.6.4. ECC relies on Potential Providers' own analysis and review of information provided. Consequently, the Potential Provider is solely responsible for obtaining the information which they consider is necessary in order to make decisions regarding the content of their Tender and to undertake any investigations they consider necessary in order to verify any information provided to them during the procurement process.
- 2.6.5. The Potential Provider must form their own opinions, making such investigations and taking such advice (including professional advice) as is appropriate, regarding the ITT and their Tender, without reliance upon any opinion or other information provided by ECC or their advisers and representatives. The Potential Provider should notify ECC promptly of any perceived ambiguity, inconsistency or omission in this ITT, any of its associated documents and/or any other information issued to them during the procurement process.
- 2.6.6. No representation or warranty, express or implied, is or will be given by ECC or any of its agents or advisors with respect to such information or opinions. Any liability is hereby expressly excluded and no costs or expenses incurred for preparing or producing of the tender submission will be accepted by ECC.
- 2.6.7 The following documents need to be completed and returned by Potential Providers. Failure to complete and return the same could lead to Potential Providers bids being rejected. The documents are:
- **Appendix 1 - Mandatory Questionnaire, including the embedded Finance Sheet under question 4.2 and the embedded Data Protection Questionnaire under question 7.10;**
 - **Appendix 2 – Form of Tender;**
 - **Appendix 3 – Certificate of Non-Collusion/Prevention of Corruption;**
 - **Appendix 4 – FOI Exemption Certificate**
 - **Your bid document, including pricing and a policy wording/contract**

2.7 Queries relating to the Tender

- 2.7.1 ECC will endeavour to answer all questions as quickly as possible, but cannot guarantee a minimum response time.
- 2.7.2 Clarification requests can ONLY be submitted via the ECC Procurement Portal. There is a message board within the portal event.
- 2.7.3 No requests for clarifications will be accepted after the clarification deadline outlined in the Procurement Timetable.
- 2.7.4 In order to ensure equality of treatment of Potential Providers, ECC intends to publish the questions and clarifications raised by Potential Providers together with ECC's responses (but not the source of the questions) to all participants on a regular basis.

- 2.7.5 Clarification messages sent by ECC will be sent via the messaging functionality on the ECC Procurement Portal.

2.8 Consortia and Subcontractors

- 2.8.1. ECC requires all Potential Providers to identify whether and which subcontracting or consortium arrangements apply in the case of their tender, and in particular specify the share of the contract it intends to sub-contract, any proposed sub-contractors, and who the tenderer intends MOPAC to contract with.

For the purposes of this ITT, the following terms apply:

- Consortium arrangement. Groups of companies come together specifically for the purpose of bidding for appointment as the Service Provider and envisage that they will establish a special purpose vehicle as the prime contracting party with the Authority. If tendering as a Consortium, Joint Venture, or Special Purpose Vehicle all members will be required to provide the following information:
 - a) Appendix 1 (Mandatory Questionnaire) – Section 2 – Grounds for Mandatory Exclusion;
 - b) Appendix 1 (Mandatory Questionnaire) – Section 3 – Grounds for Discretionary Exclusion;
 - c) Appendix 1 (Mandatory Questionnaire) – Section 5 – Data Protection and General Data Protection.

The lead member will be required to complete Sections 1, 2, 3 and 5 and Section 6 must be completed as a single composite response (all Appendix 1 – Mandatory Questionnaire)

- Subcontracting arrangement. Groups of companies come together specifically for the purpose of bidding for appointment as the Service Provider, but envisage that one of their number will be the Service Provider, the remaining members of that group will be subcontractors to the Service Provider. Essential sub-contractors who are being relied upon to meet selection criteria must provide the detail requested in Sections 2, 3 and 5 of the Mandatory Questionnaire (Appendix 1).

2.9 Submission of Tenders

- 2.9.1 The Potential Provider must submit their Tender via the ECC Procurement Portal no later than the Tender response deadline (the “Deadline”) stated in the Procurement Timetable.
- 2.9.2 Tenders may be submitted at any time before the closing date. However, ECC also recommends that the Potential Provider does not submit their Tender until the deadline for clarification messages has passed, as important information which could affect your submission could be communicated up to that point. Potential Providers also have the option of updating your submitted version of your Tender up until the “Deadline”. Tenders will not be opened until the closing date has passed.
- 2.9.3 Tenders must not be sent and will not be accepted by hard copy, fax or e-mail.
- 2.9.4 Potential Providers may seek clarification on any of the points contained in the ITT documents, via the ECC Procurement Portal any time prior to the deadline for clarification questions.
- 2.9.5 Please note, in order for ECC to receive your response you must publish your response on the ECC Procurement Portal. Please contact the BiP delta support desk if you are not clear on how to do this.
- 2.9.6 Any Tender received by ECC may be rejected if it is received beyond the Deadline. Therefore, it is the Potential Provider’s responsibility to ensure that the Deadline is not breached. The Deadline is the time when the full Tender submission must be received by via the ECC Procurement Portal.
- 2.9.7 Potential Providers are required to complete:
- **Appendix 1** – Mandatory Questionnaire including the embedded Finance Sheet under question 4.2 and the embedded Data Protection Questionnaire under question 7.10;
 - **Appendix 2** – Form of Tender
 - **Appendix 3** – Certificate of Non-Collusion/Prevention of Corruption
 - **Appendix 4** – FOI Exemption Certificate
 - **Your bid document, including pricing and a policy wording/contract**
- 2.9.8 If any electronic version files are to be submitted zipped, please ensure that they are WinZip files. Please note that ECC do not have the software to recognize electronic version files in a WinRAR format and if this format of file is submitted as part of your tender, then we reserve the right to reject your tender submission.
- 2.9.9 Additional information which has not been asked for in the ITT will not be taken into account.

- 2.9.10 By submitting a tender, Potential Providers understand and are accepting of the points listed within the 'Form of Tender' question of the Award questionnaire.

2.10 Rejection of Tenders

- 2.10.1. ECC reserves the right to reject or disqualify any Tender and or a Potential Provider, where the Potential Provider:
- 2.10.1.1. fixes or adjusts the amount of its Tender by or in accordance with any conditions of Contract or arrangement with any other party; or
 - 2.10.1.2. communicates to any party other than ECC the amount or approximate amount of its proposed Tender or information which would enable the amount or approximate amount to be calculated (except where such disclosure is made in confidence in order to obtain quotations necessary for the preparation of the Tender or insurance or any necessary security); or
 - 2.10.1.3. enters into any condition of Contract or arrangement with any other party that such other party shall refrain from submitting a Tender or shall limit or restrict the prices to be shown by any other Potential Provider in its Tender; or
 - 2.10.1.4. offers or agrees to pay or gives or does pay or gives any sum or sums of money, inducement or valuable consideration directly or indirectly to any party for doing or having done or causing or having caused to be done in relation to this Tender or any other proposed Tender; or
 - 2.10.1.5. commits an offence under the Bribery Act 2010 or an offence under Section 117(2) of the Local Government Act 1972; or
 - 2.10.1.6. directly or indirectly canvasses any officer, member, employee, or agent of ECC concerning the establishment of the contractual relationship or who directly or indirectly obtains or attempts to obtain information from any such officer, member, employee or agent or concerning any other Potential Provider, Tender or proposed Tender; or
 - 2.10.1.7. fails to declare any conflict of interest or any circumstances that could give rise to a conflict of interest; or
 - 2.10.1.8. fails to comply fully with the requirements of this ITT or makes a misrepresentation in any information supplied in their Tender; or

- 2.10.1.9 makes or attempts to make any variation or alteration to the Conditions of Tender, the Conditions of Contract or the Specification except where a variation or alteration is invited or permitted in accordance with the terms of all or any of the Tender, the Conditions of Contract and the Specification. If a Potential Provider has concerns and clarifications over the issued Conditions of Contract, then these must be raised and resolved during the clarification period in the normal manner. Any amendments that are agreed shall be communicated to all Potential Providers to ensure consistency; or
- 2.10.1.10. there is a change in identity, control, financial standing or other factor impacting on the selection and or evaluation process affecting the Tender; or
- 2.10.1.11. submits a Tender which does not comply with any mandatory requirement (where the word "shall" or "must" is used); or
- 2.10.1.12. fails to comply with the Revised Prevent Duty Guidance: for England and Wales; para. 45 "publically-owned venues and resources do not provide a platform for extremists to disseminate extremist views"; para 46 "organisations who work with the local Authorities on Prevent are not engaged in any extremist activity or espouse extremist views"; or contradict para 47 "new contracts for the delivery of their services are being made to ensure that the principles of the duty are written in to those contracts in a suitable form"; or
- 2.10.2. Tenders will be reviewed to see if any appear to be abnormally low or unsustainably high. ECC reserves the right to reject any unsustainably high Tenders without further evaluation of the bid submission. Should ECC consider a Tender abnormally low price or value and wish to reject the Tender on such grounds it will seek a written explanation and/or evidence from the Tenderer to justify the Tender and its price/value/s offered. Where the Tenderer is unable to prove, within a sufficient time limit such justification for the low price/value, ECC will reserve the right to reject the Tender.
- 2.10.3. For the avoidance of doubt any non-acceptance or rejection in accordance with paragraph 2.10.1 or 2.10.2 above shall be without prejudice to any other civil remedies available to ECC or any criminal liability that such conduct by Potential Provider may attract.

2.11 Potential Provider's Warranties

- 2.11.1. In submitting a Tender the Potential Provider warrants and represents that:
- 2.11.1.1. it has not done any of the acts or matters referred to in 2.10.1 above and has complied in all respects with the ITT;
 - 2.11.1.2. all information, representations and other matters of fact communicated (whether in writing or otherwise) to ECC by the Potential Provider or its employees in connection with or arising out of the Tender are true, complete and accurate in all respects;
 - 2.11.1.3 it had made its own investigations and research, and has satisfied itself in respect of all matters relating to this Tender document and that it has not submitted the Tender in reliance upon any information, representations or assumptions (whether made orally, in writing or otherwise) which may have been made by ECC;
 - 2.11.1.4. it has asked ECC to submit their Tender and will if requested produce evidence of such to ECC;
 - 2.11.1.5 it is of sound financial standing and the Potential Provider and its partners, officers and employees are not aware of any circumstances (other than such circumstances as may be disclosed in the accounts or other financial statements of the Potential Provider) which may adversely affect such financial standing in the future;
 - 2.11.1.6. it has, and has made arrangements to ensure that it will continue to have, sufficient working capital, skilled staff, equipment, machinery and other resources available to carry out the Services in accordance with the Contract and for the period of the Contract; and
 - 2.11.1.7 any contractual arrangement entered into as a result of this ITT shall be governed by English law.

