

WELWYN HATFIELD BOROUGH COUNCIL  
CABINET – 1 APRIL 2025  
REPORT OF THE EXECUTIVE DIRECTOR (FINANCE AND TRANSFORMATION)

INSURANCE CONSULTANCY AND SUPPORT SERVICES

**1 Executive Summary**

- 1.1 This report seeks authority to award extensions to the existing arrangements with Marsh Ltd for the provision of insurance claims support, up to a maximum spend value of £125k.

**2 Recommendation**

- 2.1 That Cabinet approve that the contract procedure rules be waived and delegate authority to the Executive Director (Finance and Transformation), in consultation with the Executive Member for Finance, to award extensions to the support arrangements with Marsh Ltd up to a total spend value of £125k.

**3 Explanation**

- 3.1 The council’s Insurance and Treasury Lead Officer left the council in late 2023. It was known this would be a very challenging to recruit to due to the broad range of functions and technical aspects of the role, so the opportunity was taken to review how the role was delivered. Functions were separated and the role was amended with focus on Insurance and Risk which is more consistent with the markets grouping of functions.
- 3.2 In January 2024, whilst the review was taking place, external support was explored with other councils and the Council’s insurance brokers. There was no capacity with other councils to provide any support and so support was commissioned from the Councils insurance brokers, Marsh Limited.
- 3.3 This support is focussed on the claims handling aspects of the role, with other work being icked up by other members of the team in the short-term.
- 3.4 The role has been advertised twice, with no success. The role has now been reviewed further and we are working with a recruitment specialist to undertake a specialist recruitment campaign. It is unlikely that the role will be filled prior to the end of the current contract with March Limited.
- 3.5 Delegated authority is sought, to agree extensions to the contract as required, whilst recruitment to the role and onboarding takes place, up to a maximum spend value. The council has committed around £50k on support so far, and any further extensions require Cabinet approval in line with the contract procedure rules.

- 3.6 It is felt this approach is more beneficial to the council than going to the market to procure the support, as Marsh already have good knowledge of the claims outstanding, and it is unclear at this stage the exact length of extensions required as it will be impacted by the recruitment process commencing shortly. It will also provide continuity of support, which would be lost for any period between contract end and procurement of a new provider.
- 3.7 If successful in the recruitment process, once the employee commences work with the council the arrangements will be terminated and no further extensions granted, and in this scenario the spend would be under the maximum amounts delegated.

## **Implications**

### **4 Legal Implications**

- 4.1 The council's Contract Procedure Rules acknowledge that the market place does not always allow the normal procedures to be followed, and provide provision for for Cabinet to agree a report from a Director or Chief Executive detailing a case where it is to the advantage of the Council that these rules should be waived.

### **5 Financial Implications**

- 5.1 The cost of this support arrangement is fully funded by the vacancy within the team. The total spend is unknown at this stage, as the length of extensions will be dependant on the recruitment and onboarding processes, but total spend will not exceed £125k (inclusive of spend already incurred).

### **6 Risk Management Implications**

- 6.1 Without such support, there would be challenges with the handling of insurance claims, which could lead to a higher level of claims being found against the council. This would ultimately lead to higher insurance premiums and could cause some reputational damage.

### **7 Security and Terrorism Implications**

- 7.1 There are no security or terrorism implications contained in this report.

### **8 Procurement Implications**

- 8.1 The council's Contract Procedure Rules acknowledge that the market place does not always allow the normal procedures to be followed, and provide provision for Cabinet to agree a report from a Director or Chief Executive detailing a case where it is to the advantage of the Council that these rules should be waived. Rationale for waiving of the procedure rules is included in 3.6 of this report.

### **9 Climate Change Implications**

- 9.1 There are no climate change implications contained in this report.

### **10 Link to Corporate Priorities**

- 10.1 The subject of this report is linked to the Council's Corporate Priority 'Run an effective council'.

## **11 Equality and Diversity**

11.1 An Equality Impact Assessment (EqIA) was not completed because this report does not propose changes to existing service-related policies or the development of new service-related policies.

## **12 Health and Wellbeing**

12.1 There are no direct implications in relation to health and wellbeing arising from this report.

## **13 Human Resources Implications**

13.1 There are no direct human resources implications arising from the recommendations in this report.

## **14 Communication and Engagement**

14.1 There are no communication and engagement implications contained in this report.

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