

Invitation to Tender

TORBAY COUNCIL

Material Damage Package, Combined Liability, Fidelity Guarantee,
Computer, Motor Fleet, Engineering Insurance and Inspection,
Contract Works, Group Personal Accident/Business Travel, Fine Art,
and Marine

Inception Date – 1st December 2016

Appointed Broker

Marsh Ltd
16 Windsor Place
Cardiff
CF10 3BY

PQQ Deadline

By Noon on

1st September 2016

If invited, Tenders to be submitted by Noon on

3rd October 2016

To be submitted via

www.supplyingthesouthwest.org.uk

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Introduction

About Torbay Council

Torbay Council became a Unitary Authority in 1998 taking on the responsibility for Highways, Education and Social Services (Adults & Children).

Torbay Council is also a Harbour Authority with three ports – see information below for more detail.

Torbay comprises of the towns of Torquay, Paignton and Brixham and has a population of 134,300. Twenty-two miles of the South Devon coast fall within the Authority's area; however the South Devon Coast Path and adjacent coastal margins are managed by the independent Torbay Coast and Countryside Trust, to whom ownership of all rural land areas have been transferred (1999). The insuring liability rests with Torbay Coast and Countryside Trust.

The Council currently operates on an annual net budget of circa GBP 110 million (excludes dedicated schools grant of circa GBP 37m) – **see appendix 4a** - and employs circa 1549 people with a mix of full and part time employees, casual staff in education and estimated to be 75 during the summer months for casuals and volunteers.

For a list of services operated by the Council see appendix 4.

Council Structure and Decision making chart (see appendix 3 and 3b)

The Council since October 2005, has had an Elected Mayor who appoints an executive of between 2 and 9 councillors. The mayor and his executive are responsible for the majority of 'in year' decisions which must be made in accordance with the budget and policy framework set annually by the full council. The full council is made up of 36 councilors and the mayor. At officer level the Council has a senior management team consisting of the chief executive, a Joint Commissioning Team covering the commissioned out areas of Children's Services, Adult Services and Public Health with their respective Directors of the Services. There is also a Joint Operations Team responsible for Community and Customer Services, Corporate and Business Services each headed up by an assistant Director.

And finally the structure also provides details of Joint Ventures and Arms Length Companies. Insuring liability rests with those companies.

The council's constitution now provides for extensive officer delegations to the Chief Executive, Commissioners (Directors) and Assistant Directors/Executive Heads all of whom are able to make any decision relating to their respective business units subject to limitations within the constitution.

Tor Bay Harbour is one of the countries finest coastal water sport locations, nestling within the Western shores of Lyme Bay, with 16 square miles of open sea and 22 miles of coastline.

Tor Bay Harbour Authority is part of Torbay Council and is responsible for providing comprehensive and effective marine services within the statutory Harbour of Tor Bay.

The Harbour Authority also controls operations in the three enclosed harbours of Brixham, Torquay and Paignton, each with their individual appeal and identity.

Brixham is home to one of the countries largest fishing fleets, with Brixham being an important fishing port, landing the highest valued catch in England and Wales.

Marine based leisure facilities include two large, privately operated Marinas, with yacht and small craft moorings populating all three enclosed harbours. Tor Bay's location delivers its own

favourable micro-climate, which contributes towards the overall image of the 'English Riviera'. The Bay is a popular stopover for boats cruising the West Country and it is also the venue for a variety of prestigious Maritime Events throughout the summer season with close links to the leisure and tourism industry.

Torquay Harbour remains a fully operational working harbour and bustling port.

The main outer harbour provides both visitor and permanent pontoon berthing on the new Town Dock, with berthing also available on Torquay Marina. The inner harbour features additional permanent moorings for vessels and is located behind a tidal cill.

Tor Bay ranks amongst the finest harbours in the country and we strive to maintain a high standard.

Transferred Out Services since Unitary status April 1998 (insurances arranged by outsourced Company)

A number of service areas have transferred out of the Council and are now being delivered by external organisations. This has resulted in a significant change to the Council's risk profile and subsequently reducing liability upon the Authority in terms of functions performed, transfer of staff and assets. The primary insuring liability sits with the outsourced service provider.

- 1999 - Transferred Council Houses to Riviera Housing Trust Housing stock
- 1999 - Torbay Coast & Countryside Company set up to manage large portion of estate of open space Council land (leased to Trust) - Some Council subsidy / funding. Assets and staff transferred.
- 2000 - Adult Social Care – Transferred to Adult Care Trust (approximately 600 staff transferred. Properties still owned and insured by Torbay Council and leased to Trust.
- 2005 - Pluss - All the Industrial Service Groups (Helping Adults with training and employment) in Devon formed a new company called Pluss. Minimal staff transferred. Property leased to Pluss but insured by the Council.
- 2007 - Brixham Parish Council formed (limited authority in line with a Parish Council)
- 2008 - Transfer of Crematorium services to outside company. Minimal staff transferred.
- 2009 - Council's audit function (including liabilities) transferred to Devon Audit Partnership to deliver these services. This is a partnership between, Torbay and Plymouth Councils with Devon County Council. Minimal staff transferred.
- 2010 - Cliff Railway transferred and now run by a community group.
- 2010 - Private/Public sector company set up, **Tor2** (July 2010) to deliver the Council's Direct Labour functions (DLO) – see below for more details.
- 2010 - Tourism Company set up (Private Limited Company – Ltd by Grt) – Local Business consortia with LA for tourism / promotion purposes. Minimal staff and assets transferred.
- 2011 - Torbay Economic Development/Brighter Bay/Torbay Development Company set up to deliver regeneration on behalf of Torbay. See below for more details about this Company.
- 2014 - Shoalstone Pool, Brixham (sea water pool) - transferred to a Friend group to run.

Tor2 (previously Direct Services and Waste – now a Joint venture company)

The Council's Direct Labour Unit which carries out construction and maintenance of buildings, ground maintenance, waste management and cleaning activities as well as the operation and management of the fleet transport and plant was transferred out of the Authority w.e.f 21/7/2010 to a Private/Public sector joint venture company called Tor2, in which the Council has a 20% share. Liability for these services was also transferred to the new company and you will see in the supporting claims (see Appendix 7) information historical data which has been shaded **light green** to identify the relevant claims history. Approximately 230 manual staff and 43 managerial/office staff with salary costs of GBP 3,549,565 and GBP 1,002,477.

The Council's current fleet numbers 53 vehicles, comprising of small & medium vans, estate cars and mini buses (12). Two thirds (of the Councils motor fleet including the large refuse vehicles and skip lorries were transferred to Tor2 in 2010, thereby greatly reducing the motor fleet risk.

The liability claims have also been significantly reduced due to the transfer of a highly manual labour intensive range of services.

In relation to all property claims, the Council's largest property loss occurred at the Material Reclamation Facility on the 25/3/07 as a result of a fire in the sorting area. Cause of fire not determined following an investigation by the fire brigade. Material damage GBP 700k, gross revenue loss GBP 42.5k and additional expenses loss GBP 155k. Increased detection (CCTV and alarm response) measures installed as a response to this loss. This risk has now been transferred (July 2010) as previously indicated.

See appendix 7 for details of claims for this transferred service.

Torbay Care trust (transfer of adult social care function)

On 1 December 2005 the Torbay Adult Care Trust was established and all operational liabilities concerning adult social services functions were transferred to the Trust under the terms of an umbrella Section 31 Health Act 1999 agreement.

The Council's active role is now restricted to lead commissioning and performance management to ensure the partnership delivers the Council's statutory responsibilities.

Relevant staff were "tuped" to the Trust and the risk now falls upon the Trust.

List of indicative services commissioned:-

- Adaptations and equipment for your home;
- Carers support and services;
- Home Care and Night Care Services e.g. domiciliary care;
- Information, advice and advocacy services;
- Learning disability services;
- Mental health services;
- Older people's services e.g. day services and independent care homes;
- Physical disability services; and
- Safeguarding adults.

Note, whilst we strategically commission these services from the Torbay and South Devon NHS Foundation Trust (ICO) they do not deliver all of these themselves but subsequently commission/contract/sub-contract provision from agencies in the public e.g. Devon Partnership Trust, private e.g. dom. care companies and care homes and voluntary sectors e.g. Age UK, etc.

Childrens Services

Ofsted Inspection October - November 2015 - Safeguarding and Looked after Children Services in Torbay.

The findings of the inspection, were very disappointing but did not come as a total surprise following the Council's earlier self assessment.

The inspection concluded that Torbay Council's collective safeguarding arrangements for children who need help and protection in Torbay were 'inadequate', albeit no children were found to be at immediate risk. Because of this judgement, the 'leadership, management and governance' element was also graded as 'inadequate'. Services for looked after children, adoption and care leavers have all been graded as 'requires improvement'. Some examples of good practice were also highlighted.