2.12 Changes/Amendments to Tender Documents

- 2.12.1. At any time prior to the Deadline for the receipt of Tenders, ECC may modify the ITT by amendment. Any such amendment will be numbered and dated and issued by ECC to all prospective Potential Providers by 18 November, 2019. In order to give Potential Providers reasonable time in which to take the amendment into account in preparing their Tenders, ECC may, at its discretion, extend the Deadline for receipt of Tenders.

- 2.12.2. ECC reserves the right to:
- 2.12.2.1 abandon the procurement process at any stage without any liability to ECC; and or
 - 2.12.2.2 require the Potential Provider to clarify its Tender in writing and if the Potential Provider fails to respond satisfactorily, this may result in the Potential Provider not being selected.

2.13 Acceptance/Evaluation of Tenders

- 2.13.1. The Tender evaluation process is conducted to ensure that Tenders are evaluated in an open and transparent manner.
- 2.13.2. An initial examination will be made to establish the completeness of submitted Tenders. ECC reserves the right to disqualify any Tender submission which is incomplete. Information submitted by Potential Providers in response to this document may be subject to further clarification questions by ECC. The Preferred Provider will not be awarded the Contract until the Authority is satisfied with any further checks and due diligence it has carried out and these will need to be acceptable to the Authority before the award of Contract can take place.
- 2.13.3 Subject to 2.13.4, ECC will ONLY accept the Tender which meets all minimum requirements and is considered to be the most economically advantageous.
- 2.13.4 ECC reserves the right to eliminate Potential Providers if they have not completed the relevant declaration forms.
- 2.13.5 **Selection Criteria**
- Arthur J Gallagher on behalf of ECC will assess the Potential Provider's responses to the Mandatory Questionnaire. Failure to meet the minimum criteria will result in automatic elimination of the Potential Provider and their bid.
- All questions in the Mandatory Questionnaire are "Pass/Fail" and will be evaluated against the criteria detailed in the attached SSQ (see **Appendix 36** for details).
- 2.13.6 2.13.6.1 ECC will then evaluate as follows:
- A Technical (Quality) assessment worth 40%. The following criteria, weighting and methodology will be applied:

| Criteria | Sub Criteria | Evaluation Methodology | Scoring Matrix |
|----------------------------|--------------|---|---|
| Cover 20% | None | <p>ECC will give consideration to the range of cover offered, policy conditions, warranties, exclusions, extensions and limitations of cover and acceptability of any conditional premium discount offered. ECC are flexible and will consider quotations on different basis but insurers must clearly indicate any aspect of their quotation which does not comply with the specification of cover set out in the tender document.</p> <p>Insurers are invited to identify areas of policy coverage or extensions that enhance policy cover above that specified.</p> <p>All insurers are required to include a document which compares the cover they are offering against the cover being requested within this specification.</p> | Scored out of 5 as against the scoring matrix below |
| Claims Handling 15% | None | <p>ECC will rely upon method statements from insurers/claims handlers demonstrating how the claims service will be provided.</p> <p>Insurers/Claims handlers are required to provide sufficient detail to enable the claims service to be evaluated, particular areas of focus include, but are not limited to:</p> <ul style="list-style-type: none"> ▪ ability for electronic claims handling; ▪ provision of claims investigation and support; ▪ service standards and quality measures including specific description of the claims handling service(s) offered and details of out of hour's access for crisis management ▪ performance indicators and reporting. <p>Claims handlers must be able to demonstrate their expertise in providing claims handling services for the class of business being tendered and their ability to comply with the Claims Handling requirements set out in the ITT.</p> | Scored out of 5 as against the scoring matrix below |

| Criteria | Sub Criteria | Evaluation Methodology | Scoring Matrix |
|------------|--------------|--|---|
| Quality 5% | None | Insurers shall provide a detailed method statement covering demonstrating how they will work with ECC to build an effective and efficient working relationship and processes from the outset in the management of ECC's insurance requirements as per the ITT. | Scored out of 5 as against the scoring matrix below |

2.13.6 2.13.6.2 Potential Providers should note that irrespective of the methodology described above, a quality score (i.e. response to method statements) of less than 24% of the total score available (40%) for the response to method statements shall result in their being excluded from the process.

The Potential Provider's response to the above will be evaluated and scored a maximum of 5 marks as per the table below:

| Score | General Description | General Rationale |
|-------|-----------------------|--|
| 0 | Wholly unsatisfactory | No response or the whole response is irrelevant to all of the question and evaluation criteria |
| 1 | Unsatisfactory | The response only covers a minor element of the question and evaluation criteria and lacks relevant evidence regarding competence, capacity and ability to successfully fulfil the requirements of the question. |
| 2 | Some concerns | The response covers more than one element of the question and evaluation criteria but lacks relevant evidence regarding competence, capacity and ability to successfully fulfil the requirements of the question. |
| 3 | Acceptable | The response addresses most of the question and evaluation criteria but some areas contain limited relevant evidence regarding competence, capacity and ability to successfully fulfil the requirements of the question. |
| 4 | Very Good | The response fully addresses the question and evaluation criteria and provided relevant evidence regarding competence, capacity and ability to successfully fulfil the requirements of the question. |

| | | |
|---|-------------|--|
| 5 | Outstanding | The response fully addresses the question and evaluation criteria and provides relevant evidence regarding competence, capacity and ability to successfully fulfil the requirements of the question and goes beyond expectations to offer an outstanding level of performance or an additional benefit which exceeds specified requirements. |
|---|-------------|--|

The evaluated mark will be divided by 5 and multiplied by the weighting (%) of the question, to give a final score (%) for each question.

For example, if the weighting for the question is 30% and the Potential Provider is marked a '2', their final score (%) for that question will be:

$$2/5 \times 30 = 12\%$$

A Commercial (Pricing) assessment will then be applied to the Lots being evaluated.

A Commercial (Pricing) assessment worth 60% shall then be conducted by evaluating responses to the pricing submission. The following criteria will then be applied:

| Criteria | Evaluation Methodology |
|--------------------|---|
| Pricing 55% | <p>ECC will calculate and consider the total cost of the option including the cost of premium, IPT, the cost of losses within deductibles and aggregate stop limits (where applicable), cost of claims handling (if priced separately), and terms for payment when selecting insurers.</p> <p>ECC will consider entering into a long-term agreement or contract with insurers. The basic requirement is for insurers to quote based on a three-year long-term agreement with the option for extending for a further two years, on a year-by-year basis.</p> <p>Conditional discounts offered against this individual contract will be excluded from the price evaluation.</p> <p>The best overall price for each Lot will be awarded 55 percent and all other tenders will be awarded a proportion of 55 percent in direct proportion to the best overall price.</p> <p>In terms of the scoring of Price – Total Cost of Risk, the lowest cost proposal will be allocated a total of 55 marks and all other proposals will be awarded a lower score in direct proportion to their value against the lowest cost proposal received e.g. if Insurer A submits a price where the total cost of the option is £120,000 and the cost of the lowest proposal received is £100,000 then the total marks awarded will be:</p> <p>£100,000= 55% divided by 100(%) gives you a multiplier of 0.55.</p> <p>£120,000 is 20% more. $0.55 \times 20 = 11\%$. The Potential Provider would therefore score 44% (55%-11%).</p> <p>£165,000 is 65% more. $0.55 \times 65 = 35.75\%$. The Potential Provider would therefore score 19.25% (55%-35.75%).</p> <p>£190,000 is 90% more. $0.55 \times 90 = 49.5\%$. The Potential Provider would therefore score 5.5% (55%-49.5%).</p> |

| Criteria | Evaluation Methodology |
|-------------------------------|--|
| Financial Certainty 5% | <p>Please provide a proposal detailing how you would be able to build financial certainty over the contract life into your bid.</p> <p>The insurer's proposal shall then be scored out of 5 as against the scoring matrix above.</p> <p>ECC will award up to a maximum of 5% to reflect the degree of financial certainty provided by the insurer's proposals.</p> |

- 2.13.7. Potential Providers should satisfy themselves of the accuracy of all fees, rates and prices quoted, since Potential Providers will be required to hold these or withdraw their Tender in the event of errors being identified after the submission of Tenders.
- 2.13.8 If a Potential Provider fails to provide fully for the requirements of the ITT it must either:
- absorb the costs of meeting the full requirements of the Tender within its tendered price; or
 - withdraw its Tender.
- 2.13.9 Any scores where clarity questions are sought will be left blank until the clarity question is answered.
- 2.13.10 Potential Providers should note that irrespective of the methodology described above, a quality score (i.e. response to method statements) of less than 24% of the total score available (40%) for the response to method statements only shall result in their being excluded from the process.
- The minimum quality threshold is required by ECC to ensure an overly low price does not obscure a bid whose quality is fundamentally unacceptable.
- 2.13.11 ECC reserves the right not to award the Contract to the lowest price Tender or any Tender, reserving also the right to accept the same in whole or in part.
- 2.13.12 Potential Providers must be explicit and comprehensive keeping the information provided specific to and located within the question asked as this will be the single source of information on which responses will be scored and ranked.
- 2.13.13 ECC is under no obligation to "follow up" with the Potential Provider to obtain information found to be missing from the tender response.
- 2.13.14 Where the highest scoring tenders are tied in total score to two decimal points, the Potential Provider who scored highest in the price assessment will be awarded the contract.

2.14 Variant Bids

| | |
|--------|---|
| 2.14.1 | In line with the scope of the project and the OJEU advertisement, variant bids are not offered for this tender. |
|--------|---|

2.15 Procurement Timetable

| | |
|--|------------------------------|
| Amendment to Tender documents deadline | 18 November, 2019 |
| Deadline for Potential Provider's ITT clarification questions | 12.00 noon 18 November, 2019 |
| Deadline for Authority's response to Potential Provider's clarification questions | 25 November, 2019 |
| Tender responses deadline (the "Deadline") | 12.00 noon 9 December, 2019 |
| Evaluation week commencing | 9 December, 2019 |
| Anticipated Award week commencing | 10 February, 2020 |
| Implementation by | 30 March, 2020 |

2.16 Award of Contract/Preferred Supplier Stage

- 2.16.1. ECC will notify all bidders via the ECC Procurement Portal's messaging facility of its intention to award a contract following a minimum standstill period of 10 calendar days. Subject to there being no substantive challenge to that intention, a contract/ conditions of Contract will be formally awarded to the successful Potential Provider(s).

This will include details of the:

- award criteria;
- name of the successful Provider(s) and why that Provider was successful;
- score for the successful Potential Provider(s);
- score for unsuccessful Potential Provider receiving the notice.

If tendering as a Consortium the Authority may require members of the Consortium to assume a specific legal form if awarded the Contract, to the extent that it is necessary for the satisfactory performance of the Contract.

Service Standards

Escalation Process

The following section specifies the service standards required from Potential Providers, but in the event that any standards are not be achieved, an escalation process will be instigated, as follows:-

- Escalation Point 1: If no response and no holding response are received within 5 working days, the enquiry will be forwarded to the Underwriting Manager, who will be a named person.
- Escalation Point 2: If no response and no holding response is received within a further 3 working days, then a copy of the enquiry will be sent to the Regional Business Manager Account Manager or equivalent. Resolution should then occur within a further 3 working days.

