

# First national insurance framework for public sector opens up £850m market to insurance firms

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Forty suppliers selected to provide non-life insurance services

A national framework agreement, worth a potential £850 million over four years to the insurance sector, has been announced by Government Procurement Service (<http://gps.cabinetoffice.gov.uk/>) and national procurement consortium, Pro5 Group (<http://www.pro5.org/>).

The new EU-compliant framework, for the provision of non-life insurance – including brokerage services, insurance underwriting, claims and risk management – to public sector organisations in the UK, is available from 25 February. Forty insurance companies have now been selected to support the framework: [http://www.pro5.org/en/news\\_press/1279/News-Insurance-Services-RM958-update-25-February-2013](http://www.pro5.org/en/news_press/1279/News-Insurance-Services-RM958-update-25-February-2013).

The agreement will open up the public sector for the first time to many insurers and insurance brokers who have previously avoided working with public sector bodies, wary of often complex and time-consuming procurement processes and duplication of effort.

The framework will provide public sector bodies with access to leading insurance companies without having to go through lengthy EU procurement processes, saving time and money, and reducing duplication across multiple organisations.

Additionally, with access to over 40 insurers and brokers on the framework agreement, it will deliver choice to the public sector and provide suppliers with the opportunity to develop their public sector portfolio. It will also provide public sector buyers, including emergency services, local authorities, NHS trusts, housing associations, charities and education, with access to better data and claims information.

Paul Smith, Director Pro5, says: "We needed to fill a gap in the market, providing effective and efficient insurance procurement to the public sector. Now, with the ability to buy insurance services under a single agreement, it will help public sector bodies reach their efficiency and financial savings targets, which they are under pressure to achieve in the current cost-cutting climate, and open up a lucrative market for the insurance sector."

To develop the national framework, a stakeholder group of customers and suppliers was formed to help with the contract documentation, specification and evaluation methods.

Group member, Beverley Nichol-Culff, Head of Risk Management and Insurance at West Yorkshire Police, explains: "Feedback has been extremely positive within the stakeholder group and the marketplace in general. We took the decision at West Yorkshire Police, on behalf of the Northern Police Insurance Consortium, to withdraw our tender for implementing a national police solution in favour of the planned national framework agreement for the wider public sector. It is far more comprehensive and will deliver the cost and time savings to procure the services we are looking to achieve for the Policing Community".

David Pyle, Government Procurement Service, Insurance Category Lead, says: "With no national framework agreement for insurance in place, GPS and Pro5 were receiving numerous enquiries from public sector customers asking for advice.

"This is a relatively new area for many suppliers who are looking to expand the scope of their services into the public sector. We have collaborated with Pro5, the insurance market and our customers to deliver not only the first, but the best possible competitive and value for money solution for all concerned."

In the single supplier insurance brokerage service (Lot 3) suppliers were asked to provide a range of core services. This enabled an innovative eAuction to be conducted, which resulted in the successful supplier bid being 31 per cent lower than the lowest opening bid, demonstrating that eAuctions can help drive down costs and deliver value for money for customers.

Award letters and agreements have been sent to the following successful insurance providers:

Lot 1 – Insurance: ACE European Group, AIG Europe Limited, Allianz Insurance PLC, Amlin UK Ltd, Aspen Insurance UK LTD, Assuranceforeningen Gardjensidig, AXA Art Insurance Limited, Barbon Insurance Group, Catlin Underwriting, Chubb Insurance Company of Europe SE, Ecclesiastical Insurance Office, Gard Marine & Energy Försäkring AB, Groupama Insurance Company Ltd, Groves John & Westrup Ltd, Hiscox, International Transport Intermediaries Club Ltd, JLT Public Sector Risk Practice, Mitsui Sumitomo Insurance Underwriting at Lloyd's Ltd, Motor Accident Protection Services Ltd, Northern Marine Underwriters Ltd, Ocaso SA Seguros y Reaseguros, QBE Insurance Ltd, Risk Management Partners Limited, Royal & Sun Alliance Insurance plc, Summit Insurance Services Ltd, The Shipowners Mutual Protection and Indemnity Association (Luxembourg), Thistle Insurance Services Ltd, Tokio Marine Europe Insurance Co Ltd, Travelers Insurance Company Limited, TT Club Mutual Insurance Limited, Zurich Insurance plc.

Lot 2 – Multi Supplier Insurance Brokerage: Aon UK Limited, Barbon Insurance Group, Brian Johnston & Co (Insurance Brokers) Ltd, Griffiths & Armour, Heath Lambert Ltd, JLT Public Sector Risk Practice, Lockton Companies LLP, Marsh Ltd, Portmore Insurance Brokers Ltd, Thistle Insurance Services Ltd, Willis LTD.

Lot 3 – Single Supplier Insurance Brokerage: Aon UK Limited.

The framework is available from 25 February 2013. For more information, contact [enquiries@pro5.org](mailto:enquiries@pro5.org) or visit [www.pro5.org](http://www.pro5.org).

Notes for Editors

About Pro5

Pro5 Group is a partnership of public sector buying organisations in the UK (CBC, ESPO, NEPO and YPO) with a combined purchasing power in excess of £2bn a year, set up to help deliver best value to local authorities and the wider public sector. Pro5 is committed to delivering national procurement solutions that achieve value and cost savings to those parts of the public sector providing education, local

government, social care, emergency services and community support. Pro5 and Government Procurement Service (GPS) are working together to develop opportunities in other category areas to deliver benefits for all customer groups. For further information, please visit [www.pro5.org](http://www.pro5.org).

#### About Government Procurement Service

Government Procurement Service, an executive agency of the Cabinet Office, is the delivery arm of Government Procurement. Its overall priority is to provide procurement savings for central government, health and organisations across the UK public sector.

Its main focus is to deliver these savings through expert sourcing, category and centralised data management. By centralising, standardising and aggregating spend on common goods and services they deliver significant, sustainable cost reductions to government.

Government Procurement Service provides value for money, commercial procurement solutions which are fully EU compliant, covering energy, office solutions, communications services, professional services, travel, fleet, IT commodities (including telecommunications and networks), property and facilities management and ecommerce. For further information, visit <http://gps.cabinetoffice.gov.uk>.

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