

Better value, delivered.



User Guide | Ref No: 1160

# Insurance Brokerage

Framework Agreement





### This is an interactive PDF

You can click on the items listed above, and they will take you to the relevant page. You can also click on **Contents** in the top right of every page and it will bring you back to this contents page.

## About YPO

**YPO provides procurement solutions for public sector organisations to set up or renew contracts for a wide range of services.**

Established in 1974 by a group of 13 local authorities, we're one of the largest public sectors buying organisations in the UK and we're still 100% publicly-owned today. We work closely with our suppliers and collaborate with other public sector buying organisations to achieve efficiencies and value for money, returning all our profits back into the heart of the public sector. Our team of qualified procurement professionals can offer advice, guidance, and expertise on procurement, as well as regular engagement and communication to make sure your objectives are achieved.

## Overview

### Start date

---

05.07.2023

### Expiry date

---

04.07.2027

### OJEU contract notice:

---

2023/S 000-010100

### OJEU award notice:

---

2023/S 000-021130

### Geographical location(s)

---

National

YPO in partnership with ESPO and NEPO have created two contractual arrangements for insurance:

- Insurance Brokerage – 1160
- Insurance Placement dynamic purchasing system (DPS) – 978

This approach keeps the choice of insurance brokers and insurers separate, via two distinct call-off phases. Firstly, via the Insurance Brokerage framework, it allows for direct comparison of each insurance broker and allows to appoint a chosen insurance broker as the contracting authority's representative on matters relating to insurance. Secondly, it provides the contracting authority and its chosen insurance broker with an access, via Insurance Placement DPS, to pre-selected and pre-qualified insurers.

# Insurance brokers

**Insurance brokers play a key role in the procurement of insurance as they are a full time specialist, with professional skills in handling the insurance business, providing customers with advice on existing programmes.**

Our Insurance Brokerage framework is designed to allow for a direct award of the contract to the chosen insurance broker or to allow for a bench-marking exercise of insurance brokers knowledge and market strengths. The aim is to create better transparency and understanding around the use of an insurance broker, and on how to appoint one, so in the next step the insurance procurement processes a real competition and value for money can be generated.

## **Benefits of insurance broker:**

- Access to insurance expertise and knowledge
- Achieves value for money in insurance programmed design
- Ability to service all areas of the business, including placement of niche and specialist covers.
- Supports your disclosure of material information
- Access to consultancy advice on diverse range of risks and issues relating to insurance
- Advice on new risks and coverage required, value added solutions and innovation

**A broker is your gateway to the insurance market, without them you will limit your insurance competition.**



# Providers

The brokers awarded onto this framework are:

**AON UK Limited**

---

**Arthur J. Gallagher Insurance Brokers Limited**

---

**Marsh Limited**

---

**Willis Limited**

---

For more information on the markets the brokers operate in, please get in touch:

**[insurance@ypo.co.uk](mailto:insurance@ypo.co.uk)**



AON UK Limited

**Alison Goodwin:** +44 (0) 7889 653033  
[alison.goodwin@aon.co.uk](mailto:alison.goodwin@aon.co.uk)

Aon's Public Sector Practice Group has been providing risk and insurance advice to public sector and not for profit organisations for over 40 years. Supported by the resources of the wider Aon group, our regional offices deliver dedicated local service in relation to any risk or insurance matter.



Insurance | Risk Management | Consulting

Arthur J. Gallagher Insurance Brokers Limited

**Paul Latham:** +44 (0) 7887 717624  
paul\_latham@ajg.com

Gallagher is one of the leading providers of risk and insurance services to organisations delivering public services in the UK. We therefore fully understand the environment within which you operate and recognise that new opportunities and challenges emerge every day. Publically funded organisations operate within a dynamic environment where you face a wide range of unpredictable internal and external factors that can impact upon your service delivery. Not all of the risks you face are insurable, resources are limited, budgets are stretched and public scrutiny is intense.

The Gallagher Public Sector division is a dedicated team of industry specialists that support our clients to focus on achieving their goals and to help them face the future with confidence. We understand the unique challenges faced by organisations commissioning and delivering public services and we have significant experience in providing expert advice by designing innovative insurance and risk solutions to address an ever-changing risk profile. Our advice on your programme design will always be informed taking into consideration not only your appetite

for risk but also insurers' appetite to underwrite risks – an area which is often overlooked.