Insurance Cover (All Lots)

- 1 Potential Providers are required to provide ECC with written confirmation that the Potential Provider will indicate whether or not the Long Term Agreement will be broken at least 180 days prior to each renewal date, together with authenticated loss experience (where applicable), in a format required by ECC.
- 2 Where the responding bidder is a Direct Provider, during the currency of the insurances, all correspondence and enquiries must be directed to ECC. The intention is to allow direct contact between the Potential Provider and ECC but the successful Providers will be required to recognise the appointment of Arthur J. Gallagher as the appointed insurance brokers to ECC and to respond fully to any queries they raise and to attend meetings with them to resolve any issues with service provided to ECC as required.
- 3 Potential Providers are required to issue draft policy documentation either to ECC or to the appointed insurance brokers within 30 days of the inception date.
- 4 Potential Providers are required to respond to written enquiries within 3 working days. If a comprehensive reply cannot be despatched within this time due to the need for further enquiries, then a holding response must be despatched giving a timescale by which the Potential Provider expects to be able to respond fully.
- 5 Potential Providers are required to respond to telephone enquiries within 24 hours. If a response cannot be given within this timescale then an anticipated timescale for responding should be given to the enquirer.
- 6 Should ECC suffer a failure of service from the successful Potential Provider and this cannot be resolved within a reasonable amount of time e.g. within 20 days, ECC can terminate the contract with the Potential Provider with no penalty clause to apply.

- 7 A named contact will be provided by the Potential Provider to ECC. No Potential Provider may allocate a new contact to ECC without the prior agreement of ECC. Such agreement will not be unreasonably withheld but ECC reserve the right to approve the replacement nominated by the Potential Provider.

Claims Handling

These arrangements and requirements are required going forward, in addition to ECC's general requirements set out below.

The role of Arthur J. Gallagher will be to monitor claims experience and to resolve any disputes between ECC and Potential Providers, and to assist ECC with any complex, high value or high profile claims.

- 1 Potential Providers are required to confirm whether or not they are to provide claims handling services for over the deductible claims and that the full cost of such services is contained within the premium quoted.
- 2 **If Potential Providers are to charge separately for claims handling or if the proposal is for claims handling services to be provided by a third party, then a full method statement for the claims handling process must be provided**

In the event the Potential Provider is proposing any charge for claims handling services in addition to the premium for insurance cover, then terms must be provided on the following basis:-

- 2.1 All terms must be submitted in respect of handling each claim arising from incidents occurring during the insurance year, to extinction.
- 2.2 Prices can either be submitted as a fixed fee for all claims arising from the insurance year, or as a unit price per claim. In either case terms must indicate whether they include or exclude elements such as disbursements, VAT etc.
- 2.3 If terms are subject to annual adjustment then full details of the method of adjustment must be provided with the tender response, together with confirmation of the number of claims anticipated when calculating the terms.
- 3 ECC will require the successful Potential Provider to provide regular and comprehensive claims information for over the deductible claims:-
 - 3.1 Authenticated loss experience in agreed market form, at least 150 days prior to each renewal date.

- 3.2 A full list of all claims/losses submitted to ECC will be provided by the insurer at six monthly intervals, by risk and policy year. Data will be provided in Excel spreadsheet. The list will show as a minimum the following information where relevant:-
- ECC and or Potential Provider references
 - indicator of ECC's department responsible for the loss (if applicable)
 - indicator for geographical location of the loss
 - brief description of claim
 - amount paid on each claim
 - date of Payment
 - reserve/estimate on each outstanding claim
 - date of reserve/estimate
- 4 Potential Providers are required to respond to written enquiries from ECC and claimants within 3 working days. If a comprehensive reply cannot be despatched within this time due to the need for further enquiries, then a holding response must be despatched giving a timescale by which the claims handler expects to be able to respond fully.
- 5 Potential Providers are required to respond to telephone enquiries within 24 hours. If a response cannot be given within this timescale then an anticipated timescale for responding should be given to the enquirer.
- 6 Correspondence repudiating claims must be sent as soon as possible together with an explanation for doing so. Copies of all such letters must be sent to ECC for information.
- 7 All requests for additional information in connection with claims must be directed to ECC and or their representatives and contact details will be provided upon the award of contracts.
- 8 Where possible and appropriate the Potential Providers will be required to pursue recoveries from third parties.
- 9 The Potential Provider must provide the following supporting documentation when submitting tenders:-
- 9.1 Details of the names, qualifications and experience of the team of employees who will responsible for the delivery of services to ECC.
 - 9.2 Outline the Potential Provider's philosophy for claims handling, including specific description of the claims handling service(s) offered, including details of out of hour's access.
 - 9.3 Measures for ensuring quality of service, performance standards and for the monitoring and containment of the cost of claims/claims handling.
 - 9.4 Claims notification conditions/requirements.

- 9.5 Confirmation of whether, and at what incurred value of claim, the Potential Provider would prefer to take control of a claim, in relation to the size of the deductible.
- 10 All Potential Providers will:
 - 10.1 Provide regular information concerning changes in reserves.
 - 10.2 Undertake a regular, at least quarterly, update on all open claims and their reserves including those where there has been no action during the preceding quarter. All inactive claims will be closed off where appropriate to ensure that these do not distort the claims statistics.
 - 10.3 Enable ECC to have an input into the decision making process on liability. Agreement should be reached on liability and quantum before the claimant is contacted.
 - 10.4 Assist ECC to reduce future losses by discussing what measures need to be implemented to prevent a recurrence and provide written feedback on each claim paid concerning why the defence failed.
- 11 No Potential Provider may allocate a new claims handler to ECC without the prior agreement of ECC. Such agreement will not be unreasonably withheld but ECC reserve the right to approve the replacement nominated by the Potential Provider.

General Information

| | |
|------------------------------|--|
| INSURED: | Essex County Council |
| REGISTERED OFFICE: | County Hall, Market Road, Chelmsford, Essex CM1 1QH |
| WEBSITE: | www.essex.gov.uk |
| BUSINESS DESCRIPTION: | Local Authority – County Council |
| RENEWAL DATE: | 31 March, 2020 |
| LONG TERM AGREEMENT: | As detailed under Section 4 – Service Standards |
| TENDER DEADLINE: | 12.00 noon 9 December, 2019 |

Profile

Essex County Council is a County Council, with 75 Councillors covering 70 divisions, and a population of approximately 1,393,600.

Essex County Council is run on a day to day basis by a Cabinet, comprising 10 persons (a leader plus 9 other Councillors).

Business Description

The principal functions of the Council are:

- Social Services – both adults and children and including youth offending services, youth services, adoptions and fostering;
- Education – including Adult Colleges;
- Registration of Births, Deaths and Marriages – including Coroners' Services;
- Trading Standards services – licensing and enforcement;
- Some transport functions within the County area, but not Highways which are contracted out. Note, however, that Essex remain the Highways Authority and thus still responsible for the same;
- Strategic Planning and Economic Development;

- Libraries, Museums and Art Galleries;
- Emergency Planning;
- Administration of pension Funds for County Council employees and employees of the Districts, Borough and Unitary Councils within the County boundaries;
- Public Health and Wellbeing.

The Council is not responsible for:

- Emergency Services (Fire & Rescue and Police);
- Housing;
- Refuse Collection;
- Landfill – but see comments below;
- Parks and Leisure Centres – other than country parks, windmills and a Martello Tower;
- Markets and Car Parking – other than car parks at country parks;
- Environmental Health;
- Revenue Collection (Council Tax and Business Rates)

The Council is the statutory waste disposal authority for Essex and as such is obligated to provide places for the Waste Collection Authorities within Essex (the district/borough/city councils) to take municipal waste and for residents to take household waste; and to make the necessary arrangements for this waste to be treated and disposed of in accordance with relevant legislation.

The Council does not directly operate any recycling facilities, accessing commercial facilities in the case of waste treatment/disposal/haulage operations and engaging contractors to operate the 21 Household Waste Recycling Centres provided for members of the public to take their waste prior to treatment/disposal.

Subsidiary or Trading Companies

| Name of Subsidiary or Trading Company | Business Description | Type of Company |
|---------------------------------------|----------------------|-------------------------|
| Essex Cares Limited | Social Care Services | Private Limited Company |

Essex Cares Limited has its own insurance programme.

Services or functions contracted out by the Council in the last 10 years

| Service | Service contracted out to | Date |
|---|---------------------------|-----------|
| Facilities Management / Property Management | MITIE | 1/4/2012 |
| Highways | Ringway Jacobs | 1/4/2012 |
| Social Care Services | Essex Cares | 1/7/2009 |
| Essex Education Services | Sold to a private company | 20/6/2019 |

Services of functions brought back in-house in the last 10 years

| Service | Service contracted back from | Date |
|-------------|------------------------------|----------|
| Recruitment | Capita | 1/6/2019 |

Academies

287 schools have converted to Academies to date.

Special Schools

The Council has 7 Special Schools.

Major changes to responsibilities or service delivery made in the last 12 months and or planned for the next 12 months

There are no major changes to responsibilities or service delivery planned in the next 12 months that will impact the covers subject to tender.

Care Homes

The Council has 4 Adult Intervention Centres.

Income generating activities or revenue streams

There are a number of services in the Council that generate income. This ranges from selling services to schools and academies, to other third party organisations.

Risk Management

General

The Risk & Insurance Team provides assurance, support and challenge across the Council on business risk management. This is achieved by developing guidance, tools and training to support the business to manage risk effectively in accordance with the risk management framework. The overarching aim is to embed the risk management strategy and process to drive consistency in its application and engage with the business at all levels.

