



Date: 5 August 2022
Property Reference: <<Property Ref>>
Contract Reference: 22/011

Leaseholder services
Camden Town Hall
Judd Street
London
WC1H 9JE

capitalservices@camden.gov.uk

<<Correspond Name>>
<<Corr Add Line 1>>
<<Corr Add Line 2>>
<<Corr Add Line 3>>
<<Corr Add Line 4>>
<<Corr Add Line 5>>
<<Corr PostCode>>

Dear Leaseholder (or RTB applicant),

Lease Address: <<Lease Address>>

Long-term agreement for the provision of leasehold building insurance

Please find enclosed the Council's first stage notice, Notice of Intention, to enter into a qualifying long-term agreement for a borough wide contract of building insurance for leasehold properties. The Council is responsible for arranging buildings insurance for most leasehold properties under the lease terms.

Camden intends to go out to tender for the provision of the leasehold building Insurance, which may result in entering into a long-term agreement. We are required to consult with leaseholders on the proposal. The current contract with Arthur J Gallagher will expire on the 31st March 2023. The Council is a member of the London Insurance Consortium. This is a consortium of five London boroughs set up with the joint aim of improving risk and obtaining better value for insurance. It is therefore proposed that a joint tender with the other boroughs is undertaken.

The Consortium will therefore undertake a tendering exercise for all member Councils in accordance with the Public Procurement Regulations. Bidders will then be evaluated on a combination of price, policy coverage and quality of service. The winning bids for this tender will be assessed on an individual borough basis. It is the intention of the Council to obtain the best value for money insurance cover for leaseholders via this process.

The Council anticipate the total value of this contract for Camden will be approximately £2.55 Million (per annum); this figure relates to all leaseholder insurance in the borough. The contract sought will be for a five year service level agreement.

We now invite you to make any observations on the proposal. Once all tenders have been returned we will issue a Stage 2, Notice of Proposal, this Notice will set out the proposed insurer and your estimated annual contribution.

Should you have any questions regarding this Notice please do not hesitate to contact Leaseholder Services on the telephone number above.

Yours sincerely,



Geraldine Littlechild
Acting Head of Leaseholder Services

Enclosed:

- Statutory notice of intention for Insurance
- Observation form for Insurance

Frequently asked questions

Who are the consortium members?

- London Borough of Camden
- London Borough of Croydon
- London Borough of Islington
- London Borough of Lambeth
- London Borough of Tower Hamlets

What are the benefits of a joint tender?

We see the potential benefits of the joint tender as follows:

- a) greater buying power leading to better rates
- b) improved insurance cover
- c) improved service levels particularly for claims

The total premium spend for the five boroughs means there will be greater interest in the tender because of five boroughs participating together, but equally the price will be evaluated separately for each borough.

I have made an application to purchase my flat through Right to Buy, but the sale is not complete. Why have you sent this notice to me?

If the sale proceeds to completion, you will become a leaseholder, meaning the agreement described in the notice may apply to you. We have sent the notice to you now so you are aware of Camden's intention to enter into the agreement for buildings insurance cover.

**INSURANCE AGREEMENT:
NOTICE OF INTENTION TO ENTER INTO A LONG TERM AGREEMENT FOR
WHICH A PUBLIC NOTICE IS REQUIRED
Section 151 Commonhold and Leasehold Reform Act 2002 - Schedule 2**

Lease Address: <<Lease Address>>

To all leaseholders of the London Borough of Camden and all recognised tenants' associations.

1. It is the intention of the London Borough of Camden to enter into a long-term agreement for the provision of an insurer(s), with respect of which we are required to consult leaseholders.
2. The service to be provided under the agreement is the provision of building insurance services.
3. Insurance coverage is necessary to ensure that our buildings are covered for insurable perils, and to fulfil Camden's obligation contained within the lease. The policy will provide cover against the following perils:
 - Fire
 - Smoke
 - Explosion
 - Lightning
 - Earthquake
 - Riot & civil commotion
 - Strikes, labour or political disturbances
 - Malicious damage
 - Collision by vehicles, aircraft or animals
 - Storm or flood
 - Escape of water from any fixed tank
 - Falling trees or branches
 - Theft or attempted theft
 - Subsidence & ground heave, or landslip
 - Leakage of oil from any fixed oil-fired installation
 - Damage caused by falling television aerials or satellite dishes
 - Accidental Damage (owner occupied properties only)
 - Terrorism

The current cover complies fully with the requirements of the Council of Mortgage Lenders and there are no proposals to change the level of cover.

4. The Public Contracts Regulations 2015 (PCR 2015) and the Public Procurement (Amendment)(EU Exit) Regulations 2020 (PPAR 2020) require the Council, as a public authority, to advertise this agreement by way of a public notice, in the United Kingdom FTS (Find a Tender Service) because of the estimated value of the services. Where it is necessary to issue such a

public notice (as in this case), the right of leaseholders to nominate an insurance provider themselves does not apply.

The public notice must give details and invite tenders from suitable providers, in respect of the proposed agreement. In view of this requirement, the Regulations state that it is not possible for leaseholders themselves to propose a person or provider to tender for the contract, as would otherwise be the case. The Regulations also state that leaseholders must be informed of this fact.

Once observations have been considered and the consultation period has closed, the Council intends to place a public notice in the UK FTS to invite expressions of interest.

5. You are invited to make any written observations regarding the insurance proposal contained in this notice. If you wish to do this, you must send them to this office in writing to be received within 30 days from the date of this notice. All observations must be received by **10 September 2022**. Observations should be sent to the following address:

Geraldine Littlechild (Acting Head of Leaseholder Services)
Leaseholder Services
London Borough of Camden
Camden Town Hall
Judd Street
London
WC1H 9JE

Or PREFERABLY BY EMAIL

Email capitalservices@camden.gov.uk and include the contract reference: **22/011** and your property address and **<<Property Ref>>** in the email subject field.

Signed on behalf of London Borough of Camden:

Yours sincerely,



Geraldine Littlechild
Acting Head of Leaseholders Services