The responsibility is shared across partners too who are represented on the Torbay Safeguarding Children Board, including Torbay Council, Torbay and South Devon NHS Foundation Trust, Devon and Cornwall Police, Devon and Cornwall Probation Service and the voluntary and community sector.

An Improvement Plan was immediately put in place to drive sustainable improvements across the entire range of services for children.

Work with partners now has very clear objectives and drive to ensure that we are all working together to improve the lives of our most vulnerable children.

Prior to the inspection we were aware of a number of problems within children's safeguarding delivery, albeit not as deep or widespread as determined by the inspectors. We recognised that we had lost momentum in the delivery of improvements, partly because our attention was focused on a number of internal issues and change projects e.g. developing new delivery models. Unfortunately, the changes we introduced last summer to address these issues ultimately came too late, but Ofsted have acknowledged that improvements identified to improve the quality of practice are now taking place.

A new management team is in place and with support from our partners will provide the right leadership to drive the action plan forward.

Torbay Council are doing everything we can to raise safeguarding standards. The Council is confident that we now have the right people and plans in place. Protecting children and young people in Torbay is one of the most important jobs we do and it's vital that we get it right.

A link to the Ofsted report, our joint response to it and a summary of action taken, along with Q&A s can be found - [Children's Services](#). Also see Appendix 11a.

The Torbay Safeguarding Children Board (TSCB) plays a huge role in coordinating and scrutinising the effectiveness of services being delivered to children and young people across Torbay and we have recently announced the appointment a new Independent Chair with experience in the police, Devon and Cornwall Probation Trust and in the post of Criminal Justice, Partnerships and Commissioning Manager for the Office of the Police Crime Commissioner.

Torbay Economic Development Company (previously an in-house service of the Council – Torbay Development Agency).

Torbay Economic Development Company is a public private (not for profit) partnership working with Torbay Council to deliver economic regeneration and development and support for the area's businesses including the tourism, maritime and community sectors. It is seen as a key outcome of the Council's Transformation programme.

Key areas of services are:-

- Capital projects
- Tourism
- Marine (developing the Harbour areas)
- Business support for local enterprises.
- Community Support (assisting various local groups with practical support on initiatives)

The TEDC was formed on the 1/5/2011 involving a transfer of 70 staff with an approximate salary cost of GBP 2.5m. Some properties were transferred (mainly commercial properties which the TEDC would run and manage) amounting to approximately GBP 6m sum insured.

For historical claims please see Appendix 7.

The insurance liability for the TEDC transferred from the Council to the company on the 1/5/2011.

Schools converted to Academy Status (Insurance liability transferred)

Torbay Council as a Local Education Authority (LEA) has seen 6 secondary schools, 21 Primary and 1 Special School transfer to academy status over a period of 5 years. The LEA has now has 2 secondary schools, 8 Primary Schools, 2 Special Schools and a Pupil Referral Unit.

See appendix 7 for peach/tan shaded historical claims

Major Projects New build projects undertaken in Torbay:

Brixham Quay & Fish Market

2007 – 2010 – New fish market built at Brixham harbour as part of the Council's regeneration programme.

GBP 19.5 million fish market opened in 2010

The development provides a world class fish market with internet bidding for fish, improved fish processing, industry support facilities, office accommodation, storage, a fishmongers and a fine dining restaurant.

Project Investment: GBP 20,600,000

The regeneration programme comprised of :

- Extended quayside space
- New fish market
- New Fish restaurant & Fishmongers

The Phase 1 works consisted of the construction of the new quay and new employment space. This would allow those existing fish processors who were staying in the new development to relocate prior to works to their existing premises. The second phase works to construct the new building on top of the deck commenced in July 2009. This was split in to 3 elements: the new fish market was operational in November 2009, the refurbished old fish market building became operational in May 2010 and the new offices, restaurant and storage units were complete in October 2010.

The commercial units are now managed and insured by Torbay Economic Development Company with the remaining Harbour office and some units still insured by the Council.

Restoring Royal Terrace Gardens to their former glory

Restoration work to the Royal Terrace Gardens - GBP 3 million scheme to stabilise and restore the cliff/rock face at this internationally recognised Geopark location. The works were funded by Torbay Council which has seen the listed gardens restored their former glory.

The gardens have been fully replanted with a Mediterranean theme to reflect the original planting - opening up the area and removing the dense vegetation which had become overgrown. Newly-laid paths with styled seating areas and public art have been developed to encourage visitors to the area.

The ambitious stabilisation and restoration of one of Torbay's favourite spots for both tourists and residents, presented an immense challenge, the likes of which have not been undertaken anywhere else in the world.

Specialist engineers were called upon to enable the safe installation of new stairs and footpaths. Torbay's arboroculturalists undertook a unique tree removal project to safely remove the mature trees embedded into the unstable rock face on an unprecedented scale.

The stabilisation works involved de-scaling the rock face and installing soil nails, rock bolts and rock netting, before the restoration work could start to rebuild the dry stone walls; repair railings; install a creative lighting scheme; repair and replace footpaths and construct new bridges and a viewing platform.

At every stage of the work the engineers unearthed new challenges, with caverns under the surface having to be filled in and resurfaced to enable the new cantilever footpaths and viewing platforms to be installed to accommodate the potential thousands of visitors.

New Paignton Library and Information Centre

The GBP 6.4 million Paignton Library and Information Centre opened to the public on Monday 13 September 2010.

The project recognises the important part that libraries play in the local community and will enable residents and visitors to access a wide range of other services under one roof. It provides flexible accommodation with meeting spaces and interview rooms for local community organizations; out of 'normal' hours use and self-service issue terminals.

As well as the library service, the new building will accommodate additional services including: Adult and Community Learning; Connections; Community Police and a café.

Torre Abbey Phase 1

Torre Abbey is a Grade II listed building(s) owned by the Council and run as a Museum, a visitors centre and wedding location.

It houses a considerable collection of fine arts and regularly hosts exhibitions by eminent artists. For more details see appendix **12a**.

In 2007 the Abbey underwent Phase I of restoration works to the property involving a GBP 6.7million project to transform the Medieval and Georgian buildings of the Abbey with striking contemporary features including the top floor which has been transformed into a contemporary exhibition space with facilities for holding Conferences.

Many of the Abbey's historic features have also been sympathetically restored including: extensive repairs to the walls and roofs.

In addition the Abbey's electrics and heating system has been replaced and a new lift and two chair lifts have been installed and a second entrance created to improve access for people with disabilities.

Phase II

Contract price - GBP 4.7m

Works completed 2013.

Scope of Works undertaken:-

- (i) Replacing the lead roof to the second floor gallery,
- (ii) Details of the fire compartmentation off the stairs to the second floor gallery provided by the door, wall and glass panelling,
- (iii) Replacing and adding to the roofing above the ballroom,
- (iv) Refurbishment and levelling of the floor to the area below the ballroom and the creation of an Education Suite,
- (v) External repairs to the walls etc.

Landfill sites

The Council has five putrescible waste landfill sites (old Municipal tips), all of which have been closed for at least 30years.

They are:-

Sharkham, Brixham

Clennon Valley, Paignton

Yalberton site 1, Paignton

Yalberton site 2, Paignton

Barton Valley. Torquay

Both the Yalberton sites and Barton are monitored at regular intervals and are served by pumped gas extraction systems.

There are two more "inert" sites at Claylands (live) and Lummerton Quarry, now filled. Inert is "clean" material i.e. hardcore/soil

Claylands still has permits for Inert Landfilling and transfer as well as fridge storage, but is no longer used for this or any of these waste activities. The Council is currently in the process of surrendering the 3 permits that are held at this site, but apart from external contractors using a small part of this site as a compound for the Tweenaway cross works (highways development), it is in effect a closed site. Once the permits have been surrendered the site will be sold\ Leased for Economic development.

CCTV

CCTV - Project underway (tendering) to update the system

The Council operate its own CCTV system situated in the Town Hall, it has a wide net work across Torquay Paignton and Brixham community areas. It also covers the Council's Main corporate buildings - Torquay Town Hall, Electric House, Torquay & Paignton Libraries, Upton House and Torhill House.

Other areas covered by CCTV footage are Torquay, Paignton and Brixham Harbours.

Torquay Town Hall and Electric House - Rationalisation and upgrade to Security Swipe access system May 2016

In-house Security team

The in-house Security Team provide the following cover for Council Building/Property in the Torbay area.

The Security Team provide:

- Night-time Security patrols / perimeter checks of Council Building and Property
- Keyholding / Alarm Responses Council Buildings
- Open and Lock council buildings when requested and for late meetings.
- Located in Connection offices (open to the Public for queries, paying bills, meetings etc...)