Material Damage/Business Interruption

Location surveyed by insurers over the last 5 years includes the following:

| Type of property | Full Address, including postcode | Whether still retained by the Council |
|---------------------|--|---------------------------------------|
| School (Education) | Beauchamp's High School, Beauchamp's Drive, Wickford, Essex SS11 9LY | Yes |
| School (Education) | Epping St Johns CEO School, Bury Lane, Epping, Essex CM16 5JB | No |
| School (Education) | Roding Valley High School, Alderton Hill, Loughton, Essex IG10 3JA | No |
| College (Education) | St Benedict's Catholic College, Norman Way, Colchester, Essex CO3 3US | Yes |
| School (Education) | St John Payne Catholic School, Patching Hall Lane, Chelmsford, Essex CM1 4BS | Yes |
| School (Education) | Brightside Primary School, Brightside, Billericay CM12 0LE | Yes |
| School (Education) | Waltham Holy Cross Primary School, Quendon Drive, Waltham Abbey EN9 1LG | Yes |

| | | |
|--------------------|--|-----|
| School (Education) | Shorefields School, Holland Road, Clacton on Sea CO15 6HF | Yes |
| School (Education) | Edith Borthwick School, Springwood Drive, Braintree CM7 2YN | Yes |
| School (Education) | John Bunyan Primary School & Nursery, Lancaster Way, Braintree, CM7 | Yes |
| School (Education) | The Mayflower Primary School & Harwich Centre, Main Road, Harwich CO12 | Yes |
| School (Education) | Westlands Community Primary School, Beeches Close, Chelmsford CM1 | Yes |
| ECC property | Cressing Temple Barns & Garden, Cressing, Essex CM77 8PD | Yes |
| ECC property | Essex Record Office, Wharf Road, Chelmsford, Essex CM2 6YT | Yes |
| ECC property | Goodman House, Essex CM20 2ET | Yes |
| ECC property | South West Group Office, Churchill Avenue, Basildon SS14 2BW | Yes |
| ECC property | County Hall, Market Road Chelmsford CM1 1QH | Yes |

In respect of the above, where risk requirements were put forward the following action has been taken by the Council:

| Location | Risk Requirement | Completed | Outstanding |
|---------------------------|--|--|-------------|
| Cressing Temple | <ol style="list-style-type: none"> 1. Fixed Electrical Inspection 2. Cooking range – overhead filter cleaning 3. Fire Suppression – cooking range/tea room café 4. Lighting Protection 5. Halogen Lighting – Barley & Wheat Barns 6. Security – Farmhouse buildings – Equipment/ Plant | <p>Completed</p> <p>Completed</p> <p>Completed</p> <p>Completed</p> <p>Completed</p> | |
| Waltham Holy Cross | <ol style="list-style-type: none"> 1. Flammable Liquids – Petrol Storage 2. Housekeeping – Storage in boiler room 3. External Waste Storage – waste bins 4. Fixed Wiring inspection & test | <p>Completed</p> <p>Completed</p> <p>Not completed as bins cannot be moved. Insurers are aware.</p> <p>Completed</p> | |
| Brightside Primary School | <ol style="list-style-type: none"> 1. External Waste Control | Completed | |

Risk improvements put forward by insurers which the Council implemented include:

| Location | Risk Improvement | Action Taken |
|-----------------------------------|---|--|
| Beauchamps High School | Automatic Fire Alarm – Upgrade System | The school advised, I can confirm that obtaining quotes to upgrade the fire alarm system is an action that is already on the School's Development Plan, although given the current budgetary constraints, it is unlikely that we will be able to proceed with this action. |
| | Kitchen extract ductwork cleaning - Contractor monitoring | School confirmed this is already in place – a copy of the agreed service specification with Rentokil was provided |
| Cressing Temple | Fixed electrical inspection – Defects completion | Remedial works were carried out by Mitie |
| | Security – Farmhouse buildings – Equipment/Plant | The doors have been made more secure with better locking devices. Lockable storage units for tools have been installed within the garages. A locking post has been installed so bigger plant can be chained to. Temporary intruder alarm has been installed |
| Waltham Holy Cross Primary School | Fixed Wiring Inspection & test | Previous Site Manager confirmed that this was completed during the Easter Holidays March/April 2017. |
| | Housekeeping – storage in boiler room | Room has been tidied – rubbish has been disposed of |
| | Flammable Liquids – Petrol Storage | A five gallon jerry can of petrol is currently stored within the adjacent room to the boiler room |

Following a serious fire loss at the John Ray Infant School on the 31 August, 2013, post loss action taken by the Council to prevent or mitigate such future losses is detailed below:

| Location | Post loss action taken |
|------------------------|---|
| John Ray Infant School | <p>The Council no longer engages Mitie roofing on any roofing works – alternative roofing companies on approved framework etc. are used instead.</p> <p>Following the fire, a hot works permit check list and guidance was created to assist schools/services when appointing contractors carrying out this type of works.</p> <p>The hot works permit checklist (see Appendix 5 for details) was designed to assist schools to ensure contractors are capable of carrying out hot works appropriately and responsibly. It was agreed that a hot work permit will need to be completed prior to a to a contract being signed or an agreement being made and therefore a step by step checklist was created.</p> <p>The Hot Works Guidance document (see Appendix 6 for details) provides key information about what Hot Works is, the common types of work it is associated with, potential hazards and the roles and responsibility of what is required to manage these type of works. This document was shared with all of the Council's maintained schools and services within Essex, and this is also accessible on the schools info link page.</p> |

Schools Offsite Activities Risk Management

All bar one maintained school buys back into the Educational Visits Team service. They provide advice, guidance and training for all education visits, they use an online visits notification system for this.

The main advice is directed through the WWW.OEAPNG.info/ Advice and guidance website. The Council also adopt the LOTC Quality Badge to approve providers with this accreditation. www.lotcqualitybadge.org

The Council also produce exemplar policies – see attached School visits policy exemplar as an example (see **Appendix 7** for details). The Council direct maintained schools to the Schools Infolink H&S pages.

The Council also work closely with the Health & Safety Team and support the training for Head Teachers as well as contribute to the annual Health & Safety monitoring.

Motor Fleet (General Vehicles) Risk Management**Driver training**

All Community Link (Ugobus) drivers have MIDAS training, all Youth Service drivers have a driving assessment. It is not standard procedure to train commercial fleet drivers, unless the department request it, with the exceptions noted.

Driving Licence Checks

Community Link (Ugobus) drivers are checked every six months by the Council's Fleet Manager. Other fleet driver licences are checked every six months by their line manager in accordance with the Councils' driving for work policy.

School Minibuses

There are 17 schools that have a minibus insured on the General Fleet. The Insurance Team have spoken to 4 of these schools and they have confirmed that driving licence checks are carried out. They also ensure drivers attend the MIDAS training.

The Council also provide guidance documents to the schools and copies of these are attached (see **Appendix 8** for details).

Risk & Insurance Team

The Risk & Insurance Team is part of the wider Assurance Service which also comprises Health & Safety, Internal Audit & Counter Fraud and Emergency Planning & Business Continuity. The Risk & Insurance Team is led by the Risk & Insurance Manager who reports directly to the Head of Assurance. The Risk & Insurance Team comprises a combination of Claims Handlers and Insurance Advisors who work to ensure the Council has sufficient protection in place for its people, assets and interests as well as handling liability and property claims in house.

A structure chart of the team is set out in **Appendix 9** for information.

Insurance Team

Brief CVs of the insurance team are detailed below:

Karen Gooch

Karen has worked in ECC's Insurance Team for 11 years and is ACII qualified. She also holds the Management of Risk (MoR) qualification.

Drew Coulson

Drew has worked for ECC for 18 months and previously worked at various London Boroughs. He is currently working towards his Certificate in Insurance.

Ria Sawyer

Ria has worked in the Team as an Insurance Advisor for 9 years. Ria holds the CII Certificate in Insurance and has experience in handling property claims.

Dan Laws

Dan has worked in the team for 4 years and has experience in handling property, motor and public liability claims.

Claims Handling Arrangements

Existing claims handling arrangements are as follows:

Material Damage/Business Interruption

| Item | Commentary |
|--|--|
| Delegated Claims Handling Authority | All claims below level of deductible/excess – investigate, adjust, defend and or settle. |
| Delegated Claims Handling Requirements | None. |
| Council Retained Loss Adjustors (approved by insurers) | Woodgate & Clark at present, but would be prepared to use insurer panel adjusters once the contract with Woodgate & Clark expires if available. |
| Reporting of Delegated Claims | <p>A report (the frequency of the reports to be supplied as required by the insurer in writing or to be supplied upon request by the insurer) which provides details of all claims paid and outstanding and which provides the following minimum information:</p> <ul style="list-style-type: none"> i. the period of cover ii. the identity of the claimants or injured parties iii. the dates places description and cause of injuries or damages iv. the amounts of the case reserve for such claim <p>so that any Aggregate Deductible Limit applicable to the policy can be monitored.</p> <p>Other claim information or reports as requested by the insurer from time to time.</p> |
| Insurer Audit Requirements | The insurer shall have the right to inspect, audit and copy during normal business hours all files, data and other information in the possession of the Council utilises for claims handling services relating to claims. |

Contractor's All Risks

The Council relies on the claims handling services of the insurer for claims both below and above the level of the deductible/excess.

School Offsite Activities

All claims are reported direct to and handled by the insurer – an arrangement the Council would wish to retain.

Motor Fleet – General Vehicles

| Item | Commentary |
|-------------------------------------|---|
| Delegated Claims Handling Authority | <p>Own damage claims handling below the deductible/excess are dealt with by the Council, at the Council's own expense.</p> <p>Third Party Claims Handling below the deductible/excess is currently dealt with by Topmark on the Council's behalf.</p> |



Gallagher

Insurance | Risk Management | Consulting

Individual Lots

Lot 1 – Material Damage

Cover

‘All Risks’ of property against physical loss or physical damage occurring during the period of the insurance, including theft (forcible/violent) and subsidence, landslip or heave.

Sums Insured

| Item No | Item Description | Sum Insured |
|--------------------------|--|------------------------------------|
| 1. | General Properties – Buildings and Contents (see Appendix 10 for details) | £814,468,724 (£708,683,109) |
| 2. | General Property – Debris Removal only locations (see Appendix 35 for details) | £255,000 |
| 3. | General and Educational Premises - Loss of Rent – 36 month Indemnity Period (see Appendix 11 for details) | £5,769,930 |
| 4. | Educational Premises – Buildings and Contents (excluding computers) (see Appendix 12 for details) | £1,465,371,233 (£1,274,235,855) |
| 5. | Educational Premises – Voluntary Aided Schools - Buildings and Contents (excluding computers) (see Appendix 13 for details) | £332,443,641 (£289,081,427) |
| 6. | Receivership Properties – Buildings (see Appendix 14 for details) | £9,755,758 (£8,483,268) |
| Total Sum Insured | | £2,628,064,286 |

Policy Limit of Liability (Material Damage/Business Interruption combined)

£100,000,000 combined Material Damage/Business Interruption policy limit (including Computers)

Definitions

Buildings shall include

- landlord’s fixtures and fittings, fixed glass and fixed sanitary ware
- walls, gates and fences
- outside buildings, annexes, gangways, conveniences and other structures
- extensions communicating with the building
- roads, car parks, yards, paved areas, pavements and footpaths
- permanent swimming pools, hard tennis courts and other fixed hard standing
- sports and recreation areas including floodlights
- building management and security systems
- fuel tanks and their ancillary equipment (including pipe work)

- wind turbines and solar panels attached to buildings
- landscaping and recreational features (including ornaments and statues)
- greenhouses, recreational facilities, street lighting, walls, tunnels, bridges, canopies, fixed signs, foundations, oil tanks, cables, wires and associated control gear and accessories
- telephone, gas, water and electric instruments, meters, piping, cabling and the like and their accessories, including similar property in adjoining yards or roadways being the property of the Insured or for which the Insured are responsible

Contents means machinery, plant and all other contents belonging to the Insured or held by the Insured in trust or for which the Insured are responsible whilst in or on the buildings, including:

- tenant's improvements, alterations and decorations
- office equipment (excluding Computer and Telecommunication Equipment)
- contents in open yards
- deeds, documents, manuscripts and business books
- computer systems records
- rare books or works of art (not exceeding £5,000 any one item or £10,000 in total), tobacco, wines and spirits held for business entertainment purposes (not exceeding £1,000 in total)
- the contents of fuel tanks
- partners, governors, directors, employees and students personal effects (other than motor vehicles)
- patterns, models, molds, plans or designs

Deductible

| Item No. | Deductible |
|-----------|--|
| All Items | £500,000 each and every loss (combined with Business Interruption) |

Annual Aggregate Deductible (Material Damage/Business Interruption including Computer)

£3,875,108

Non-ranking deductible £500 all insured perils.

