

## WIRRAL COUNCIL

### AUDIT & RISK MANAGEMENT COMMITTEE

18 MARCH 2014

<b>SUBJECT</b>	<b>MANAGEMENT OF INSURANCE AND CORPORATE RISK</b>
<b>WARD/S AFFECTED</b>	<b>ALL</b>
<b>REPORT OF</b>	<b>DIRECTOR OF RESOURCES</b>
<b>KEY DECISION</b>	<b>NO</b>

#### 1.0 EXECUTIVE SUMMARY

1.1 This report sets out the key actions to be taken in relation to corporate risk and insurance management during 2014/15 and highlights any key decisions which will need to be made. Progress made since January 2014 in relation to key actions planned for 2013/14 is also included.

#### 2.0 BACKGROUND AND KEY ISSUES

2.1 Risk and insurance management comprises two significant areas of activity:

- One is the provision of advice and support to Members and officers in developing the corporate risk management framework and processes.
- The other is risk financing which incorporates insurance procurement, management of the Council's Insurance Fund and claims management.

2.2 Summarised below are the key actions planned between now and the end of 2014/15. It highlights those areas in which Members will have an involvement and what form that will take. Future reports will focus on these issues.

<b>Risk Financing Actions</b>	<b>Date</b>	<b>Member Involvement</b>	<b>Comments</b>
Annual renewal of Casualty Computer and Foster Care policies	March 2014	No	Outcome will be reported to Members
Annual renewal of Property All Risks, Money Fidelity Guarantee and Personal Accident / Business Travel Policies	June 2014	No	Outcome will be reported to Members
Insurance Fund Annual Report	June 2014	Yes	Members to consider recommendations
Possible extension of Casualty Computer and Civil Litigation contracts	Sept 2014	Yes	Members will decide whether options to extend should be taken

<b>Risk Financing Actions</b>	<b>Date</b>	<b>Member Involvement</b>	<b>Comments</b>
Insurance Fund Budget 2015/16	Nov 2014	Yes	Members to agree Budget and split between Schools and the General Fund

<b>Risk Management Actions</b>	<b>Date</b>	<b>Member Involvement</b>	<b>Comments</b>
Determine Risk Appetite	May 2014	Yes	Member session to be arranged.
Deliver risk management training session	Sept 2014	Yes	Members will be invited
Refresh Corporate Risk Management Policy and action plan	Dec 2014	Yes	Proposals will be presented to Members' for consideration and adoption
Refresh service planning guidance	Dec 2014	No	Progress will be reported to Members
Introduce improved risk reporting arrangements	June 2014	Yes	Improved reports will be provided to Members
Develop training and guidance for Members and officers	June 2014	Yes	Proposals will be considered by the Member Training Group
Review risk management arrangements for programmes and partnerships	Dec 2014	No	Outcome will be reported to Members

2.3 In addition to day-to-day operations risk financing activity also involves major procurement exercises and improvement activities. The key actions to be implemented up to the end of 2013/14 were included in a report to this Committee on 31 January 2013. Developments since January 2014 in respect of those actions is summarised in the paragraphs below:

#### 2.3.1 **Academy Schools insurance procurement**

Two schools outside the borough are scheduled to join the Holy Family Catholic Multi-Academy Trust from June 2014. Meetings have taken place to enable quotations to be obtained for the extension of the Trust's policies.

The situation is complicated by a recent announcement from the Education Funding Agency concerning a risk pooling scheme for Academies. Officers are investigating what implications this may have for the existing insurance service provided to academies.

### **2.3.2 Procurement of Motor and Engineering insurance and inspection contracts**

The deadline for responses to the Council's Invitation to Tender was 24 February 2014. Evaluation is currently in progress and the outcome of the exercise will be reported to the next meeting of this Committee.

### **2.3.3 Determine risk appetite**

Input to this exercise is being sought from Cabinet Members when the Corporate Risk Management Policy is considered on 13 March 2014.

### **2.3.4 Review of the Corporate Risk Management Framework and processes**

The role of risk management in the Councils' service planning and performance management arrangements is currently under review. Revised processes and guidance will inform service plans for 2014/15.

### **2.3.5 Draft new Corporate Risk Management Policy and Strategy**

The draft Policy approved by this Committee on 28 January 2014 is being presented to Cabinet for formal adoption on 13 March 2014.

### **2.3.6 Review of Corporate Risk Register**

The Chief Executive Strategy Group scored the risks added to the Register as part of the quarter three review of risk, audit, governance and performance. When considering the Risk Management Policy at the last meeting of this Committee it was agreed that the current Corporate Risk Register would be reported to each meeting and is the subject of a separate report.

## **3.0 RELEVANT RISKS**

- 3.1 The improvement of the risk management framework and the implementation of more effective processes will help to improve the ability to handle risk across the organisation.

## **4.0 OTHER OPTIONS CONSIDERED**

- 4.1 These are not applicable in respect of this monitoring report.

## **5.0 CONSULTATION**

- 5.1 No specific consultation has been undertaken with regard to this report.

## **6.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS**

- 6.1 There are no implications arising directly from this report.

## **7.0 RESOURCE IMPLICATIONS: FINANCIAL; IT; STAFFING AND ASSETS**

7.1 The provision of support services to Academy schools is estimated to generate income of approximately £35,000 in 2013/14. This will also help to offset the Council's insurance administration costs which are ultimately recharged to users of the service.

## **8.0 LEGAL IMPLICATIONS**

8.1 There are no implications arising directly from this report.

## **9.0 EQUALITIES IMPLICATIONS**

9.1 There are no implications arising directly from this report.

## **10.0 CARBON REDUCTION IMPLICATIONS**

10.1 There are no implications arising directly from this report.

## **11.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS**

11.1 There are no implications arising directly from this report.

## **12.0 RECOMMENDATION**

12.1 That the content of this report be noted.

## **13.0 REASON FOR RECOMMENDATION**

13.1 Regular update reports are presented to this Committee on the work around Risk and Insurance which seek to support the Risk Management Strategy and maintain the successful management of the Insurance Fund.

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## **SUBJECT HISTORY**

<b>Council Meeting</b>	<b>Date</b>
Audit & Risk Management Committee	
Corporate Risk & Insurance Management	19 March 2013
Management of Insurance & Corporate Risk	10 June 2013
Management of Insurance & Corporate Risk	18 September 2013
Management of Insurance & Corporate Risk	25 November 2013
Management of Insurance & Corporate Risk	28 January 2014
Corporate Risk Management Policy	28 January 2014