All staff are fully trained and Security Industry Authority (SIA) accredited.

In house Print section

The Council retains its in-house printing division which undertakes work for third parties, predominantly public sector clients but also commercial organisations.

HubMail service to Doctor's practices.

The Council provides a range of services to third parties, public and private sector – see appendix 10 – Professional Indemnity declarations.

Summary

To summarise, the Council has undergone significant changes since becoming a Unitary Authority in 1998. Several high risk areas have been transferred along with the primary liability to insure, the main areas being, Adult Care Trust Social Services function and the Direct Labour Services to Tor2. This has resulted in a significant impact on the Council's claims experience as can be seen on the claims data provided in Appendix 7 where historical claims for these services areas have been colour coded to identify them.

Strategic Risk Management

See Appendix 13, 13a & 13b for Performance and Risk Management Information. The Council's Policy and Performance Team have the responsibility to monitor strategic risk which is overseen by the Council's Senior Leadership Team. Operational risks are managed within individual business units. Strategic performance and risk information is now being presented to SLT on a monthly basis and to audit committee on a bi-monthly basis. Every month SLT consider and review the information presented in the reports and where they have concerns or would like further information about an issue they request that a recovery plan / deep dive be undertaken at their next meeting which is a fortnight later.

Audit committee have a briefing meeting two weeks before the committee meets to discuss the performance and risk reports and they identify any issues at that stage which they would like to consider in further detail at the committee meeting, and request that the appropriate senior office attend the committee to discuss matters relating to performance and / or risk.

Risk Management

Torbay Council set up a dedicated Risk Management department in 1998 which initially included Health and Safety, Insurance and Claims Handling and which later included Emergency planning. Subsequent restructures have seen these sections located within other areas of the Council but the ethos of a joined up risk approach to Risk Management has continued.

The departments responsibilities ensures that the Council meets both its statutory and contractual obligations in relation to:-

- Health & Safety at Work Act 1974
- Civil Contingencies Act 2004
- Civil Procedure Rules 1998
- Contracts of Insurance
- Fidelity Guarantee Insurance
- Local Government Act 1972
- Corporate Manslaughter & Homicide Act 2007

It was seen that there was a direct link in the management of risk between Health & Safety, Insurance, Claims Handling, Emergency Planning, Business Continuity, and Corporate Risk Management. By bringing these disciplines together it has enabled the Authority to take ownership of the management of risk with the close collaboration of these departments not only in terms of operational risks but by linking in with Business Continuity Management arrangements and strategic risks in the event of an emergency, which resulted in the need for training of Members, Commissioners and Executive Heads and managers.

The sections in the Risk Management Division, work closely together, are committed to continuous improvement and implementation of effective risk management arrangements across the Council which in turn produces financial benefits through generation of savings, maintaining a good reputation and working more efficiently and effectively.

The sections provides a package of specialist technical advice and assistance to the Council and its community. There is excellent communication and co-operation between the Separate elements which yields an all-inclusive service.

The benefits of an internal Risk Management sections provides a collaborative response to the management of Risk both in terms of opportunities and threats faced by the Council,

enabling the Council to respond to an ever changing environment ensuring that it identifies risks and opportunities, manages and mitigates risks and thus achieves its planned outcomes.

In June 2011 the Council underwent a restructure which has seen the services of Insurance and Claims Handling now located in the Commercial Department (Legal Services) and the remaining sections (Health & Safety, Emergency Planning and Business Continuity) now part of Community Services.

The team continue to cross liaise providing a co-ordinated response to individual incidents/claims, investigations and to policy issues with consciousness of liability potential and a collaborative response to the mitigation of risk through identification and mitigation procedures.

Examples of this have been on major projects such as the building of two schools (now Academies) as part of then Building Schools for the future programme, where there was joined up response from Health & Safety and Insurance as to recommendations in terms of building materials, layout of the schools, fire detection and protection, security measures etc... This is a common approach in terms of any new build or refurbishment of a Council owned property.

The Insurance and claims sections are involved with liaising with the Council's Parks department with regards to updating the Tree Risk Management Strategy, specifically inspection frequencies and legal liability in the defence of claims.

Claims often involve a joined up approach between the Insurance, claims handling and Health & Safety sections with a view to not only investigation of the incident but looking at avoidance and/or reoccurrence through recognition of risk and improved management procedures. This of course involves working closely with all client departments.

These same sections take an active involvement in the Corporate policy making such as the Council's Stress policy, Lone working policy, Volunteers policy, Drivers Manual to name but some. The Insurance and Health & Safety sections work closely with the Council's in house legal section in the matter of contracts/agreements/leases etc... looking to ensure the protection of the Council (Strategically, Operationally, Financially and Reputationally) with robust contract conditions.

Torbay Council demonstrates that claims are managed to a high standard (see appendix 7a) and that there is a pro-active risk management culture within the Authority – only by encompassing all of these elements can Torbay Council look to achieve the right insurance placement at the most favourable terms available.

Emergency planning & Business Continuity - see Appendix 9b.

Emergency Planning, Response & Recovery

Torbay Council is classified as Category 1 responders under the Civil Contingencies Act, 2004.

As a Category 1 responder, Torbay Council has a statutory duty to:

- Assess local risks and use this to inform emergency planning;
- Put in place emergency plans;
- Put in place arrangements to make information available to the public and maintain arrangements to warn, inform and advise the public in the event of an emergency;

- Share information with other local responders to enhance co-ordination;
- Co-operate with other local responders to enhance co-ordination and efficiency;

Torbay Councils Emergency Planning Officer represents the authority on the Local Resilience Forum and works closely with partner agencies to assess risk and prepare, respond and recover from the impacts of emergencies.

The Local Resilience Forum has a well established procedure in place for assessing the impact severe weather forecasts and as able to coordinate a multi-agency response when it is required. This includes notifying relevant council officers to ensure that they are aware of the risks and are able to take action to protect assets from the damage that can be caused by severe weather.

Business Continuity

The Business Continuity (BC) section works with all Council departments advising and updating plans where required.

Currently the section are working on a project with regard to the BC Plan for loss of a building.

The project will consider:

- Loss of utility supply (electricity, water, heating)
- Loss of ICT
- Loss of office space
- Incident Management
- Building Safety and Security
- Salvage of equipment and record
- Internal Relocation
- Repairing Building Damage
- Temporary Facilities

Upon completion of the project the information will be passed to the Council's Facilities Management team who's role will be to provide options for mitigating the risk that have been identified.

Health & Safety (please see Appendix 9 and 9a)

The health and safety team provide strategic advice and guidance to the Council and accredited training on various relevant health and safety topics. They have produced a comprehensive Health and Safety manual containing the Council's Health and Safety Policy and additional corporate policies on Stress, Lone Working, Fire and Emergency Procedures, Risk Assessment and Accident reporting amongst other best practice arrangements. The corporate Senior Health and Safety Officer carries out Fire Marshal training and is contact point for advice and guidance on fire and emergency matters.

The team have introduced a self auditing system for schools which is validated by monitoring on a prioritised basis to ensure its effectiveness and assist with the development and implementation of improvement plans within schools. Health and safety is a "buy back service" within schools who are able to purchase a health and safety service from any provider. 73% of schools and academies currently buy back the Torbay Health and Safety team service. There is a slight reduction from the previous year because some converting LA schools and lone academy schools have become part of larger procurement groups that already have a Trust health and safety provision.

They have provided on-line training in 9 Health and Safety subject areas, including manual handling, working with display screen equipment and fire safety advice which was developed in house to meet the Council's needs and offered to all staff. The online system has been modernised and updated to meet organisational needs and provides automated marking and reporting facilities for management. On-line health and safety training is mandatory for all staff and also provided to voluntary workers. The corporate Senior Health and Safety Officer also carries out an annual classroom based training programme containing such accredited courses as Risk Assessment, First Aid and Manual Handling together with other in-house developed courses such as Asbestos Awareness, Display Screen Equipment Assessment and Conflict Management.

The corporate Senior Health and Safety Officer is a Chartered member of the Institute of Occupational Safety and Health (IOSH) and accredited health and safety trainer by the Chartered Institute of Environmental Health and maintains continuous professional development with IOSH.

Insurance

The Insurance Manager is responsible for the management of the Council's corporate insurance provision.

Whilst the section provides assistance and advice to all Council departments there is a close working relationship with the Council's Health & Safety, Legal Liability Claims Handling, Procurement and Legal department in the identification and management of risk.

Practical evidence of this resulted in a standard set of insurance requirements being incorporated into contracts at the time of procurement with a view to mitigation of risk.

A similar but broader stance has been taken with our legal section who regularly liaise with the Insurance section when dealing with contracts/leases/agreements to ensure that risks are apportioned in the correct manner and the Council does not take on any undue liabilities.