Territorial Limits

Great Britain, Northern Ireland, the Isle of Man and the Channel Islands.

Principal Extensions

| Principal Extension | Limit | Currently In Force | Additionally Required |
|--|--|--------------------|-----------------------|
| Temporary Removal | | X | |
| Mortgagee/Freeholder/Lessor | | X | |
| Non-Invalidation | | X | |
| Workmen | | | |
| Architects', Surveyors', Legal and Other Fees | | X | |
| Automatic Reinstatement | | X | |
| Capital Additions | 15% of the sum insured or £10,000,000 in the aggregate | X | |
| Removal of Debris | | X | |
| European Union and Public Authorities Clause (inc. Undamaged Property) | 15% of the sum insured | X | |
| Glass and Sanitary Ware | | X | |
| Loss of Metered Water and Gas | £15,000 any one event/£75,000 in the aggregate | X | |
| Fire Extinguishing Expenses and Alarm Re-setting Expenses | | X | |
| Keys | £10,000 any one event | X | |
| Theft Damage to Buildings | | X | |
| Landscaped Gardens | £50,000 in the aggregate | X | |
| Inadvertent Omission to Insure | £5,000,000 | X | |
| Temporary Removal (Deeds and Documents) | £25,000 any one event | X | |

| | | | |
|--|--|----------|----------|
| Other Interested Parties | | X | |
| Loss Prevention and Mitigation Expenditure | 10% of the sum insured/£100,000 in the aggregate | X | |
| Drains and Gutters | | X | |
| Alternative Accommodation (Housing Properties) | 20% of the Buildings sum insured | X | |
| Theft of Building Parts | £100,000 any one event/in the aggregate | X | |
| Trace and Access | £25,000 any one event/£100,000 in the aggregate | X | |
| Continuing Interest and Hire Charges | £10,000 | | X |
| Delays in Rebuilding | | | X |
| Electrical Apparatus | | | X |
| Gardening Equipment | £10,000 | | X |
| Insurance Premiums | £25,000 | | X |
| Inadvertent Omission to Insure (tenant, lessee or other occupier – leased and rented premises) | | | X |
| Managing Agents – Professional Fees | | | X |
| Obsolete Building Materials | | | X |
| Privity of Contract | £2,000,000 | | X |
| Preservation of Undamaged Property | | | X |
| Reinstatement on another site | | | X |
| Reinstatement to Match | | | X |

| | | | |
|--------------------------------------|----------------------|--|----------|
| Removal of Debris – Tenants Contents | £5,000 any one claim | | X |
| Tree Felling and Lopping | £10,000 | | X |

Claim Handling Arrangements

See page --- for details.

Council's Own Claims Data

The Council's own claims experience has been extracted from LACHS as at the 13 August, 2019, and comprises claim listings (see **Appendix 15**) for details, on a "ground-up" basis.

The claims experience below is extracted from the most recent Fund Audit undertaken on behalf of the Council, using data as at the 28 February, 2019, as follows:

Wet/Water Perils Ground-up Claims Experience (All Property)

| Policy Year | No. of Claims | Claims Paid | Claims Outstanding | Totals | Insurer Incurred |
|---------------|---------------|-------------------|--------------------|-------------------|------------------|
| 2009/10 | 41 | £260,354 | £0 | £260,354 | £0 |
| 2010/11 | 58 | £343,458 | £0 | £343,458 | £0 |
| 2011/12 | 40 | £362,819 | £0 | £362,819 | £0 |
| 2012/13 | 43 | £271,999 | £0 | £271,999 | £0 |
| 2013/14 | 71 | £936,678 | £0 | £936,678 | £0 |
| 2014/15 | 58 | £1,373,714 | £0 | £1,373,714 | £0 |
| 2015/16 | 31 | £248,785 | £0 | £248,785 | £0 |
| 2016/17 | 61 | £544,810 | £0 | £544,810 | £0 |
| 2017/18 | 48 | £371,540 | £37,960 | £409,500 | £0 |
| 2018/19 | 22 | £106,410 | £38,533 | £144,942 | £0 |
| Totals | 473 | £4,820,567 | £76,493 | £4,897,059 | £0 |

Education – Non-Wet/Water Perils Ground-up Claims Experience

| Policy Year | No. of Claims | Claims Paid | Claims Outstanding | Totals | Insurer Incurred |
|---------------|---------------|-------------------|--------------------|-------------------|-------------------|
| 2009/10 | 92 | £482,765 | £0 | £482,765 | £0 |
| 2010/11 | 125 | £635,933 | £0 | £635,933 | £0 |
| 2011/12 | 107 | £592,266 | £0 | £592,266 | £0 |
| 2012/13 | 90 | £411,181 | £0 | £411,181 | £0 |
| 2013/14 | 65 | £4,330,277 | £0 | £4,330,277 | £2,686,568 |
| 2014/15 | 40 | £422,341 | £16,465 | £438,806 | £0 |
| 2015/16 | 34 | £227,502 | £994 | £228,496 | £0 |
| 2016/17 | 19 | £90,567 | £12,249 | £102,816 | £0 |
| 2017/18 | 26 | £141,636 | £15,811 | £157,447 | £0 |
| 2018/19 | 37 | £131,292 | £229,992 | £361,285 | £0 |
| Totals | 635 | £7,465,760 | £275,511 | £7,741,272 | £2,686,568 |

General – Non-Wet/Water Perils Ground-up Claims Experience

| Policy Year | No. of Claims | Claims Paid | Claims Outstanding | Totals | Insurer Incurred |
|---------------|---------------|-------------------|--------------------|-------------------|------------------|
| 2009/10 | 30 | £75,800 | £0 | £75,800 | £0 |
| 2010/11 | 29 | £112,283 | £0 | £112,283 | £0 |
| 2011/12 | 47 | £233,682 | £4,243 | £237,925 | £0 |
| 2012/13 | 39 | £194,766 | £0 | £194,766 | £0 |
| 2013/14 | 40 | £108,802 | £0 | £108,802 | £0 |
| 2014/15 | 27 | £157,229 | £10,964 | £168,224 | £0 |
| 2015/16 | 35 | £483,755 | £316 | £484,071 | £0 |
| 2016/17 | 41 | £347,828 | £6,473 | £354,302 | £0 |
| 2017/18 | 54 | £159,352 | £17,490 | £176,842 | £0 |
| 2018/19 | 42 | £47,860 | £79,025 | £126,884 | £0 |
| Totals | 384 | £1,921,357 | £118,511 | £2,039,899 | £0 |

Large Claims over £100,000

| Date of Loss | Location | Cause | Claims Paid | Claims Outstanding |
|--------------|--|-------------------------------------|-------------|--------------------|
| 2013/14 | John Ray Infant School, Notley Rd, Braintree | Fire – Building Contractors/workmen | £771,022 | £0 |

Confirmed Claims Experience

Confirmed claims experience is detailed below, as at:

- Zurich Municipal – 9 August, 2019 (see **Appendix 16** for details);
- Travelers Insurance – 23 September, 2019 (see **Appendix 17** for details).

The experience is 100% figure including adjustors fees but **net of deductible or excess**.

| Policy Year | No. of Claims | Claims Paid | Claims Outstanding | Total Claims Paid and Outstanding |
|---------------|---------------|-----------------|--------------------|-----------------------------------|
| 2010/11 | None | £0 | £0 | £0 |
| 2011/12 | None | £0 | £0 | £0 |
| 2012/13 | None | £0 | £0 | £0 |
| 2013/14 | 2 | £771,023 | £0 | £771,023 |
| 2014/15 | None | £0 | £0 | £0 |
| 2015/16 | None | £0 | £0 | £0 |
| 2016/17 | None | £0 | £0 | £0 |
| 2017/18 | None | £0 | £0 | £0 |
| 2018/19 | None | £0 | £0 | £0 |
| 2019/20 | None | £0 | £0 | £0 |
| Totals | 2 | £771,023 | £0 | £771,023 |

Insurance and Self-Retention History, including Aggregate Retentions

| Policy Year | Insurer | Deductible/Excess | Aggregate Stop | |
|--------------|----------------------|---|---|------------|
| 2015 to 2020 | Travelers Insurance | As per the above | 2019 | £3,875,108 |
| | | | 2018 | £3,799,125 |
| | | | 2017 | £3,724,632 |
| | | | 2016 | £3,651,600 |
| | | | 2015 | |
| 2010 to 2015 | Zurich Municipal Ins | £1,200,000 increasing to £10,000,000 in respect of Storm and Flood only | £10,500,000 all perils other than below (£500 non-ranking) £10,000,000 Storm and Flood only (£500 non-ranking) | |

General Information

| General | | |
|--|-----|----|
| The buildings at each situation to be insured are: | | |
| Question | Yes | No |
| A. built of mainly brick, stone, concrete or non-combustible materials? | X | |
| B. heated only by hot water central heating systems, mains electricity or mains gas? | X | |
| C. supplied with electricity by modern wiring and fittings? | X | |
| D. properly maintained and kept in a good state of repair? | X | |
| E. in an area free from any history of flooding? | | X |
| F. protected against freezing by lagging or insulation of all water pipes and tanks? | | |

General - continued

| Question | Yes | No |
|--|-----|----|
| Are any of the premises let under full repairing leases, which pass responsibility for maintenance and repair to the leaseholder/tenant? | | X |

If the entire premises are to be let to one tenant, then yes this would certainly be the intention, however, if the premises are multi-occupied then the terms would generally be drafted on an internal repairing and insuring basis, where the cost of the maintenance/repair of the structure of the building would be paid by the Council and then potentially recovered from the tenants via a service charge.

