

# WIRRAL COUNCIL

## AUDIT & RISK MANAGEMENT COMMITTEE

24 NOVEMBER 2015

<b>SUBJECT</b>	<b>MANAGEMENT OF INSURANCE AND CORPORATE RISK</b>
<b>WARD/S AFFECTED</b>	<b>ALL</b>
<b>REPORT OF</b>	<b>ACTING S151 OFFICER</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 2015/16. Progress made since September in relation to key actions planned for 2015/16 are also included.

### 2.0 BACKGROUND AND KEY ISSUES

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

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

2.2 In addition to day-to-day operations the insurance service is responsible for major procurement exercises and improvement activities. This report focuses on the latter. The key actions to be implemented during 2015/16 were included in the report to this Committee on 18 March 2015. Progress since September in respect of those actions is summarised in the paragraphs below.

#### 2.2.1 Support for the Wirral Plan: Delivery Plan

Information and templates provided by the Risk & Insurance team have been incorporated into the guidance provided to those charged with developing the Council Pledge and Enabling Projects.

#### 2.2.2 Risk Appetite

A mechanism to consider and express the Council's appetite for the risks presented by the Wirral Plan and Delivery Plan has been approved by the Strategic Leadership Team. An initial data gathering exercise will be conducted in November and December.

#### 2.2.3 Corporate Insurance Budget

Work has begun on the forecasting of corporate insurance costs for 2016/17 and their distribution across directorates and schools. A full report will be provided to the January meeting of this Committee. Actual costs for 2015/16 are anticipated to be marginally below the budgeted level.

#### **2.2.4 Potential Partnership Opportunity - Warrington Borough Council**

The Risk & Insurance function continually looks for opportunities to generate income by undertaking work for other organisations. Examples include the services provided to Academy schools in the area and a peer review for Sefton MBC. Warrington Borough Council recently invited expressions of interest from other authorities in a partnership arrangement for the delivery of their insurance services. Following discussions with Warrington this will not be pursued as both their strategic and operational approach could adversely impact on the delivery of Wirral's own services.

#### **2.2.5 Corporate risk register**

The Corporate Risk Register is the subject of a separate report to this meeting.

#### **2.2.6 Risk Management Benchmarking**

The Council participated in a national CIPFA/Alarm risk management benchmarking exercise. Whilst the Council has achieved scores which are higher than the exercise conducted last year there remain areas for improvement:

- Risk management culture, skills and communication
- Partnership risk management
- Risk handling arrangements
- Evidencing the contribution of risk management to overall performance

Actions aimed at addressing these areas will be incorporated into the review of the Council's Risk Management Policy which will be presented to this committee in March 2016.

#### **2.2.7 Traded Service for Schools and Academies**

Proposals for the risk and insurance service for schools in 2016/17 have been developed. These will include enhanced cover in respect of wilful damage to school property. The extent and cost of the service currently provided to Academies will be reviewed early in 2016 to take account of competition from the Risk Protection Arrangement being promoted by the Department for Education.

#### **2.2.8 Risk Management Fund**

A corporate fund is available to support risk improvement initiatives. I have recently approved an application for £1,000 to support a local counter fraud campaign to coincide with International Fraud Awareness Week earlier this month.

### **3.0 RELEVANT RISKS**

3.1 The continuing 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 Not relevant in relation to this monitoring report.

### **5.0 CONSULTATION**

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

### **6.0 OUTSTANDING PREVIOUSLY APPROVED ACTIONS**

6.1 None.

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

7.1 There are no implications arising directly from this report.

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

8.1 There are no specific implications arising directly from this report.

### **9.0 LEGAL IMPLICATIONS**

9.1 There are no specific implications arising directly from this report.

### **10.0 EQUALITIES IMPLICATIONS**

10.1 There are no implications arising directly from this report.

### **11.0 CARBON REDUCTION AND ENVIRONMENTAL IMPLICATIONS**

11.1 There are no implications arising directly from this report.

### **12.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS**

12.1 There are no implications arising directly from this report.

### **13.0 RECOMMENDATION**

13.1 That the content of this report be noted.

### **14.0 REASON FOR RECOMMENDATIONS**

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

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**SUBJECT HISTORY (last 3 years)**

<b>Council Meeting</b>	<b>Date</b>
Audit & Risk Management Committee	
Corporate Risk & Insurance Management	22 September 2015
Corporate Risk & Insurance Management	8 June 2015
Corporate Risk & Insurance Management	18 March 2015
Corporate Risk & Insurance Management	27 January 2015
Corporate Risk & Insurance Management	25 November 2014