A programme of Insurer property surveys are undertaken highlighting any areas of risk requiring attention or recommendation for planned works to take place.

For any new build or major refurbishment works, the Council existing property Insurer is brought in at an early stage to assist with effective management of the risk. Currently a heritage property is undergoing a complete refit of the intruder alarm system and the incumbent property Insurer is working closely with the Council to draw up a specification for tendering the contract which affords the Council the most appropriate security product available but which also is acceptable to the property Insurer.

Historically close working relationships with Children's services has seen the implementation of lightning protection being fitted to education buildings.

The section arranges the rolling programme of property reinstatement valuations, informing the tender process to ensure that quality information regarding individual properties is captured, specifically quality detailed descriptions, floor sizes, construction materials and photographs.

The section uses a specialist data base (Local Authority Claims Handling system – LACHS), which enables the capture and recording of risks and provides a useful tool for providing specific reports, this is particularly relevant for the highways department who receive monthly PL claim reports enabling them to chart areas of reported incidents, trends and which in turn assist in informing the highway maintenance programme.

Trends for motor claims are highlighted and where necessary intervention measures are put in place, i.e driver awareness training, poor practices identified etc...

The Insurance section participates in the annual Cipfa insurance benchmarking Group and have done so for many years.

This enables comparison along with a number of other Authorities with the same risk exposure and continues to support the position that the Authority has achieved the widest scope for the Insurance programme chosen and at highly competitive rates. It also acknowledges the risk management stance taken by the Authority which has a direct correlation with the claims information provided and the favourable results of the benchmarking exercise.

Further exchange of information and networking takes part by regularly attended (quarterly) Cipfa meetings with other South West Authorities which has proven to be a useful arena for sharing of best practice.

The section also participates in the National Fraud Initiative required every two years – to date there have been no matches to indicate fraud in the insurance claims area.

An annual review of the Council's Insurance Fund is undertaken by external Actuaries ensuring the Council has adequate funds to meet liabilities. There are also provisions made within the fund to address areas of risk for which the Council self insures and a match funding provision exists for departments who can demonstrate that specific risk management projects will have a corporate benefit to the Council.

The Council has undertaken a Risk Financing Optimisation study prior to this tender (as we did for previous tender in 2011).

Torbay Council Legal Liability Claims Handling – Also see appendix 7a for further information.

Torbay Council's Legal Liability Claims Handling section is located within the Licensing, Litigation and Insurance Team in the Authority's Legal Services department.

The Claims Handling section comprises of a Solicitor and a Legal Officer who have the responsibility for handling all PL, EL and OI claims received which fall within the excess (currently GBP25k) upon those respective insurance policies.

The officers within the section have excellent working relationship with key members of staff in all departments of the Authority which provides for the efficient and thorough investigation of all claims and where appropriate the robust defence of matters through to trial.

The section deals with all personal injury claims in accordance with the Civil Procedure Rules 1998 and where claims that fall within the excess are litigated all matters are dealt with in-house only enlisting the assistance of Counsel where necessary and for trial.

Where a claim is considered to have a value equalling or exceeding the excess upon the relevant liability policy the Claims Handling section will notify the insurers by way of a written report giving a detailed account of the claim together with the information gathered during the in-house investigation and attaching all relevant documents.

The Claims Handling section has a longstanding and excellent working relationship with Browne Jacobson Solicitors of Exeter (formerly Veitch Penny Solicitors) who are also used by our current and previous insurers. When a claim handled by our insurers becomes litigated the matter is passed to external solicitors to deal with the procedural aspects of the claim and who closely liaise with the Claims Handling team and the insurers throughout.

The officers within the section take a pragmatic view to all claims. Where negligence or breach of statutory duty is found to have occurred liability is admitted without delay and an early settlement of the claim is made on the best possible terms. Where claims can be defended a robust stance will be taken to trial subject to any adverse developments. All liability decisions are continually reviewed to ensure that any costs liabilities are kept to a minimum.

**Last claims audit undertaken (2013) by incumbent Insurer rated Torbay Claims Handling service as Overall Effective scoring 159 out of 160 points = 99.4%.
This is in line with historical claims audits of the service.**

Claims Information

High value claims – over GBP20k – Appendix 7b

These total 10 in number and have reserves reflecting total damage and costs expenses.

Each claim has a narrative which provides the legal liability rationale and likelihood of the claim succeeding or not.

Further claims information:-

Appendix 7 – Torbay Councils claims data by class of business (December 2010 - June 2016) extracted from Local Authority Claims Handling System (LACHS).

Appendix 7a – Claims Handling function and extract from last claims audit undertaken by Insurers.

Appendix 7b – High value claims over GBP20k

Appendix 7d– Confirmed claims experience from Insurer – Legal Liability
All claims included already in Council's own claims data – ground up – appendix 7.

Appendix 7c & 7ci, – Confirmed claims experience from Insurer – Material Damage
(All claims included already in Council's own claims data – ground up – appendix 7).

Appendix 7e = Confirmed claims experience from Insurer – Fidelity Guarantee.

Appendix 7f – Confirmed claims experience from Insurer – Motor claims.

Appendix 7g – Confirmed claims experience from Insurer – Computer claims.

Claims Handling – Tender requirements

Claims above deductible

In general Insurers handle all these claims but for casualty claims please see further comment below.

The Council currently engage Woodgate & Clark Ltd as their nominated material damage loss adjuster with agreement by Insurers and the Council would prefer to continue with this arrangement.

The Council currently engage Browne Jacobson Solicitors for casualty litigation and they would prefer to have the option of keeping this arrangement in conjunction with the Insurer.

Please see further comment under the specific class of business sections.

Claims below deductible:

Note: The intention is to follow the same arrangements even if the Council elects to accept quotations for the higher deductible options.

For each major class of business the arrangements are:

Casualty (Refer Appendices 7, 7a and 7b)

Torbay Council's Legal Liability Claims Handling section is located within the Legal Services department of the Authority's Commercial Services unit and works closely with the Insurance team and the Corporate Health and Safety team.

Consideration for the continued working relationship with Brown Jacobson Solicitors to deal with the procedural aspects of the claim and who closely liaise with the Council's Claims Handling team and the insurers throughout.

Motor

Own damage – up to deductible handled in house

All other claims handled by Insurer

Property

Handled in house but losses exceeding GBP5,000 are handled in conjunction with Woodgate and Clark Loss Adjusters who are approved by the current Insurers

Other classes

Generally handled by Insurers

Quotations

Please make clear your charges for claims handling if separate to the premium.

Current Insurance Arrangements

The Authority's insurances are currently placed with:

| Class | Insurer |
|--------------------------------------|----------------------------|
| Material Damage Package | AIG Insurance via RMP |
| Combined Liability | Zurich Municipal Insurance |
| Motor | Zurich Municipal Insurance |
| School Journey | Chubb Insurance |
| Fidelity Guarantee | AIG Insurance via RMP |
| Computer | HSB Engineering via RMP |
| Engineering / Engineering Inspection | HSB Engineering via RMP |
| Fine Art All Risks | Ecclesiastical Insurance |
| Group Personal Accident/Travel | Chubb Insurance |
| CAR | HSB Engineering via RMP |
| Marine | Navigators & General |

In conjunction with the Council Marsh has undertaken an in depth financial review of the program which has informed the basis of required quotations

Definitions

Contracting Authority means **Torbay Council**

Economic Operator means a company which supplies goods and/or services to contracting authorities in the EU.

ITT: means the Invitation to Tender

The Proposition

Why Tender Now?

The Contracting Authority are approaching the end of their existing Long Term Agreements with insurers and in line with Public Procurement legislation, they are tendering their insurance portfolio in time for renewal on 1st December 2016.

This Insurance is being procured competitively and in accordance with the Public Contracts Regulations 2015. The Procedure to be followed for this procurement process is the Competitive Procedure with Negotiation (Regulation 29 of the Public Contracts Regulations 2015).

On meeting the minimum requirements as outlined in the PQQ (PART 2) the Economic Operators are invited to offer terms for the provision of Insurance cover and claims handling service based on the specification outlined in PART 3 of this tender ITT.

The Contracting Authority is keen to stress to Economic Operators that whilst price is important, they do not wish to compromise the quality of cover they procure. They will therefore be awarding the contract/s to the bidder offering the Most Economically Advantageous response. This tender document has, therefore, been constructed to maintain a high standard of core cover and also offers Economic Operators the chance to demonstrate the quality of their offering by the inclusion of additional limits and covers over and above the core requirement.

The ITT Document:

The ITT consists of 3 parts:-

- ❖ **Part 1** provides detail on the process to be followed
- ❖ **Part 2** provides documentation to be completed to satisfy the Contracting Authorities minimum requirements for bidding
- ❖ **Part 3** provides the tender specification containing the cover requirements of the Contracting Authority.