In most cases, the Council would try and make sure the Lease is drafted so that these costs are recoverable from the tenant (either by an annual service charge or a fixed annual service charge).

| Question | Yes | No |
|---|-----|----|
| Is the Council responsible for any "common parts" e.g. stairways, services, lifts, car parks? | X | |
| Does the Council employ Managing Agents to administer all the premises? | X | |
| If "Yes", do they have responsibility under contract for maintenance, repair and general control of the premises? | | |
| Does the Council appoint contractors to carry out maintenance/repair work? | X | |
| If "Yes" does the Council check and record details of their Employer's and Public Liability insurance? | | |
| Is the Council responsible for any external cleaning or maintenance installations, such as cradles, cranes, slings or access platforms? | X | |
| If "Yes" please provide details below: | | |

1. Shared buildings where the Council are the landlord. Schools where there is a playgroup or similar user. Libraries with licences/tenants.
2. The MITIE contract is a reactive contract with planned PPM (preventative planned maintenance) to a statutory level.
3. MITIE check all required documentation.

4. All cleaning is carried out with reach and wash equipment. Any access equipment would be hired as a one off on the core estate.

| Question | Yes | No |
|---|-----|----|
| Is the Council fully conversant and complying with the Health and Safety Executive Approved Code of Practice L127 in respect of Regulation 4 of the Control of Asbestos at Work Regulations 2002? | X | |
| Has an inspection been carried out to determine if any of the premises contain asbestos? | X | |
| If “Yes” please provide details below of the results of such inspection(s), and the Council’s plan(s) to manage the asbestos risk. | | |

All council workplaces, including schools under direct Council control, have been surveyed for asbestos.

ECC non-school properties have their asbestos managed by the MITIE Organisation under the Commission of Essex Property and Facilities (EPF).

EPF is the Essex County Council department responsible for Property and Facilities Management, the Corporate Landlord.

The Management of Asbestos for Council controlled schools is the responsibility of the Head Teacher / Governors and is funded under the delegated Maintenance Budget.

It should be noted that these surveys are primarily “Management Surveys”, formally known as “Type 2” surveys.

| Question | Yes | No |
|---|-----|----|
| Are any of the premises to be covered on land that has been subject to environmental reinstatement or repair due to pollution or contamination? | X | |
| If “Yes” please give details below: | | |

Former refuse sites – premises will be limited to huts and brick sheds with monitoring equipment.

Insurance Valuations

The Council have not undertaken any recent reinstatement valuations. Sum insured figures are increased each year based on recommendations by our property team.

General Property

Photographs

Where available, these have been included for each location – see **Appendix 18** for details.

Maintenance and Repairs

Maintenance of core estate is managed via a condition based database and review/control processes which confirm and manage annual maintenance programmes, and emergency works based upon review and priority assessments.

Service and reactive maintenance is provided by MITIE who we have a total FM contract in place with which supports all hard and soft services. Statutory compliance and key service maintenance activities are managed via this contract and monitored via contract control processes.

Unoccupied and Non-Standard Construction Properties

All vacant properties are inspected weekly by Lambert Smith Hampton staff. Inspections are internal unless the building is boarded or otherwise hazardous.

The inspection dates are recorded on a database and the resultant reports distributed monthly.

Damage is reported to MITIE and/or the ECC instructing officer who are responsible for undertaking any repairs.

A number of the more vulnerable properties have resident Guardians, or security guards. There may also be MITIE security patrols.

Education Properties

Fire, Intruder Alarm and CCTV

Please see **Appendix 19** for details in respect of each school.

Sprinklered Schools

See **Appendix 20** for details of those schools which have sprinkler systems.

Photographs

Where available, these have been included for each location – see **Appendix 21** for details.

Maintenance and Repairs

Overview

The overarching purpose for school maintenance is to minimise the risk of two consequences of building failure, namely the risk of school closure and the risk to health and safety. Traditionally, ECC uses a combination of planned maintenance and reactive maintenance to minimise risk of

building failure. In recent years, the School Capital Maintenance Budget has been in the region of £7m.

Planned and Reactive maintenance

Planned maintenance is a programme of work addressing the highest priority school maintenance issues, which is normally undertaken every year and typically involves large scale work such as window replacement work, re-roofing, electrical upgrading and boiler/pipework replacement. Due to the nature of this large-scale work the majority of it needs to be completed during the summer holiday period.

Over the previous decade, ECC has tended to spend approximately 70-80% of its total annual capitalised maintenance budget on planned maintenance and the remaining 20-30% on reactive maintenance. A reactive portion of at least £1m has usually been seen to be prudent.

The annual planned maintenance programmes are devised by Mitie and ECC Infrastructure Delivery and focus on projects for either or both of the following reasons:

- a. Projects that if not undertaken will lead to a very high likelihood of school closure or health/safety risk.
- b. Projects committed to in the previous financial year, usually as the result of a building failure which could be contained at the time but not properly remedied until the six week summer holiday period in the following year.

Reactive maintenance deals with the resolution of emergency issues as and when they arise and are managed through a Reactive Maintenance Assessment (RMA) process where Mitie will professionally assess the failure and score its severity using an agreed approach. This process involved the school informing ECC of the emergency, Mitie being sent to site to investigate and recommend action and a decision being taken by ECC whether or not to fund emergency work, include it in a future annual programme or to inform the school it is their responsibility to manage. A letter is sent to the school to inform them of this decision.

School Building Condition Data

ECC uses school building condition surveys commissioned by the Department for Education to identify and prioritise planned maintenance projects.

Unoccupied and Non-Standard Construction Properties

See **Appendix 22** for a schedule of Consortia Construction schools.

All vacant properties are inspected weekly by Lambert Smith Hampton staff. Inspections are internal unless the building is boarded or otherwise hazardous.

The inspection dates are recorded on a database and the resultant reports distributed monthly.

Damage is reported to MITIE and/or the ECC instructing officer who are responsible for undertaking any repairs.

A number of the more vulnerable properties have resident Guardians, or security guards. There may also be MITIE security patrols.

Survey Reports

Survey Reports for the following locations are included as follows:

- De La Salle School, Basildon (see **Appendix 23**)
- Glenwood School, Benfleet (see **Appendix 24**)
- St John Payne RC School (1 of 2), Chelmsford (see **Appendix 25**)
- County Hall, Chelmsford (see **Appendix 26**)
- St Benedicts Catholic College, Colchester (see **Appendix 27**)
- Beauchamps High School, Wickford (see **Appendix 28**)

Lot 1 – Business Interruption

Cover

‘All Risks’ of property against physical loss or physical damage occurring during the period of the insurance, including theft (forcible/violent) and subsidence, landslip or heave.

Sums Insured

| Item No | Item Description | Sum Insured | Maximum Indemnity Period |
|---------|--|---|--------------------------|
| 1 | Increased Cost of Working – General Property | £30,000,000 any one occurrence and in the aggregate | 60 months |
| 2 | Increased Cost of Working – Education Properties | £20,000,000 any one occurrence and in the aggregate | 24 months |

Policy Limit of Liability (Material Damage/Business Interruption combined)

£100,000,000 combined Material Damage/Business Interruption policy limit (including Computers)

Deductible

| Item No. | Deductible |
|-----------|--|
| All Items | £500,000 each and every loss (combined with Material Damage) |

Annual Aggregate Deductible (Material Damage/Business Interruption including Computer)

£3,875,108

Non-ranking deductible £500 all insured perils.

Territorial Limits

Great Britain, Northern Ireland, the Isle of Man and the Channel Islands.

Principal Extensions

| Principal Extension | Limit | Indemnity Period |
|---------------------------------------|----------|------------------|
| Prevention of Access | £500,000 | 3 months |
| Public Utilities - Electricity | £500,000 | 3 months |
| Public Utilities - Gas | £500,000 | 3 months |
| Public Utilities - Telecommunications | £500,000 | 3 months |
| Public Utilities - Water | £500,000 | 3 months |
| Infectious Diseases etc. | £500,000 | 3 months |
| Transit | £500,000 | 3 months |
| Property Stored | £500,000 | 3 months |
| Loss of Attraction | £500,000 | 3 months |
| Bomb (Hoax or Actual) | £500,000 | 3 months |

Council's Own Claims Experience

Please see "Material Damage" section for details. The detail provided covers both Material Damage and Business Interruption claims combined, with no split available between the same.

Confirmed Claims Experience

Please see "Material Damage" section for details. No split is available between Material Damage and Business Interruption losses.

It should be noted that the detail provided relates to all property claims – and thus includes Lots 3 and 4 in addition. No split is available for the same.

Insurance and Self-Retention History, including Aggregate Retentions

| Policy Year | Insurer | Deductible/Excess | Aggregate Stop | |
|--------------|----------------------|---|---|------------|
| 2015 to 2020 | Travelers Insurance | As per the above | 2019 | £3,875,108 |
| | | | 2018 | £3,799,125 |
| | | | 2017 | £3,724,632 |
| | | | 2016 | £3,651,600 |
| | | | 2015 | |
| 2010 to 2015 | Zurich Municipal Ins | £1,200,000 increasing to £10,000,000 in respect of Storm and Flood only | £10,500,000 all perils other than below (£500 non-ranking) £10,000,000 Storm and Flood only (£500 non-ranking) | |

General Information

General

Business Continuity Plan (BCP)

The Council has a Corporate Business Continuity Plan, known as the Incident Management Plan. Functions/Services also have business continuity plans which identify specific contingencies and resources to support the corporate level plan.

Has the Council undertaken a Business Impact Analysis and a Risk Assessment to better understand its business and priorities – and what were the key findings?

The Council has undertaken a Business Impact Analysis and Risk Assessments to better understand its business and priorities. The BIA allowed the Council to identify the priority services it offers, the teams who deliver the services and the resources they require to deliver it. The Risk Assessment identified areas where greater mitigations could be put in place, or where further contingencies were required.

The Council is currently implementing a new business continuity management software application and a new BIA and Risk Assessment will be produced in the 2019/20 financial year as a part of the implementation of the application.

Systems are in place to maintain and review the Council's business continuity management arrangements, including frequency

All Plan owners are required to review their business continuity plans on an annual basis to ensure that they are up to date and fit for purpose. The review and maintenance of business continuity documentation is currently supported by the existing business continuity management software employed by the Council which provides reminders to all plan owners when their plans are up for renewal. The new system being implemented will also possess this feature.

The Emergency Planning & Resilience Team oversees the Council's business continuity arrangements to ensure that they are maintained to an acceptable level. Any issues are raised through the Business Continuity Champions Group.

The Emergency Planning & Resilience Team, which included the business continuity programme, was recently audited by the Council and was rated as adequate.

Exercises in respect of its business continuity arrangements e.g. testing, discussion based exercises, table-top exercises or live exercises

The Council undertakes exercises to ensure that its business continuity arrangements are fit for purpose. Exercises can take place in a number of different formats including call-down tests, walk-through exercises, table-top exercises and command post exercises. Services are required to undertake a minimum of a walk-through exercise every twelve months.

Use of business continuity management arrangements by the Council in response to a major incident

The Council has enacted business continuity management arrangements to deal with incidents, but none of these can be classed as major. There have been no major issues regarding the business continuity procedures, feedback has been predominantly positive. Debriefs are undertaken after each incident to identify lessons that can be learnt and these are then adopted by Business Continuity Champions Group who oversee their implementation.