Our dedicated client service teams have a wealth of experience gained from providing insurance and risk support to many organisations, including:

- Local Authorities
- Central Government
- Higher/Further Education
- Social Housing
- Police
- Fire
- NHS Hospital Trusts
- Town/Parish Councils
- Community organisations

Gallagher have been providing insurance brokerage services, independent advice and consultation guidance to the UK Public Sector for over 65 years. We are proud of our sector credentials and the reputation which we have established, previously trading as Heath Lambert and then Gallagher Heath.

We are known for our intelligent, assertive broking which delivers great value to our clients, backed by financially sound insurers looking to develop long term relationships with clients. We view every organisation individually with a unique set of risks. We do not believe that 'one size fits all' and we do not 'pigeon-hole' organisations based on sector, but rather take the time to understand each specific risk in isolation. We therefore negotiate with insurers to achieve the best possible outcome based upon pre-agreed criteria, demands and needs.

# Providers (continued)



Marsh Limited

**Julia S Reffell** :+44 (0) 7909 538 093  
Julia.Reffell@marsh.com

**Jayne Pinnell**: +44 (0) 7392 123344  
Jayne.Pinnell@marsh.com

Marsh is the world's leading insurance broker and risk advisor. We protect and promote possibility – helping our clients dream bigger, reach further, and plan for the opportunities ahead with data-driven risk solutions and insurance advisory services.

Through our specialist UK Public Sector Practice, Marsh is well versed with placing insurance covers in line with the Public Contract Regulations 2015 across the full spectrum of public sector organisations such as local authorities, police authorities, fire and rescue services, housing associations, universities, further education colleges, NHS Trusts, ambulance services, national parks, government agencies plus other quasi government and associated organisations.

## How we will deliver for you

Risk management is a key element of governance for all public sector organisations. However, many organisations continue to experience challenging budgets and, in the face of ongoing budgetary restraints, organisations often need innovative

strategies that can help lower the total cost of risk whilst still supporting frontline services. The need to manage risks – at the same time keeping down costs – has never been more critical.

With more than thirty years of experience delivering for the public sector, Marsh has a deep understanding of your risk management and insurance requirements. We will help you assess your organisation's current risk financing strategy and generate new savings through data-driven decisions. Using our expertise and industry-leading analytics we will work with you to build your organisation's unique risk profile, including horizon viewing of new and potential future risks, determining an approach that drives value and mitigates your risks.

## Our approach to service delivery

We believe in keeping things simple. Whilst Marsh is a global organisation, bringing all the benefits of insurer leverage, technical expertise, and leading solutions, we are also a people business. With our success built on

the strength of our people relationships, your dedicated account manager will feel like one of your team.

Marsh's Public Sector Practice and its dedicated expert team is committed to delivering a proactive, efficient, and effective service. Our strength is in providing a bespoke service for your organisation that focuses on full support throughout the year not just at key points within the insurance cycle.

The depth of Marsh's global resources allows us to deliver all aspects of insurance and risk management, bespoke to your specific requirements. We have long-established relationships with all insurers that specialise in the public sector, and will continue to develop these relationships for the benefit of all our clients.

But above all else, Marsh's Public Sector team will be there for you in the moments it matters most.

# Providers (continued)



Willis Limited	
<b>Beverley Bracey:</b> <a href="mailto:Beverley.bracey@wtwco-gsp.com">Beverley.bracey@wtwco-gsp.com</a>	<b>Andrew Jones:</b> <a href="mailto:Andrew.jones@wtwco-gsp.com">Andrew.jones@wtwco-gsp.com</a>
<b>Chris Sullivan:</b> <a href="mailto:Chris.sullivan@wtwco-gsp.com">Chris.sullivan@wtwco-gsp.com</a>	<b>Dan Tomkins:</b> <a href="mailto:Dan.tompkins@wtwco-gsp.com">Dan.tompkins@wtwco-gsp.com</a>
<b>Rachael Tracey:</b> <a href="mailto:Rachael.tracey@wtwco-gsp.com">Rachael.tracey@wtwco-gsp.com</a>	

WTW is a leading global advisory insurance broking and solutions company. With roots dating back to 1828, WTW has 45,000 associates servicing more than 140 countries. WTW designs and delivers solutions that manage risk, optimise benefits, cultivate talent and expand the power of capital to protect and strengthen organisations and individuals. Within the UK, WTW has a dedicated Government Sector Practice (GSP) which has been operating since 1990 to support UK public sector organisations in the management of insurable risks, improve processes and capture lessons learned. WTW GSP Associates are professionally qualified, conversant with relevant guidance and are focused solely on the public sector. Their detailed knowledge of the treatment of insurance in the public sector means they are often called upon to develop new public sector insurance policy (e.g. the Cabinet Office Model Services Contract Schedule 2.5 (Insurance Requirements) and Department for Education Risk Protection Arrangement for schools in England).