Under **Part 3**, Cover requirements have been split into Lots and you are able to quote for all Lots or specific Lots (if not all covers are of interest to you).

Your submission:

To improve tender clarity, you are required to positively confirm whether you are providing the cover requested. Each Lot outlines the cover required. Positive confirmation will gain you marks which will be fed into the scoring matrix detailed later in this section. The Contracting Authority believe that this is a very transparent tender process and will allow all to offer innovation through agreement to provide the cover requested and be rewarded for doing so.

It is essential that you read the following pages carefully. To receive marks for your response you must ensure you complete the relevant pages within this document and return them with your submission. If, when reading the instruction you require clarification please submit your queries through the messaging facility on the Supplying the South West E-tendering portal. Marsh will co-ordinate queries on behalf of the Contracting Authority and responses will be made through the e-tendering portal.

PART 1: INSTRUCTION TO ECONOMIC OPERATORS:

General Information

The Contracting Authority wishes to establish a long-term relationship with the successful Economic Operator and is therefore looking for a reliable company with a proven track record in the provision of the Lots being tendered in section 3 of this ITT

This Tender will follow the OJEU Competitive Procedure with Negotiation. This procurement process is fully compliant with the requirements of the relevant legislation; in particular the Public Contracts Regulations 2015 as amended, and Guidance given by the Crown Commercial Services particularly in relation to the qualification stage.

Marsh Ltd is facilitating the procurement on behalf of the Contracting Authority. Evaluation of bids will remain the responsibility of the Contracting Authority with Marsh providing due diligence support during the evaluation process. Both will follow a systematic and comprehensive process in accordance with the Contracting Authority's procedures and relevant legislation.

Reservation of Rights to Award without Negotiation.

Whilst the Contracting Authority reserves the right to award the contract without negotiation after evaluation of initial bids, they may choose to enter negotiation after initial valuation and before requesting best and final offers (BAFO) in accordance with the requirements of the Public Contracts Regulations 2015

Pre-Qualification and Tender Submission

Pre-Qualification and Tender responses must be submitted strictly in accordance with the following instructions. Economic Operators not complying with these instructions in any particular way will have their PQQ or tender response rejected by the Contracting Authority, whose decision in the matter shall be final.

Site Visits

Economic Operators wishing to visit any land or property associated with the Tender must notify the Contracting Authority through the messaging facility on the Supplying the South West e-tendering portal. The Contracting Authority will consider such request, notify any restrictions on access and make necessary arrangements for access. Liability for any damage or disturbance caused to such land or property rests with the Economic Operator.

1 GENERAL INSTRUCTIONS

- 1.1 These instructions are designed to ensure that all Economic Operators are given equal and fair consideration. It is important therefore that you provide all the information asked for in the format and order specified.
- 1.2 Economic Operators should read these instructions carefully before completing the PQQ and tender documentation if invited to submit a bid. Failure to comply with these requirements for completion and submission of the PQQ and tender documentation may result in the rejection of the tender. Economic Operators are advised therefore to acquaint themselves fully with the extent and nature of the services and contractual obligations under this ITT. These instructions constitute the conditions of tender and participation in the tender process automatically signals that the Economic Operator accepts these conditions of participation.
- 1.3 All material issued in connection with this ITT shall remain the property of the Contracting Authority and shall be used only for the purpose of this procurement exercise.
- 1.4 The Economic Operator shall not make (direct or indirect) contact with any employee, agent or consultant of the Contracting Authority who are in any way connected with this procurement exercise, unless instructed otherwise by Marsh on behalf of the Contracting Authority.
- 1.5 Economic Operators shall accept and acknowledge that by issuing this ITT the Contracting Authority 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.
- 1.6 The Contracting Authority reserves the right to amend, add to or withdraw all or any Section of this ITT at any time during the procurement exercise subject to sufficient and reasonable additional time being provided to bidders to complete their bid/submission.

2 CONFIDENTIALITY

- 2.1 Subject to the exceptions referred to in Instruction 2.2, the contents of this ITT are being made available by the Contracting Authority on condition that Economic Operators shall:
 - 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;
 - 2.1.2 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;
 - 2.1.3 not use any of the Information for any purpose other than for the purposes of submitting (or deciding whether to submit) a tender; and
 - 2.1.4 not undertake any publicity activity within any section of the media.

- 2.2 Economic Operators may disclose, distribute or pass any of the Information to the Economic Operator's advisers, sub-contractors or to another person provided that either:
- 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 Economic Operator; or
 - 2.2.2 the Economic Operator obtains the prior written consent of Marsh on behalf of the Contracting Authority in relation to such disclosure, distribution or passing of Information; or
 - 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
 - 2.2.4 the Economic Operator is legally required to make such a disclosure.
- 2.3 With regards to Instructions 2.1 and 2.2 above the definition of 'person' includes but is not limited to any person, individual, firm, organisation, body or association, corporate or incorporate.

3 FREEDOM OF INFORMATION / GOVERNMENT TRANSPARENCY AGENDA

- 3.1 In accordance with the obligations and duties placed upon public authorities by the Freedom of Information Act 2000 (the 'FOIA'), the Contracting Authority 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 Economic Operator to Marsh on behalf of the Contracting Authority.
- 3.2 In respect of any information submitted by an Economic Operator that it considers to be commercially sensitive the Economic Operator **must adhere to ALL of the following**:
- 3.2.1 Identify such information as commercially sensitive;
 - 3.2.2 Explain the potential implications of disclosure of such information; and
 - 3.2.3 Provide an estimate of the period of time during which the Economic Operator believes that such information will remain commercially sensitive.
- 3.3 Where an Economic Operator identifies information as commercially sensitive, the Contracting Authority will endeavour to maintain confidentiality. Economic Operators should note, however, that, even where information is identified as commercially sensitive, the Contracting Authority may be required to disclose such information in accordance with the FOIA or the EIR. In particular, the Contracting Authority 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, the Contracting Authority cannot guarantee that any information marked 'confidential' or "commercially sensitive" will not be disclosed.

- 3.4 Where an Economic Operator acknowledges that, except for any information which is exempt from disclosure in accordance with the provisions of the FOIA, the content of the Conditions of Contract is **NOT** confidential Information. The Contracting Authority shall be responsible for determining in its absolute discretion whether any of the content of the Conditions of Contract is exempt from disclosure in accordance with the provision of the FOIA. Notwithstanding any term of this Conditions of Contract, the Economic Operator hereby gives their consent for the Contracting Authority to publish the Conditions of 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 Economic Operator in Section 11 of this tender where it is agreed by both the Contracting Authority and the Economic Operator to be commercially sensitive. This also includes from time to time agreed changes to the contract, to the general public

4 Pre-Qualification Questionnaire

- 4.1 Part 2 of this ITT provides instructions to Economic Operators for the mandatory declaration of information which the Contracting Authority deem important to validate the Economic Operators suitability to provide the services and cover requested in part 3 of this ITT.
- 4.2 Economic Operators are requested to complete the PQQ in full and submit the document via the portal by **noon** on the **1st September 2016**.
- 4.3 Economic operators are reminded that self-certification of certain sections is acceptable but on the understanding that proof may be required at a later stage of the procurement regarding the statements the Economic operator has made in the PQQ
- 4.4 PQQ responses will be evaluated on a Pass / Fail basis.
- 4.5 Those bidders who pass all criteria within the PQQ will proceed to the next stage within the tender process. Bidders who fail this section will take no further part in the tender process
- 4.6 Economic Operators should note that the Contracting Authority reserves the right to seek confirmation from an Economic Operator that it continues to meet the criteria set out in the PQQ at any stage during the procurement process.
- 4.7 Economic Operators that fail to meet and maintain the minimum standards set in the PQQ will be rejected from this competition.
- 4.8 In addition, the Contracting Authority reserves the right to require the submission of any additional, supplementary or clarification information, at its absolute discretion, considered appropriate.

5 TENDER VALIDITY

- 5.1 Your Tender must remain open for acceptance until inception of cover. A Tender valid for a shorter period may be rejected.

6 PREPARATION OF TENDERS

- 6.1 The Economic Operator must obtain for themselves at their own responsibility and expense all information necessary for the preparation of tender. Economic Operators 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 selection and evaluation process. Under no circumstances will the Contracting Authority, or any of their advisers, be liable for any costs or expenses borne by Economic Operators, sub-contractors, suppliers or advisers in this process.
- 6.2 The Economic Operator is required to complete and provide all information required by the Contracting Authority in accordance with the ITT. Failure to comply with the ITT may lead the Contracting Authority to reject a tender. The Contracting Authority relies on the Economic Operators' own analysis and review of information provided. Consequently, the Economic Operator 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.
- 6.3 Economic Operators 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 the Contracting Authority or their advisers and representatives. The Economic Operator should notify Marsh on behalf of the Contracting Authority 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.
- 6.4 Policies should comply with the recommendations of the Law Commission Report concerning basis of contract clauses, warranties and conditions precedent.