Steps the Council has taken to manage its supply chain risks in respect of any outsourcing arrangements and partnerships

The Council is currently implementing a new process to improve its supply chain risk management. This involves ensuring that business continuity questions are embedded within the procurement process and that potential providers can be rejected if they have insufficient business continuity management arrangements in place. The process works on a sliding scale based on the level of the contract out for tender. For the highest level, business continuity arrangements are reviewed by the Emergency Planning & Resilience Team who are the Council's subject matter experts in Business Continuity.

Lot 2 – Contractors' All Risks

Cover

Contract works on or adjacent to the site of any contract including whilst in transit in respect of all contract works undertaken by the Council for the construction of new buildings, alterations and extensions to existing buildings where it is the responsibility of the Council to provide insurance.

Sum Insured

| Item | Description | Limit |
|------|--|---------------------------------|
| 1 | Contract Works (Maximum contract period – 12 months) | £250,000 maximum contract price |
| 2 | Owned Plant | Not insured |
| 3 | Hired in Plant | Not insured |
| 4 | Employees Tools and Personal Effects | Not insured |

Territorial Limits

United Kingdom, the Republic of Ireland, the Channel Islands or the Isle of Man.

Definitions

Contract Works

Works undertaken in the performance of the contract, including permanent works, temporary works, show homes and materials (including free issue materials).

Excess

£500,000 any one occurrence in respect of all locations

Principal Extensions

- Maintenance cover
- Completed Houses pending sale (maximum 180 days)
- Professional Fees
- European Union and Local Authorities Legislation
- Offsite Storage – limit £100,000
- Plans and Documents – limit £25,000
- Show Home Contents – limit £25,000
- Additional Interests
- Joint Names and Multiply Insureds
- Debris Removal, Dismantling and Demolition – limit £25,000
- Investigation Cost – limit £25,000
- Loss Prevention Measures – limit £25,000
- Temporary and Fast Tracked Repair – limit £50,000
- Testing & Commissioning
- Loss of Contents – limit £10,000 (excess £100)
- Term of Framework Agreements
- Additional Cost of Unbuilt Works – limit 10% of the contract price or £200,000 (excess 10% of each and every claim)
- Concealed Damage – limit £25,000

Confirmed Claims Experience

Insurers confirmed claims experience is detailed below as follows:

- HSB Engineering (2015/20) as at 27 September, 2019 (see **Appendix 29**);

| Policy Year | No. of Claims | Claims Paid | Claims Outstanding | Total Claims Paid and Outstanding |
|-------------|---------------|-------------|--------------------|-----------------------------------|
| 2015/20 | None | £0 | £0 | £0 |

Insurance and Self-Retention History, including Aggregate Retentions

| Policy Year | Insurer | Deductible/Excess |
|-------------|----------------------------|-------------------|
| 2015/20 | HSB Engineering Ins Ltd | As above |
| 2010/15 | Zurich Municipal Insurance | As above |

General Information

General

- Annual Turnover 2020/21 - £746,788 (see **Appendix 30** for details)
- Maximum length of any one contract – 12 months
- Average length of any one contract – 12 months
- Maximum Maintenance or Defects Liability Period – 12 months
- Conditions of Contract – the majority of contracts involving building works is NEC3, the JCT contract is often used on projects involving the DFE.
- Hot Work Guidance (see **Appendix 5** for details)
- How to complete Hot Work Permit Guidance Document (see **Appendix 6** for details)

Lot 3 – Hired-in Plant

Cover

‘All Risks’ of loss or damage to Hired In Plant, including constructional plant tools and equipment (including site huts and temporary buildings) hired in by the Insured and for which the Insured is responsible and not otherwise insured.

Sums Insured

Hired In Plant: £100,000

Continuing Hire Charges: £1,000

Deductible

£1,000 each and every loss

Confirmed Claims Experience

Please see “Material Damage” section for details. No split is available between Material Damage and Business Interruption losses.

It should be noted that the detail provided relates to all property claims – and thus includes Lots 3 and 4 in addition. No split is available for the same.

Insurance and Self-Retention History, including Aggregate Retentions

| Policy Year | Insurer | Deductible/Excess |
|--------------|----------------------|-------------------|
| 2015 to 2020 | Travelers Insurance | As per the above |
| 2010 to 2015 | Zurich Municipal Ins | As above |

General Information

| General |
|--|
| Estimated annual hire charges 2020/21 - £5,000 |

Equipment typically hired - Mini Digger, Roller and a Mewp.

Lot 4 - Computer

Cover

Section 1 – Hardware

Indemnity against loss of or damage to the hardware as a result of an accident whilst at the premises.

Section 2 – Reinstatement of Data

Not Insured

Section 3 – Increased Costs of Working

Not Insured

Section 4 – Virus Hacking and Denial of Service Attack

Not Insured

Sums Insured

Computer Equipment

| Section of Cover | Description | Sum Insured |
|------------------|--------------------------|--------------------|
| 1 | Computer Suite Equipment | £25,000,000 |
| 1 | Other Computer Equipment | £62,000,000 |
| Totals | | £87,000,000 |

Portable Equipment

| Section of Cover | Description | Sum Insured |
|------------------|----------------------------|-------------|
| 1 | Laptops and Tablet Screens | £5,580,000 |

| Section of Cover | Description | Sum Insured | Maximum Indemnity Period (where applicable) |
|------------------|--|-------------|---|
| 2 | Reinstatement of Data | Not Insured | Not Insured |
| 3 | Increased Costs of Working | Not Insured | Not Insured |
| 4 | Virus hacking and denial of service attack | Not Insured | Not Insured |

Excess

£500,000 each and every loss.

Annual Aggregate Deductible (Material Damage/Business Interruption including Computer)

£3,875,108

Non-ranking deductible £500 all insured perils.

Territorial Limits

Computer Equipment – premises only.

Portable Computer Equipment – anywhere in the United Kingdom.

Definitions

Computer Equipment

- All electronic equipment used for the storage and communication of electronically processed data including peripheral devices interconnecting wiring fixed disks telecommunications equipment computerised telephone systems electronic access equipment and Electronic Point of Sale Systems;
- Ancillary equipment solely for the use with the hardware comprising air conditioning equipment generating equipment voltage regulating equipment temperature and humidity recording equipment electronic access equipment heat and smoke detection equipment gas flooding cylinders and pipework and computer room partitioning;
- Data carrying materials;

- d) All current and backup computer software and programs held on hard disks or data carrying materials;
- e) Lock down plates security enclosures security cables and other similar devices

owned by or on deferred purchase leased hired or rented to the insured or whilst on trial with a view to purchase by the insured.

Accident

- a) Loss of or damage including breakdown or derangement;
- b) Loss or corruption of data insured under Section 2 – Reinstatement of Data
- c) Failure or fluctuation of the public supply of electricity to the hardware at any premises specified;
- d) Accidental failure of any data transmission network used in connection with the hardware;
- e) Damage from any cause not excluded to any property at or adjacent to the premises which shall prevent or hinder the use of the hardware whether the hardware or other property at the premises shall be damaged or not.

Principal Extensions

All Sections of Cover

- Waiver of Subrogation Rights
- Virus Seek and Destroy Costs – limit £10,000

Section 1

- Automatic Cover – limit £300,000 or 25% of the sum insured
- Waste Electrical and Electronic Equipment Directive – limit £25,000
- Temporary Removal – limit £50,000 (excluding laptops)
- Laptops – worldwide cover limit £5,000 any one loss (theft) and £25,000 (all other losses)
- Data Carrying Materials – worldwide cover
- Gas Flooding Systems – limit £25,000

Sections 1 and 2

- Incompatibility of Records – limit 50% of the aggregate sums insured under Sections 1 and 2 or £50,000 whichever is the less

Confirmed Claims Experience

Please see “Material Damage” section for details. No split is available between Material Damage and Business Interruption losses.

It should be noted that the detail provided relates to all property claims – and thus includes Lots 3 and 4 in addition. No split is available for the same.

Insurance and Self-Retention History, including Aggregate Retentions

| Policy Year | Insurer | Deductible/Excess | Aggregate Stop | |
|--------------|----------------------|---|---|------------|
| 2015 to 2020 | Travelers Insurance | As per the above | 2019 | £3,875,108 |
| | | | 2018 | £3,799,125 |
| | | | 2017 | £3,724,632 |
| | | | 2016 | £3,651,600 |
| | | | 2015 | |
| 2010 to 2015 | Zurich Municipal Ins | £1,200,000 increasing to £10,000,000 in respect of Storm and Flood only | £10,500,000 all perils other than below (£500 non-ranking) £10,000,000 Storm and Flood only (£500 non-ranking) | |

General Information

General

Details of additional security measures in place to protect your computer equipment such as entrapment devices or security cabling

- Air tight room
- Inert Gas Suppression System – Product Name FM-200
- Hold-off buttons inside the room to delay gas release should it be needed

Other protections include:

| Protection | Yes |
|---|-----|
| A gas flooding system or | Yes |
| High Sensitivity Smoke Detection Equipment (HSSD) | No |
| Hand-held extinguishers specifically bought for the equipment | Yes |

The means of detection and/or protection was not installed and is being maintained by a company approved by the Loss Prevention Council Board (LPCB) company.

There is no maintenance rental hire or lease agreement in force providing, at an inclusive cost on-call remedial maintenance with free repair or replacement in the event of breakdown arising out of normal use.

Further details relating to IT Equipment protections, including fire and security alarm systems are contained in the Survey Report (see **Appendix 26**) specific to County Hall, but there is also equipment at Goodman House.

Information Security

There is no Information Security Policy in force.

Business Continuity Plan

The Council has an IT Business Continuity Plan.

Back-up Data

The Council carries out the following:

| Action | Yes |
|--------|-----|
|--------|-----|

| | |
|---|-----|
| Back up data records and update the records no less frequently than once every seven days? | Yes |
| Maintain up to date copies of software programs | Yes |
| Store back up data records and up to date duplicate software programs away from the building where the original software programs and data is held? | Yes |
| Observe the manufacturer's and/or supplier's recommendations for the storage verification and security of Computer Media? | Yes |

Daily backups of data, replicated to another site, where 30 days of history is retained.

Back-ups are verified for readability and accuracy at least once every 30 days. This involves a test restore being undertaken of a complete Virtual Machine instance every month.

Back-ups are not restored to the system and run in full test of their integrity and ability to perform all the functions of the original software.

Lot 5 – School Offsite Activities

Cover

Various covers as detailed below in respect of Offsite Activities only.

Insured Persons

| Offsite Activities | |
|--------------------|--|
| Category A | Any Pupil enrolled at a participating establishment |
| Category B | Any Employee of a participating establishment |
| Category C | Any Adult who is acting in a supervisory capacity as a Volunteer, Assistant or Helper and is authorised by a participating establishment |
| Category D | Any Child other than described in Category A that is authorised by a participating establishment to undertake a trip |

Operative Time – All Categories of Insured Person

Whilst an insured person is undertaking an organised trip (including exchange visits and work experience placements) with the authorisation of the participating establishment and involving travel outside the boundaries of the participating establishment's premises.