WTW GSP works for public sector organisations across the United Kingdom (and overseas) public sector which keeps us at the forefront of issues and objectives, ensuring contemporary knowledge coupled with daily practical experience. Our clients include; Central government departments; Government entities; NHS Trusts and Local government bodies (local authorities, emergency services, education establishments, public sector social/economic bodies).

The WTW GSP provides support to public sector organisations, both in the placement of insurances and assistance in the management of insurable risk issues that arise through public sector contract and procurement activity.

## Execution of the framework and call-off procedure

**Any contracting authority shall award a call-off agreement under this framework agreement (Insurance Brokerage and Associated Services) through either direct award or further competition procedure.**

The awarded provider on behalf of the contracting authority shall procure insurance covers from the

Insurance Placement DPS. The call-off agreement under the Insurance Placement DPS shall be awarded through further competition procedure. Where the specific insurance cover cannot be procured through the Insurance Placement DPS then the requirement may be taken outside of the Insurance Placement DPS, subject to approval from YPO.

## Direct award procedure

**The contracting authority has the option to award this call-off contract under this framework agreement through direct award with the provider of its choice, following its own internal procedures.**

It is recommended that the contracting authority consult with the provider regarding its requirement prior to signing off the call-off contract.

Providers can provide associated services in addition to the core insurance brokerage service as set out in the 'Classes of Insurance and Associated Services' document.

The call-off agreement shall include:

- Contracting authority Statement of Requirement
- Provider's response to the Statement of Requirement
- Agreed Service Level Agreement and KPI's
- Annual fee
- Any other relevant information such as terms of business arrangements/engagement



## Further competition procedure

Alternatively, the provider can be invited by a contracting authority to respond to a further competition in respect of a requirement for insurance brokerage and associated services.

**This framework cannot be used as a benchmarking tool.**

The Contracting Authority can vary the Framework weightings up to 10% (+/-) at their own risk; This will allow for Contracting Authorities to carry out Further-competitions with weightings of between 50% to 70% for Quality and weightings of between 20% to 40% for Price and weightings for Social Value between 5% to 20%. The total percentage must add up to 100%, please see the example below.

**Example 1** – 60% Quality / 35 % Price / Social Value 5%

**Example 2** – 50% Quality / 40% Price / Social Value 10%

**Example 3** – 70% Quality / 20% Price / Social Value 10%

**Example 4** – 60% Quality/ Price 20% / Social Value 20%

**Example 5** – 50% Quality/ Price 30% / Social Value 20%

Each contracting authority will decide how to split award criteria and weightings and allocate points in accordance with their own needs and objectives, this may include splitting the further competition in the following non-exhaustive categories.