7 SUBMISSION OF TENDERS

- 7.1 **Tender Responses** must be submitted no later than **12 Noon on 3rd October 2016**
- 7.2 **Tender Responses are to be submitted via the portal:**
www.supplyingthesouthwest.org.uk
- 7.3 Tenders may be submitted at any time before the closing date.
- 7.4 Tenders received after the closing date will be rejected. Economic Operators should therefore allow sufficient time to submit their tenders.
- 7.5 Tenders Responses must not be sent and will not be accepted by fax or e-mail.
- 7.6 Economic Operators shall note that the Contracting Authority will not be liable for failure to submit a tender at any bidding stage due to any error or failure in any ITT systems.
- 7.7 Economic Operators may seek clarification on any of the points contained in the Tender documents through the messaging facility on the Supplying the South West E-tendering portal. The Contracting Authority and Marsh will only respond to queries or questions in relation to this Tender through the e-tendering portal and are unable to respond to any questions raised verbally or by email.

- 7.8 When submitting a tender please ensure that all associated documentation is properly completed.
- 7.9 **Additional information which has not been asked for in the ITT will not be taken into account.**

8 REJECTION OF TENDERS

- 8.1 The Contracting Authority reserves the right to reject or disqualify any tender and or an Economic Operator, where the Economic Operator:
- 8.1.1 Fixes or adjusts the amount of its tender by or in accordance with any conditions of Contract or arrangement with any other party; or
 - 8.1.2 Communicates to any party other than the Contracting Authority or, as applicable, relevant participating Contracting Authority 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
 - 8.1.3 Enters into any condition of Contract 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 Economic Operator in its tender; or
 - 8.1.4 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, (without prejudice to any other civil remedies available to the Contracting Authority and without prejudice to any criminal liability which such conduct by an Economic Operator may attract);
 - 8.1.5 directly or indirectly canvasses any officer, member, employee, or agent of the Contracting Authority or its members or any relevant participating Council or any of its officers or members 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 Economic Operator, tender or proposed tender;
 - 8.1.6 fails to comply fully with the requirements of this ITT or makes a misrepresentation in any information supplied in their Tender;
 - 8.1.7 changes in identity, control, financial standing or other factor impacting on the selection and or evaluation process affecting the tender;
 - 8.1.8 Commits or if the Contracting Authority becomes aware of any of the reason for exclusion as stated in Ch 2, Section 5, Sub Section 7 , Clause 57 (9 and 10) of the Public Contracts regulations 2015

9 QUERIES RELATING TO THE TENDER

- 9.1 Marsh on behalf of the Contracting Authority will endeavour to answer all questions as quickly as possible, but cannot guarantee a minimum response time.
- 7.10 Clarification requests must be submitted through the messaging facility on the Supplying the South West E-tendering portal. The Contracting Authority and Marsh, who will manage clarification on behalf of the Contracting Authority, will only respond to queries or questions in relation to this Tender through the e-tendering portal and are unable to respond to any questions raised verbally or by email.
- 9.2 No requests for clarifications will be accepted after the **12th September 2016**
- 9.3 In order to ensure to ensure equality of treatment of Economic Operators, Marsh on behalf of Contracting Authority intends to publish the questions and clarifications raised by Economic Operators together with the Contracting Authority's responses (but not the source of the questions) to all participants on a regular basis. Answers to questions which may disadvantage the commercial opportunity of a bidder may not be shared with other bidders at the sole discretion of the Contracting Authority.
- 9.4 All responses to questions and clarifications will be issued to Economic Operators through the messaging facility on the E-tendering portal.

10 CHANGES / AMENDMENTS TO TENDER DOCUMENTS

- 10.1 At any time prior to the Deadline for the receipt of tenders during any bid phase of this procurement, Marsh on behalf of the Contracting Authority may modify the ITT by amendment. Any such amendment will be numbered and dated and issued by the Authority to all prospective Economic Operators by 19th September 2016. In order to give prospective Economic Operators reasonable time in which to take the amendment into account in preparing their tenders, Marsh on behalf of the Contracting Authority may, at its discretion, extend the Deadline for receipt of tenders.
- 10.2 The Contracting Authority reserves the right to:
 - 10.2.1 Abandon the procurement process at any stage without any liability to the Contracting Authority; and or
 - 10.2.2 Require the Economic Operator to clarify its tender in writing and if the Economic Operator fails to respond satisfactorily, this may result in the Economic Operator not being selected

11 ACCEPTANCE, EVALUATION OF TENDERS

- 11.1 The tender process is conducted to ensure that tenders are evaluated in an open and transparent manner.
- 11.2 An initial examination will be made to establish the completeness of submitted tenders. The Contracting Authority reserves the right to disqualify any tender submission which is incomplete.

- 11.3 The Contracting Authority reserves the right to exclude any 'rogue' tender (i.e. a tender that is not intended to be considered seriously). Under such consideration the Tender Response may be rejected and the Contracting Authority may decide not to invite the Economic Operator to tender for future work.
- 11.4 The Contracting Authority reserves the right to exclude any tenders which are deemed to be "Abnormally Low" as described in Ch 2, Section 5, Subsection 7, Clause 69 of the Public Contracts Regulations 2015.
- 11.5 If there appears to be an error in a tender response or supporting information, the Economic Operator will be invited to confirm acceptance or withdraw its tender response. Where the error relates to the tender response total as calculated from tendered rates and variable quantities, the Tender Response will be regarded as the tender total amount and the rate adjusted accordingly. The Economic Operator will be invited to confirm acceptance or withdraw the Tender Response and resulting rate.
- 11.6 The scoring matrix has been designed to be clear and transparent offering the Economic Operator the ability to show innovation in the provision of covers which the Contracting Authority deem important within the framework of their risk financing strategy.
- 11.7 To ensure you receive marks for the items requested you must complete and submit the completed Evaluation Sheets (and Variation sheet if necessary) and Price Declaration sheets for the Lot for which you are tendering. Failure to do so will result in no evaluation of your tender.
- 11.8 The scoring to be used of each Lot is as follows:

- Price 60%
- Quality 40%

Quality is split as follows:-

- Compliance with Tender and Innovation: 20%
- Quality Systems:
 - Risk Management/Service Provision : 2.5%
 - Claims :5%
 - General :5%
 - Stability : 7.5%

Each tender is technically reviewed against these headings and scores allocated as follows:

Price:

- The most competitive tender will be used as the base. All other tenders will be compared to that and the score reduced accordingly as follows:-

(The Lowest Tender Price/Your Tender Price) X 60%

Where the Lowest Price is the total value of the contract (excluding VAT). The maximum period for evaluation purposes will be 3 years or the contract period whichever is the lesser,

Compliance with tender and Innovation:

- Economic Operators will be awarded a score which directly reflects the points achieved from the answers given in the completed Tender document returned with Economic Operator's submission. Please note that the points available within the tender specification will, at the sole discretion of the Contracting Authority, be reduced in accordance with the Quality Evaluation table below. If the Economic Operators variations to cover do not, in the opinion of the Contracting Authority, provide cover of value to them they reserve the right to cease evaluation of your tender at that stage. The Economic Operators score will be calculated as follows:-

Score = (Points scored/Maximum points available) X 20

Quality systems:

- It is assumed that all Economic Operators have quality management systems and subscribe to the highest ethical business standards as required by the FCA. Economic Operators will receive a maximum score for confirmation that the Economic Operator agrees to the provisions of the "Added Values Service" for each Lot. As above, the points awarded will at the sole discretion of the Contracting Authority, be reduced in accordance with the Quality Evaluation table below. The score allocated will be calculated as follows:-

