

<b>Item No.</b> 9.	<b>Classification:</b> Open	<b>Date:</b> 14 July 2016	<b>Meeting Name:</b> Audit, governance and standards committee
<b>Report title:</b>		Annual report on the work of the corporate risk and insurance team 2015-16	
<b>Ward(s) or groups affected:</b>		All	
<b>From:</b>		Strategic Director of Finance and Governance	

## RECOMMENDATION

1. That the audit, governance and standards committee note the annual report on the work of the corporate risk and insurance team in 2015-16.

## BACKGROUND INFORMATION

2. This report provides an annual report for 2015-16 of the work of the corporate risk and insurance team (the team).
3. Specifically, the report provides an overview of the key risk management and insurance activities and progress with objectives for the year 2015-16 and an overview of the team's objectives for 2016-17.

## KEY ISSUES FOR CONSIDERATION

### Overview

4. In 2015-16, the team continued to progress the implementation of both the risk management and insurance objectives.

### Risk management

5. The risk management objectives for 2015-16 as with the previous year focused on:
  - Further promoting risk management as an effective decision making tool
  - Promotion of the principles of good risk management and its use in decision making via enhanced support, communication and training
  - Reviewing the effectiveness of risk management support provided to departments.
6. In order to achieve these objectives the team has completed the following activities:
  - Completed a review of the risk management strategy to be taken through decision making process in 2016-17

- Enhanced risk management and insurance training rolled out to council officers, four sessions have been completed with more sessions booked in 2016-17
- Began an internal review of the risk management support requirements in advance of any future procurement of risk management administration support in 2016-17.

7. The team's objectives for 2016-17 are:

- Finalise the review begun in 2015-16, a review of the risk management support requirements across the council and its implementation
- Enhanced use of the risk management information tool, JCAD, to create a clearer platform for management, monitoring and reporting on key risk, especially corporate risks.

### **Insurance**

8. Insurance objectives for 2015-16 continued to focus on:

- Supporting the client departments' insurance needs as well as the core council wide insurance needs
- Investigating alternative approaches to insurance risk financing for the council
- Improving the understanding of insurance across the council.

9. In order to achieve these objectives the team has completed the following activities:

- Following a detailed claims analysis, identified key areas for targeted risk management activities to help manage housing public liability claims
- Supported a number of property risk management initiatives, especially those arising from the primary school expansion planning and property insurers inspections
- Reviewed alternative risk financing solutions for future insurance cover
- Built internal expertise on major contract project's insurance advice, in order to support the Regeneration Divisions
- Achieved success on various subrogation actions to recover money for the council where third parties have caused the council to incur losses.

10. The team's insurance objectives for 2016-17 whilst still aligned to the general team objectives, are specifically to:

- Develop a new insurance risk financing strategy for the council aligned to the council's needs and external insurance market conditions

- Develop a suite of guidance documentation (and support training as required) for key council functions to improve the management of insurance risk
- Continue to work with housing department to implement risk management activities to improve the public liability claims experience
- Continue to seek opportunities to reduce the overall cost and to recover costs related to insured losses
- Identifying further opportunities for integrating insurance services across the council
- Transferring the compliance based engineering inspection contract to Corporate Facilities Management in the Housing and Modernisation Department
- Training for Tenant Management Organisations
- Review the interaction between Arbitration and Insurance to seek efficiency improvements
- Continued efforts with subrogation action to recover funds for the council.

#### **Policy implications**

11. This report is not considered to have direct policy implications.

#### **Community impact statement**

12. This report is not considered to have direct impact on local people and communities.

#### **Resource implications**

13. This report is not considered to have direct impact on resource implications.

#### **Consultation**

14. Consultation has not been undertaken.

#### **SUPPLEMENTARY ADVICE FROM OTHER OFFICERS**

15. None required.

## BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
None		

## APPENDICES

No.	Title
None	

## AUDIT TRAIL

<b>Lead Officer</b>	Duncan Whitfield, Strategic Director of Finance and Governance	
<b>Report Author</b>	Maureen McBain, Corporate Risk and Insurance Manager	
<b>Version</b>	Final	
<b>Dated</b>	27 June 2016	
<b>Key Decision?</b>	No	
<b>CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER</b>		
<b>Officer Title</b>	<b>Comments Sought</b>	<b>Comments included</b>
Director of Law and Democracy	No	No
Strategic Director of Finance and Governance	N/A	N/A
<b>Cabinet Member</b>	No	No
<b>Date final report sent to Constitutional Team</b>	27 June 2016	