Cover commences from the time of departure from the insured person's place of residence or the boundaries of the participating establishment's premises, whichever is left last, until arrival back at the insured person's place of residence or the participating establishment's premises, whichever is reached first upon completion of the trip.

A trip will not include travel outside of the boundaries of the participating establishment's premises from one site to another where the participating establishment has a split site or campus.

A trip will include travel undertaken solely by employees whilst on the business of the group policyholder but will not include travel by other authorised adults unless it is for the purpose of assessing or managing future trips to be undertaken by pupils.

Cover for cancellation commences when the trip is booked during the period of insurance. Cover under all other sections of the policy commences when the insured person departs for a trip during the period of insurance.

Benefits

Personal Accident

| Item | Description | Sum Insured |
|----------|--|---------------|
| 1 | Death* | £30,000 |
| 2 | Loss of sight in one eye or loss of one limb | £30,000 |
| 3(a) | Loss of sight in both eyes or loss of two or more limbs, or loss of sight in one eye and loss of one limb | £30,000 |
| 3(b) | Loss of speech | £30,000 |
| 3(c)(i) | Loss of hearing in both ears | £30,000 |
| 3(c)(ii) | Loss of hearing in one ear | £7,500 |
| 4 | Permanent Partial Disablement | Up to £30,000 |
| 5 | Temporary Total Disablement (Categories B & C) Deferment Period – NIL Benefit Period – 52 weeks | £50 per week |
| 6 | Hospitalisation – payable up to 182 days | £35 per day |
| 7 | Dental Treatment | Up to £1,500 |
| 8 | Accident medical expenses incurred in connection with a valid claim under Items 1 – 4 of the policy not exceeding 15% of the compensation paid under Items 1 – 4 or 30% under Item 5, whichever is the greater, but subject to a maximum of £15,000 per person | |
| | *reduced to £10,000 in respect of any pupil or accompanying person under the age of 18 years. | |

Travel

| Description | Sum Insured | Excess |
|--|---------------|--------|
| Medical, Hospitalisation and Emergency Travel Expenses | Unlimited | Nil |
| Repatriation Expenses | Unlimited | Nil |
| On-going Medical Treatment | Up to £10,000 | Nil |
| Emergency Travel Expenses in the UK | Up to £10,000 | Nil |
| Assistance | Unlimited | Nil |
| Search & Rescue | Up to £25,000 | Nil |

| Description | Sum Insured | Excess |
|--|-------------------------|---------|
| Cancellation, Curtailment, Disruption, Rearrangement and Missed Departure | Up to £5,000 | Nil |
| Travel Delay | £25 per hour up to £150 | 4 hours |
| Personal Property | Up to £2,500 | Nil |
| Money | Up to £1,000* | Nil |
| Winter Sports – Ski Hire, Ski Pass, Piste Closure | Up to £250 | Nil |
| Legal Expenses | Up to £50,000 | Nil |
| Personal Liability | £2,000,000 | Nil |
| Hi-Jack, Kidnap, Kidnap for Ransom Consultants Costs or Hostage | Up to £15,000 | Nil |
| Political Evacuation | Up to £50,000 | Nil |
| Crisis Management | £50,000 | |
| Healthcare Plus | | |
| *where an adult is in possession of a child's money, the Personal Money limit is increased to £2,500 | | |

Policy Limits

| Description | Limit |
|---|-------------|
| Any one accident limit | £10,000,000 |
| Scheduled aircraft accumulation limit | £5,000,000 |
| Non-Scheduled aircraft accumulation limit | £5,000,000 |

Confirmed Claims Experience

Insurers confirmed claims experience is detailed below, as at the 3 October, 2019 (see **Appendix 31** for details).

| Policy Year | No. of Claims | Claims Paid | Claims Outstanding | Total Claims Paid and Outstanding |
|---------------|---------------|----------------|--------------------|-----------------------------------|
| 2015/16 | 11 | £3,830 | £0 | £3,830 |
| 2016/17 | 8 | £4,063 | £0 | £4,063 |
| 2017/18 | 8 | £5,639 | £0 | £5,639 |
| 2018/19 | 8 | £4,153 | £0 | £4,153 |
| 2019/20 | 6 | £803 | £961 | £1,764 |
| Totals | 41 | £18,488 | £961 | £19,449 |

General Information

| General | |
|--|--------|
| See Appendix 32 for a split by individual schools, with total numbers as follows: | |
| Type | Number |
| Primary | 60,401 |
| Secondary | 4,081 |
| Special | 1,104 |

Lot 6 – Motor Fleet – General Vehicles

Cover

Comprehensive

Insured Vehicles

See **Appendix 33** for a full schedule of vehicles.

Use

Use for social domestic and pleasure and the business of the Council.

Drivers

Any authorised licensed driver.

Excess

£25,000 each and every loss.

Aggregate Stop

£318,362

Policy Limits

| Description | Limit |
|-----------------------------|---|
| Personal Injury | Unlimited |
| Third Party Property Damage | £20,000,000 any Commercial Vehicle £20,000,000 any Motor Car |

| | |
|---|--------|
| Personal Effects | £250 |
| Medical Expenses | £250 |
| Personal Accident – Death & Capital Benefits only | £2,000 |

Territorial Limits

- Great Britain, Northern Ireland, the Isle of Man and the Channel Islands;
- Any member of the European Union;
- Other countries for which the Commission of the European Union is satisfied that arrangements have been made to meet the requirements of EU Directives on insurance.

In the case of (b) and (c) the minimum indemnity necessary to comply with the laws relating to compulsory insurance of motor vehicles (or, if higher, the law applicable as if the place where the insured vehicle was used when the event occurred were in Great Britain).

Principal Extensions

| Condition/Extension | Limit |
|---|-------------------------|
| Indemnity to Named Insured including Corporate Manslaughter | |
| Indemnity to Other Persons | |
| Indemnity to Legal Personal Representatives | |
| Emergency Treatment | |
| Medical Expenses | £250 each person |
| Personal Accident | £2,000 |
| Personal Effects | £250 any one occurrence |
| Radio Audio and Telephone Equipment | £500 any one event |
| Foreign Use | |
| Trailers | |
| Unauthorised Movement | |

| | |
|-------------------------|---------------------------------------|
| Contingent Liability | |
| New for Old | 60% of the manufacturers retail price |
| Occasional Business Use | |
| Continuing Hire Charges | £25,000 |
| Replacement of Keys | £1,000 |
| Terrorism | £1,000,000 |

Confirmed Claims Experience

Insurers confirmed claims experience is as at 23 September, 2019 (see **Appendix 34**).

General Information

Maximum Value of any group of vehicles and any one vehicle

£555,000 - Ugobus Compound, Pedder's Close, Colchester, Essex CO3 4QX

Maximum Value any one vehicle

£190,000 – Mobile Library

Use of Vehicles

- Use for social domestic and pleasure and the business of the Council
- Commercial vehicles are not used for hire and reward
- Passengers carried for hire and reward – the Council currently have one rural bus route where fares are charged, and a Park and Ride service from a Park and Ride car-park to the local hospital
- Nature of goods carried - Local Authority activity, which includes, books, youth service resources etc.
- Vehicles will not be used for the commercial travelling/soliciting for orders
- Vehicles will not be used at airports in areas normally closed to the public
- Vehicles will not be used for the carriage of hazardous/dangerous goods – but occasionally, a wheelchair passenger may have an oxygen cylinder to aid breathing
- Vehicles can be used on the Continent of Europe with details as follows:

Use of Vehicles - continued

| Number of trips per annum | Number of days per annum | List Countries Visited |
|---------------------------|--------------------------|------------------------|
| 1 | 21 | France, Spain |

Policies/Procedures

- **Driver checks** - Community Link (Ugobus) drivers are checked every six months by the Council's Fleet Manager. Other fleet driver licences are checked every six months by their line manager in accordance with the Councils' driving for work policy
- **Drivers Handbook** - Company vehicle driver policy
- **Vehicle repair policy** – if vehicle is not roadworthy the Insurance team will contact the Lease Vehicle Manager to arrange recovery, the driver will need to also advise the Lease Vehicle Manager of this. Estimates are received from CL Panelcraft where the labour charge is over £500 this is sent to Banwells for approval. Banwells will make contact with CL Panelcraft to advise them to send Audatex estimate – Banwells often agree figures and authorise repairs within 24hrs of receipt of the estimate from CL Panelcraft
- **Young Driver Policy** – not applicable. Provided a driver has a valid driving licence they are authorised to drive. Driver training is offered if needed.

Appendices Listing

| Appendix Number | Appendix Description |
|-------------------|--|
| 1 & 1A | Mandatory Questionnaire & Evaluation |
| 2 | Form of Tender |
| 3 | Certificate of Non-Collusion/Prevention of Corruption |
| 4 | FOI Exemption Certificate |
| 5 | Hot Work Permit Checklist |
| 6 | Hot Works Guidance Document |
| 7 | School Visits Policy Exemplar |
| 8 | School Minibus Guidance |
| 9 | Risk & Insurance Team Structure Chart |
| 10 | Material Damage – General Property Schedule |
| 11 | Material Damage – Leased Properties Schedule |
| 12 | Material Damage – Education Properties Schedule |
| 13 | Material Damage – Education Properties – VA Schools Schedule |
| 14 | Material Damage – Receivership Properties Schedule |
| 15 | Council Own Claims Data (All Classes) |
| 16 | Zurich Municipal Insurance Confirmed Claims Experience (All Classes) |
| 17 | Material Damage – Travelers Confirmed Claims Experience |
| 18 | Material Damage – Photographs – General Property |

| Appendix Number | Appendix Description |
|-----------------|---|
| 19 | Material Damage – Fire, Intruder Alarm and CCTV |
| 20 | Material Damage – Sprinklered Schools Schedule |
| 21 | Material Damage – Photographs – Educational Properties |
| 22 | Material Damage – Consortia School Schedule |
| 23 | Survey Report – De La Salle School |
| 24 | Survey Report – Glenwood School |
| 25 | Survey Report – St John Payne RC School |
| 26 | Survey Report – County Hall |
| 27 | Survey Report – St Benedicts Catholic College |
| 28 | Survey Report – Beauchamps High School |
| 29 | Contractors All Risks – HSB Engineering Confirmed Claims Experience |
| 30 | Contractors All Risks – Schedule of Contracts 2020/21 |
| 31 | Schools Offsite Activities – AIG Confirmed Claims Experience |
| 32 | Schools Offsite Activities – Schedule of Schools/Pupil Numbers |
| 33 | Motor Fleet – Schedule of Vehicles |
| 34 | Motor Fleet – Travelers Confirmed Claims Experience |
| 35 | Material Damage – Debris Removal Schedule |
| | |

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