(i) Risk Management/Service provision

Score = (Points scored/Maximum points available) X 2.5

(ii) Claims

Score = (Points scored/Maximum points available) X 5

(iii) General/Resource

Score = (Points scored/Maximum points available) X 5

(iv) Stability

Score = (Points scored/Maximum points available) X 7.5

| Lot Description | | | | | | | |
|--------------------------------|-------------|------------------------|---------------------------------|-----------------|--------|---------|-----------|
| | Price – 60% | Quality - 40% | | | | | |
| | | 20% | | 2.5% | 5% | 5% | 7.5% |
| | | Compliance with Tender | Additional Benefits – 10 points | Risk Management | Claims | General | Stability |
| Lot 1 – Material Damage | 60% | 88 | 10 | 14 | 15 | 10 | 15 |
| Lot 2 – Fidelity Guarantee | 60% | 41 | 10 | 2 | 4 | 4 | 9 |
| Lot 3 – Combined Liability | 60% | 84 | 10 | 14 | 19 | 11 | 15 |
| Lot 4 – Motor Fleet | 60% | 26 | 10 | 14 | 19 | 11 | 15 |
| Lot 5 – Engineering Inspection | 60% | 31 | 10 | 3 | 4 | 12 | 9 |
| Lot 6 – CAR/Hired in Plant | 60% | 31 | 10 | 14 | 4 | 4 | 15 |
| Lot 7 Group PA/Travel | 60% | 40 | 10 | 3 | 4 | 2 | 9 |
| Lot 7B – School Journey | 60% | 34 | 10 | 3 | 4 | 2 | 9 |
| Lot 8 Computer | 60% | 35 | 10 | 1 | 2 | 4 | 9 |
| Lot 9 – Fine Arts | 60% | 25 | 10 | 14 | 15 | 10 | 15 |
| Lot 10 – Marine Hull | 60% | 25 | 10 | 14 | 15 | 10 | 15 |

12 EVALUATION OF TENDERS

- 12.1 The Contracting Authority reserves the right to eliminate Economic Operators should they not have completed the relevant declaration forms.
- 12.2 The points available under the Quality headings of the evaluation matrix **(11.8)** will be reduced in accordance with the Quality Evaluation Table below.

| Score | Criteria to Award Score |
|-----------|---|
| 81 - 100% | Meets or exceeds all requirements and gives full confidence. |
| 61 - 80% | Good response which meets all requirements and gives some confidence. |
| 41 - 60% | A response which meets basic requirements. |
| 21 - 40% | Poor response. Only some of the requirements met. |
| 1 - 20 % | Very poor. Unacceptable, an unsatisfactory response. |
| 0% | No submission was made. |

- 12.3 The Contracting Authority reserves the right not to award the Contract to the most economically advantageous tender or any tender, reserving also the right to accept the same in whole or in part.

13 AWARD OF CONTRACT AND PROVISIONAL TIMETABLE

- 13.1 The basis of awarding the Contract will be “The most economically advantageous tender” and not simply the lowest cost tender.
- 13.2 The Contracting Authorities reserves the right to place individual Lots with different Economic Operators.
- 13.3 For the avoidance of doubt the Contracting Authority reserves the right:
- 13.3.1 Not to accept the lowest or any tender response; and/or
 - 13.3.2 To accept any tender responses in whole or in part.
- 13.4 The Contracting Authority will notify all Economic Operators in writing of its intention to award a contract prior to the 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 Economic Operator(s). This will include details of the:

13.4.1 Award criteria;

13.4.2 Range of scores of the Economic Operators;

13.4.3 Name of the successful Economic Operator(s) and why that Economic Operator was successful.

14 TIMETABLE

14.1 The timetable below is for information purposes only. Neither Marsh nor the Contracting Authority guarantee to complete each phase by the date stated.

| | |
|---|---------------------------------|
| Issue of Call for Competition | 1 st August 2016 |
| Receipt of completed PQQ | 1 st September 2016 |
| Issue of Invitations to tender | 9 th September 2016 |
| Deadline for clarification questions from Economic Operators | 12 th September 2016 |
| Deadline for receipt of Tender submissions | 3 rd October 2016 |
| Completion of evaluation of tenders | 12 th October 2016 |
| Award of Contract (optional) | 12 th October 2016 |
| Invitation to Negotiation if no award made | 12 th October 2016 |
| Invitation for Best and Final Offers | 12 th October 2016 |
| Submission of Best & Final Offers | 17 th October 2016 |
| Evaluation of BAFO submission | 24 th October 2016 |
| Start of 10 day Standstill | 11 th November 2016 |
| Target date for provisional award of Contract and final award of Contract | 21 st November 2016 |
| Cover to inception | 1 st December 2016 |

15 GENERAL

15.1 **The Contracting Authority will not be responsible for, or pay for, expenses or losses which may be incurred by any Economic Operator in the preparation of their tender response or in the course of the procurement process.**

15.2 The Contract Period will be for 3 Years of LTA (36 months) from the date of award with a provision to extend annually for up to a further 2 years (24 months), subject to satisfactory performance as reviewed on a year by year basis on either basis. The Authority may request a further 2 Years (24 months) at their discretion before placement of cover. Please note that should Local Government Reorganisation occur during the LTA, the Contracting Authority must be released from the LTA.

16 DISCLAIMER

- 16.1 Whilst the information in these tender Documents has been prepared in good faith, it does not purport to be comprehensive or to have been independently verified.
- 16.2 The Economic Operator will be expected to have satisfied itself that its tender price submitted will cover all its expenses and obligations under the Contract and the requirements and Conditions of Contract are acceptable to it, before it submits his tender response. No claims can subsequently be entertained for omissions by the Economic Operator.
- 16.3 This Tender Document is not intended to provide the basis of any investment decision and should not be considered as a recommendation by the Contracting Authority or any of their advisors to any recipient of the Invitation to tender.
- 16.4 Nothing in this Invitation to Tender, nor in any other written or oral information provided to any Economic Operators, should be relied on as a promise or representation as to the future. Neither the Contracting Authority nor any of their advisors undertake to provide any recipient with access to any information whether written or oral supplied to any Economic Operators, or to correct any inaccuracies that may become apparent.
- 16.5 Any errors in the Conditions of Contract, Specification or other parts of the tender document shall not invalidate the Contract or release the Economic Operator from any of his obligations under the Contract. Any errors or omissions will be corrected by the Contracting Officer and any adjustments necessary affecting the provision of the Services will be made by agreement with the Economic Operator.

17 ECONOMIC OPERATORS WARRANTIES

- 17.1 In submitting its tender, the Economic Operator warrants, represents and undertakes to the Contracting Authority that:
 - 17.1.1 All information, representations and other matters of fact communicated (whether in writing or otherwise) to the Contracting Authority by the Economic Operator, its staff or agents in connection with or arising out of the tender are true, complete and accurate in all respects, both as at the date communicated and as at the date of tender response;
 - 17.1.2 It has full power and authority to enter into the Contract and perform the obligations specified in the tender Documents and will, if requested, produce evidence of such to the Contracting Authority;
 - 17.1.3 It is of sound financial standing and has and will have sufficient working capital, skilled staff, equipment and other resources available to perform the obligations specified in the tender Documents; and,
 - 17.1.4 It will not at any time during the Contract Period or at any time thereafter claim or seek to enforce for the purposes of the Contract any lien, charge, or other encumbrance over property of whatever nature owned or controlled by the Contracting Authority and which is for the time being in the possession of the Economic Operator.

18 SUBMISSION DOCUMENTATION

Please note these requirements apply only to those Economic Operators shortlisted to proceed to Stage 2 of the process. Economic Operators must not complete and submit any of the documents listed below at Stage 1.

- 18.1 Each Economic Operator must complete and return the Evaluation Sheets and Premium Declaration Sheets (and variation sheets if applicable) for each Lot Economic Operators wish compete for. **Failure to do so will result in the tender being rejected or no evaluation taking place.**
- 18.2 The Economic Operator is required to provide documentary evidence and statements in support of its quality submission; Price Declaration Sheet and statements in support of his price submission. No unauthorised alteration or addition should be made to the Invitation to tender, Evaluation or Price Declaration Sheets and the Conditions of Contract, or to any other component of the tender documents except where expressly allowed or as provided within these Instructions to Tenderers.

19 ECONOMIC OPERATORS SHOULD NOTE AND COMPLY WITH THE FOLLOWING:

- 19.1 Tender Response quotations must be submitted on a 'net of normal commission' basis and all amounts shown in Pounds Sterling. Marsh brokerage will apply to all classes.
 - 19.1.1 Premiums must be indicated per Lot. Net of all.
 - 19.1.2 If certain Lots must be placed together the Economic Operator must make this clear on the Price Declaration sheet for each Lot. If you do not indicate this it will be assumed that all covers can be placed in isolation.
 - 19.1.3 Evaluation of tender responses will be based on an Economic Operators ability to provide the cover requested. To ensure clarity in tender Responses each Economic Operator is required to indicate on the Evaluation Sheets for each Lot whether the requested cover and extensions are to be provided. Where an Economic Operator cannot comply exactly with the requirements of the specification, the Economic Operator must indicate on the Evaluation Sheets where their tender is non-compliant by ticking the "No" box provided. If the Economic Operator can offer similar cover or where the Economic Operator is providing the required cover, but under another Lot, the Economic Operator must clearly indicate the nature of the cover being offered and, (where appropriate) the Lot where cover is provided on a separate sheet (The Variation Sheet). The variation sheet must be attached to the Evaluation Sheets submitted. **It will be down to the sole discretion of the Authority to accept the variations proposed.** It is therefore, incumbent on the Economic Operator to fully describe the variation proposed. To avoid any ambiguity, Economic Operators are asked **not** to simply state "refer to wording" (or similar phrases). It is down to the Economic Operator to demonstrate to the Contracting Authority that the cover they wish to provide remains of the highest standard. Points will be deducted if the variations do not provide the standard of cover requested. If the variation is wholly unacceptable the Contracting authority may cease any further evaluation of your tender.

