

2012 RISK MANAGEMENT EXCEPTION REPORT

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Wards affected: None

PROPOSED DECISION

That the 2012 Risk Management Exception Report be noted.

Corporate Implications

1. Risk management forms part of Wycombe DC's approach to governance and is an essential element of good management.

Executive Summary

2. In 2010, Audit Committee and SMB agreed to an annual process for risk management. The purpose of creating an annual process is to build a framework for risk management activity which should lead to improved risk management. Reporting key risk management issues to Audit Committee is an activity built into the process.

Background and Issues

3. The first exception report of 2012 includes the key risk indicators for insurance; these are attached as Appendix A.
4. The Loss Ratio in Appendix A shows the Council is containing its losses to within claims deductibles and annual aggregate stop losses (the cumulative of all claims deductibles in a policy year).
5. The claims frequency indicator is showing a steady number at claims made; although, liability claims are not reported as and when the events leading to a claim occur.
6. The Council's future success in avoiding claims costs can be further improved by the management of data.
 - (a) Although the future for claims defences is uncertain, there is already a growing need to produce a vast amount of information to support defences against claims, including trawling through emails of past and present officers, historical documents (contracts), etc ...In addition, the Ministry of Justice is revising its claims management rules which will place tighter timescales on defendants to produce data in relation to claims defences.

Background Papers

BSI British Standards: *BS31100:2008 Risk Management - Code of practice*, 2008

Institute of Risk Management, AIRMIC, and ALARM: *A Risk Management Standard*, 2002

Wycombe District Council 2011 Risk Management Policy