



OFFICIAL EXECUTIVE DECISION NOTICE PUBLISHED BY DEMOCRATIC SERVICES

Notice is hereby given that the following decision(s) have been made today by Cabinet Members at the London Borough of Hillingdon:

Title of decision	Award of contract for Leasehold, Shared Ownership and Mortgaged Properties Buildings Insurance
Reference No.	1057
Date of decision	Friday 8 March 2024
Call-in expiry date	SPECIAL URGENCY N/A – This decision comes into immediate effect
Relevant Select Committees	Residents' Services Select Committee
Relevant Ward	All

Decision made

Cabinet Members making the decision	The Deputy Leader of the Council (acting on behalf of the Leader of the Council), in conjunction with the Cabinet Member for Finance and the Cabinet Member for Residents' Services
	APPROVED That the Deputy Leader of the Council, in conjunction with the Cabinet Member for Residents' Services and Cabinet Member for Finance: <ol style="list-style-type: none">1. Accept the tender from Allianz Commercial Plc via Alford Burton & Company Ltd (Insurance Broker) for the provision of Leasehold, Shared Ownership and Mortgaged Properties Buildings Insurance to the London Borough of Hillingdon for a three-year period from 1 April 2024 to 31 March 2027 and at the estimated value of £2,830,622.10, exclusive of insurance premium tax.2. Furthermore, agrees that this includes the provision to extend the contract for two, one-year periods (1 + 1), subject to the further approval of the Leader of the Council and Cabinet Member for Residents' Services and Cabinet Member for Finance, in consultation with the Corporate Director of Finance.3. Reject the lower excess bid from the unsuccessful bidder

Reason for decision	<p>The Deputy Leader, in conjunction with the Cabinet Members agreed to award a Buildings Insurance contract for Council Leasehold residential properties for a period of three years, with options to extend, subject to further Member approval, up to five years from 1st April 2024. This followed a detailed procurement process and also statutory leaseholder consultation, which was supportive of the proposal.</p> <p>Cabinet Members noted the considerable information requested by insurers as part of this process, unforeseen compared to usual requirements, in order to inform their submissions, which had protracted the procurement process.</p> <p>However, it was noted that the thorough procurement process undertaken and led by the Council had ultimately ensured best value for residents.</p>
Alternative options considered and rejected	To reject the recommendation and re-tender the contract. However, this would mean that leaseholders could potentially be uninsured from April 2024 and the Council would be in default of express lease terms with potential exposure to uninsured loss claims. There was also no reason to believe that a re-tender would result in more advantageous pricing.
Classification	<i>That this report be declared as exempt from publication as it involves the disclosure of information in accordance with Section 100(A) and paragraph 3 of Part 1 of Schedule 12 (A) to the Local Government Act 1972 (as amended), in that the report contains information relating to the financial or business affairs of any particular person (including the authority holding that information) and that the public interest in withholding the information outweighs the public interest in disclosing it.</i>
Link to associated report	Part 2 - Members' Only and Not for Publication
Relevant Officer contact & Directorate	Rod Smith – Housing Management / Central Services
Any interest declared by the Cabinet Member(s)/ dispensation granted	N/A

Implementation of decision & scrutiny call-in

[Internal Use only]	
When can this decision be implemented by officers?	This decision was taken under special urgency procedures in the Council Constitution and deemed urgent by the Leader of the Council.

	<p>The reason for urgency is due to unprecedented market conditions relating along with the unexpectedly protracted tendering and evaluation process as prospective insurers requested considerable information, unforeseen to their normal requirements, in order to inform their submissions. This decision ensures the Council has complied with all statutory consultation requirements so residential assets are fully insured by 1 April 2024 and the Council can recoup the full cost of premiums from Leaseholders.</p> <p>Agreement that the matter was urgent and could not have been reasonably deferred, along with the waiver of the scrutiny call-in period, was also granted by the Chairman of the Residents' Services Select Committee.</p> <p>THIS DECISION THEREFORE COMES INTO IMMEDIATE EFFECT.</p>
Further information	<p>These decisions, where applicable, have been taken under The Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012. This is the formal notice by the Council of the above executive decision, including links to the reports where applicable. If you would like more information on this decision, please contact Democratic Services on 01895 250636 or email: democratic@hillingdon.gov.uk. Circulation of this decision notice is to a variety of people including Members of the Council, Corporate & Executive Directors, Officers and the Public. Copies are also placed on the Council's website.</p> <p style="text-align: right;">Democratic Services London Borough of Hillingdon Civic Centre High Street Uxbridge UB8 1UW</p>