- 19.1.4 Long Term Agreements are requested. All discounts relating to the provision of any Long Term Agreements should be factored in to the prices tendered on the Price Declaration Sheet for each Lot. The Contracting Authority will honour the terms of the market's standard agreement but require the flexibility to cancel the Long Term Agreement should they elect, at any renewal during the period to proceed with an alternative method of transferring their insurable risk exposure. It should be noted that additional marks are available for Economic Operators which offer rate guarantees.
- 19.1.5 The Authority reserves the right to approach excess layer liability providers once primary terms are available.
- 19.1.6 Economic Operators should clearly state any profit share, or, premium rebate, or, claims performance adjustment or related terms that may apply. Wordings of such agreements must be provided with your submission. Additional marks are available for the provision of such agreements. Please note any form of profit rebate must be payable in the penultimate year of the Long term agreement and cannot be taken in to account in any future procurement exercise.
- 19.1.7 Tenders provided must ensure that the rating structure will be reviewed if the Contracting Authority transfers any services to a third party during the period of the Contract. Any significant transfer of Services would be subject to a mid-term refund.
- 19.1.8 Economic Operators should satisfy themselves that their tender response is complete and accurate in all respects. Economic Operators must include all material relevant to the subject area being questioned, and all attachments **MUST** be cross-referenced. **It is not acceptable to state “see attachment” or similar only.** Omission of any answers may not be queried by the Contracting Authority and therefore all answers provided in the submission will be taken to be final, and scored appropriately.
- 19.2 Any information submitted in response to this Invitation to tender must relate to the named Economic Operator submitting the tender Response only. The named Economic Operator submitting the tender will be the organisation who will enter into a formal Contract with the Contracting Authority if awarded the Contract.

20 PREMIUM DISCOUNTS

- 20.1 The tender price must include all discounts (including Long Term Agreement and Package Discounts). Any discounts which are not factored into the tender price quoted on the Price Declaration Sheet for each Lot will not be included within the evaluations.

21 LONG TERM AGREEMENTS AND PROPOSED

- 21.1 Breach of any sectional long term agreement must be considered as a breach of all long term agreements. Economic Operators must provide no less than three (3) months warning of any breach of the long term agreement, with a minimum extension of three (3) months at no rating increase. Failure to do so will result in renewal being offered at existing rates for the subsequent 12 month.

22 APPOINTMENT OF ADVISORS

- 22.1 The Contracting Authority reserve the right, at any renewal during the term of the Contract, to appoint its own legal representatives, claims handlers, loss adjusters, approved repairers on all claims up to an agreed amount with the prior agreement of the contracted Economic Operator. All Economic Operators should be aware of this and must indicate if they are not prepared to accept this position. If, in the opinion of the Contracting Authority, the refusal of an Economic Operator to accept this condition would jeopardise future plans of the Contracting Authority then the Contracting Authority may discontinue the evaluation of the tender from that Economic Operator.

23 CLAIMS AUDITS

- 23.1 It is a condition of the Contract that the Economic Operator shall agree to allowing the Contracting Authorities or its representative, free and unencumbered access to any files relating to the management of claims made under any insurance policies underwritten by the Economic Operator on behalf of the Contracting Authorities. Access shall be granted within 14 calendar days of the Contracting Authorities having notified the Economic Operator of its request in accordance with the terms of Contract.

PART 2: PQQ

(STANDARD WORDING FROM CROWN COMMERCIAL SERVICES)

Notes for completion

1. The “authority” means the public sector contracting authority, or anyone acting on behalf of the contracting authority, that is seeking to invite suitable Suppliers to participate in this procurement process.
2. “You”/ “Your” or “Supplier” means the body completing these questions **i.e. the legal entity seeking to be invited to the next stage of the procurement process and responsible for the information provided.** The ‘Supplier’ is intended to cover any economic operator as defined by the Public Contracts Regulations 2015 and could be a registered company; charitable organisation; Voluntary Community and Social Enterprise (VCSE); Special Purpose Vehicle; or other form of entity.
3. Economic Operators must complete the PQQ in full and submit the document with their tender submission. The PQQ document has been designed to assess the suitability of a Supplier to deliver the authority’s contract requirement(s). Those bidders who pass all criteria within the PQQ will proceed to the next stage within the tender process. Bidders who fail this section will take no further part in the tender process.
4. Please ensure that all questions are completed in full, and in the format requested. Failure to do so may result in your submission being disqualified. If the question does not apply to you, please state clearly ‘N/A’.
5. Should you need to provide additional Appendices in response to the questions, these should be numbered clearly and listed as part of your declaration. A template for providing additional information is provided at the end of this document.
6. Please return a completed version of this document to:

| | |
|---|--|
| Portal Address | www.supplyingthesouthwest.org.uk |
| <i>Deadline for receipt of PQQ (UK date and time)</i> | Noon on 1 st September 2016 |

Verification of Information Provided

7. Whilst reserving the right to request information at any time throughout the procurement process, the authority may enable the Supplier to self-certify that there are no mandatory/ discretionary grounds for excluding their organisation. When requesting evidence that the Supplier can meet the specified requirements (the authority may only obtain such evidence after the final tender evaluation decision i.e. from the winning Supplier only).

Sub-contracting arrangements

8. Where the Supplier proposes to use one or more sub-contractors to deliver some or all of the contract requirements, a separate Appendix should be used to provide details of the proposed

bidding model that includes members of the supply chain, the percentage of work being delivered by each sub-contractor and the key contract deliverables each sub-contractor will be responsible for.

9. The authority recognises that arrangements in relation to sub-contracting may be subject to future change, and may not be finalised until a later date. However, Suppliers should be aware that where information provided to the authority indicates that sub-contractors are to play a significant role in delivering key contract requirements, any changes to those sub-contracting arrangements may affect the ability of the Supplier to proceed with the procurement process or to provide the supplies and/or services required. Suppliers should therefore notify the authority immediately of any change in the proposed sub-contractor arrangements. The authority reserves the right to deselect the Supplier prior to any award of contract, based on an assessment of the updated information.

Consortia arrangements

10. If the Supplier completing this PQQ is doing so as part of a proposed consortium, the following information must be provided;
 - names of all consortium members;
 - the lead member of the consortium who will be contractually responsible for delivery of the contract (if a separate legal entity is not being created); and
 - if the consortium is not proposing to form a legal entity, full details of proposed arrangements within a separate Appendix.
11. Please note that the authority may require the consortium to assume a specific legal form if awarded the contract, to the extent that a specific legal form is deemed by the authority as being necessary for the satisfactory performance of the contract.
12. All members of the consortium will be required to provide the information required in all sections of the PQQ as part of a single composite response to the authority i.e. each member of the consortium is required to complete the form.
13. Where you are proposing to create a separate legal entity, such as a Special Purpose Vehicle (SPV), you should provide details of the actual or proposed percentage shareholding of the constituent members within the new legal entity in a separate Appendix.

14. The authority recognises that arrangements in relation to a consortium bid may be subject to future change. Suppliers should therefore respond on the basis of the arrangements as currently envisaged. Suppliers are reminded that the authority must be immediately notified of any changes, or proposed changes, in relation to the bidding model so that a further assessment can be carried out by applying the selection criteria to the new information provided. The authority reserves the right to deselect the Supplier prior to any award of contract, based on an assessment of the updated information.

Confidentiality

15. When providing details of contracts in answering the PQQ, the Supplier agrees to waive any contractual or other confidentiality rights and obligations associated with these contracts.
16. The authority reserves the right to contact the named customer contact in section 6 regarding the contracts included in section 6. The named customer contact does not owe the authority any duty of care or have any legal liability, except for any deceitful or maliciously false statements of fact.
17. The authority confirms that it will keep confidential and will not disclose to any third parties any information obtained from a named customer contact, other than to the Cabinet Office and/or contracting authorities defined by the Public Contracts Regulations.
18. PQQ for completion and submission can be found in: PQQ Bespoke Questionnaire.docx

PART 3: TENDER SPECIFICATION

Underwriting Information

Title of the Insured

Torbay Council

Address of Council

**Town Hall,
Castle Circus
Torquay TQ1 3DR**

Description of business

Local Authority

Renewal Date

1st December 2016

First Period of Insurance

1st December 2016 to 30th November 2017 (both dates inclusive)