# Further competition procedure (continued)

Criteria for further competitions		
<p><b>Quality</b></p> <p>Customer can fully re-open at the Further-competition stage or scores can be carried through from the Framework establishment stage</p>	<p><b>Cost</b></p> <p>Customer can fully re-open at the Further-competition stage or scores can be carried through from the Framework Establishment stage</p>	<p><b>Social Value/Sustainability</b></p> <p>Customer can fully re-open at the Further-competition stage or scores can be carried through from the Framework Establishment stage</p>
<p><b>At Further-competition Customers will have an option to +/- 10% the Quality weighting at their own risk.</b></p> <p><b>Range 50-70%</b></p> <p><b>The Quality Award Criteria may include but is not limited to:</b></p> <ul style="list-style-type: none"> <li>• Service quality</li> <li>• Achieving maximum value for money in programme design, including breadth of cover and deductibles</li> <li>• Market relationship and Broker insurance placing skills</li> <li>• Innovative programme design</li> <li>• Total Cost of Risk</li> <li>• Cost reduction strategies</li> <li>• Ability to service all areas of the business</li> <li>• Ability to place niche or specialist covers</li> <li>• Access to unique Broker coverage options or facilities</li> <li>• Transparency and compliance with FCA code of conduct</li> </ul>	<p><b>At Further-competition Customers will have an option to +/- 10% the quality weighting at their own risk.</b></p> <p><b>Range 20% - 40%</b></p> <p><b>Price may be established as one of the following but not limited to:</b></p> <ul style="list-style-type: none"> <li>• Fees (per project, per annum, per hour, per class of cover procured)</li> <li>• Commission based earnings</li> <li>• Gain share and performance-based earnings</li> </ul>	<p><b>At Further-competition Customers will have an option to +10 / -5% the quality weighting at their own risk.</b></p> <p><b>Range 5% - 20%</b></p> <p><b>The Social Value will vary for each individual Contracting Authority and may consist of but not limited to:</b></p> <ul style="list-style-type: none"> <li>• Environmental aspect</li> <li>• Carbon Net Zero</li> <li>• Modern Slavery</li> <li>• Diversity</li> <li>• Good jobs with skills development</li> <li>• Training opportunities</li> <li>• Apprenticeship opportunities</li> <li>• Support of local economy</li> <li>• Supply Chain</li> </ul>

# Further competition procedure (continued)

## Recommendations for contracting authorities:

- Develop a Statement of Requirements setting out requirements for the services
- Disclose every material circumstance in line with the obligations under the Insurance Act 2015 together with such additional information as requested by the provider, prior to the commencement of the insurance procurement
- Amend or refine the Call-Off Terms and Conditions to reflect its service requirements
- Invite all relevant providers to respond to a further competition for its Statement of Requirements in accordance with the regulations and guidance

- Set a time limit for the receipt of the proposals which considers factors such as the complexity of the subject matter of the proposed Call-Off Agreement and the time needed to submit proposals
- Apply the further competition award criteria to the providers' compliant tenders submitted through the further competition procedure as the basis of its decision to award a Call-Off Agreement for its Statement of Requirements
- On the basis set out above, award its Call-Off Agreement to the successful provider
- As a good practice, provide unsuccessful providers with feedback in relation to the reasons why their tenders

were unsuccessful The Call-Off Agreement shall include:

- Contracting Authority Statement of Requirement
- Provider's response to the Statement of Requirement
- Agreed Service Level Agreement and KPI's
  - State the charges payable for the Requirement in accordance with the proposal submitted by the awarded Provider;
  - Confirm the terms of the Call Off Agreement or incorporate the Call Off Agreement as may be amended or refined by the Contracting Authority during the Further-competition process;
- Any other relevant information such as Terms of Business Arrangements/Engagement

## Support available from YPO

**It doesn't matter if you are carrying out a direct award or a further competition, we can offer support and documentation.**

### Documentation

- Call-off Contract Terms and Conditions – the terms and conditions reflect the requirements of the insurance market, and they cover the FCA's regulatory requirements, Insurance Act 2015 and the brokers disclosure duties.
- Brokerage Service Specification – the specification covers minimum service requirements and every

Contracting Authority, and the Provider shall agree service standards and KPI's prior to signing the Call off contract. Those shall be included as an Appendix 1 to the Call off contract prior to contract sign off process.

- Pricing under the framework agreement – based on the framework price rate card and your service requirement brokers will be able to provide you with an annual fixed fee
- Template documents
- Further competition document
- Quality, Social Value and price evaluation document
- Award letters

**YPO can manage customers further competitions, which includes:**

- Advertising the further competition
- Managing clarifications
- Downloading submissions
- Awarding further competition
- Issuing Contract Award Notices

Clarification responses, evaluation, drafting of award letters and completing letter of appointment will need to be completed by the customer.

# Terms and conditions

Suppliers/providers awarded to the framework agreement have agreed to and signed YPO's standard Terms and Conditions. These can be amended by the CA and supplier/provider by mutual agreement to include additional terms to supplement the standard Terms and Conditions. A variation form is included in the standard Terms and Conditions document to allow customers and suppliers/providers to amend any terms if required.

## Contact information

For further information or to discuss individual requirements, please use the contact details below:

Name	James Maclean
Job title	Category Buyer
Category	Corporate and Financial Services
Telephone	07856 480848
Email	<a href="mailto:insurance@ypo.co.uk">insurance@ypo.co.uk</a>

[Email James »](mailto:insurance@ypo.co.uk)



