

REPORT TO: AUDIT & RISK MANAGEMENT SUB-COMMITTEE - 15 MAY 2006
REPORT ON: INTERNAL BENCHMARKING OF INSURABLE LOSSES
REPORT BY: RISK AND BUSINESS CONTINUITY MANAGER
REPORT NO: 318-2006

1 PURPOSE OF REPORT

This report provides Elected Members with the first set of comparative loss figures for the financial years 2004/05 and 2005/06.

2 RECOMMENDATIONS

It is recommended the Committee:

- i notes the initial benchmark data provided;
- ii agrees to monitor the progress of the loss data presented; and
- iii continues to support Risk Management activity to control self insured losses.

3 FINANCIAL IMPLICATIONS

There are no immediate financial implications from the content of this report. The control of self insured losses is, of course, an essential element of the effective stewardship of public funds.

4 LOCAL AGENDA IMPLICATIONS

None

5 EQUAL OPPORTUNITIES

None

6 BACKGROUND

Members attention is drawn to the content of Report No 581-2005 to the Audit and Risk Management Sub Committee of 26 September 2005, intimating development of the Council's new Risk Management Information System.

Analysis of the data by the Council's Risk Management Section highlights the following features:

Property Damage

No major fire event occurred during either of the two years reported on. Once again there has been a significant reduction (circa £100,000) in the Council's malicious damage loss exposure. The revised total malicious damage figure is expected to outturn at less than £500,000 and it is remarkable to consider that at its worst this cost exceeded £1m per annum.

Public Liability

It is a feature of such claims that initial reserves are set cautiously. The Council and its Insurers are successful in turning down claims where negligence does not exist and it is too early to accurately predict a financial outturn for either year. It would be fair, however, to state there has been no significant deterioration in the loss profile.

Motor Insurance

The motor costs are relatively static over the two years. A number of claims (third party claims) are still to mature or be intimated. Whilst costs are controlled, the frequency of accidents is not falling. A very detailed Risk Management report will be submitted to the next Audit and Risk Management Sub Committee addressing all aspects of motor exposures.

Employers Liability

The 2004/05 figures are consistent with past years performance, there being one claim of particular value which is skewing performance. The 2005/06 year is expected to mature to a more realistic figure within 12 months.

Summary

For many years the Council's loss statistics show improvement. Whilst this is pleasing there remains scope for further controls and continued investment in "spend to save" Risk Management projects.

7 CONSULTATION

- 7.1 The Chief Executive, Depute Chief Executive (Support Services) and Depute Chief Executive (Finance) have been consulted on the content of this report.

8 BACKGROUND PAPERS

None

RISK AND BUSINESS CONTINUITY MANAGER

5 MAY 2006

PROPERTY DAMAGE 04/05

DEPARTMENT	TOTAL PAID	TOTAL RESERVE
CENTRAL LIBRARY	£87.69	£0.00
CHIEF EXECUTIVE	£167.53	£0.00
CONTEMPORARY ARTS	£1,146.50	£0.00
DRYBURGH EDUCATION	£280.83	£0.00
DUNDEE ICE ARENA	£700.00	£0.00
ECONOMIC DEVELOP	£21,975.30	£0.00
EDUC - NURSERIES	£16,719.88	£0.00
EDUC - PRIMARIES	£171,892.39	£0.00
EDUC - PSYCHOLOGY	£342.15	£0.00
EDUC - SECONDARIES	£199,138.64	£0.00
EDUC CEN ADMIN	£13,738.98	£0.00
HERITAGE	£1,838.34	£0.00
HOME SCHOOL SUPPORT	£767.71	£0.00
HOUSING GENERAL	£4,132.96	£0.00
HSG - CENTRAL	£8,340.36	£0.00
HSG - HAPPYHILLOCK	£104,723.91	£19,000.00
HSG - LOCHEE	£66,714.41	£0.00
INT CENTRES/LIBRARY	£14,767.03	£0.00
MITCHELL ST CENTRE	£11.92	£0.00
PARKS DSO	£40.00	£0.00
PARKS/CEMETERIES	£27,662.82	£30.00
PROJ/OTHER BASES	£107.39	£0.00
ROADS	£34,486.08	£3,200.00

DEPARTMENT	TOTAL PAID	TOTAL RESERVE
SCIENTIFIC SERVICES	£1,200.00	£0.00
SOCIAL WORK	£50,802.02	£5,000.00
SPORTS CENTRES	£304.62	£0.00
STAND ALONE LIBRARY	£729.97	£5,000.00
SUPPORT FOR LEARNING	£21.77	£0.00
WASTE MANAGE	£415.41	£0.00
Grand Total	<u>£743,256.61</u>	<u>£32,230.00</u>

PROPERTY DAMAGE 05/06

DEPARTMENT	TOTAL PAID	TOTAL RESERVE
ADMINISTRATION	£159.87	£0.00
CONTEMPORARY ARTS	£0.00	£0.00
DUNDEE CONTRACTS	£11,990.34	£0.00
DUNDEE ICE ARENA	£717.00	£0.00
ECONOMIC DEVELOP	£8,364.49	£0.00
EDUC - NURSERIES	£5,020.21	£0.00
EDUC - PRIMARIES	£151,233.18	£0.00
EDUC - PSYCHOLOGY	£40.31	£0.00
EDUC - SECONDARIES	£162,927.40	£0.00
EDUC CEN ADMIN	£3,575.36	£0.00
HERITAGE	£109.88	£0.00
HSG - CENTRAL	£13,971.64	£20,000.00
HSG - HAPPYHILLOCK	£24,997.57	£0.00
HSG - LOCHEE	£17,502.55	£0.00
INT CENTRES/LIBRARY	£2,468.13	£0.00
MITCHELL ST CENTRE	£290.66	£0.00
PARKS/CEMETERIES	£5,684.63	£0.00
PERSONNEL/MAN SERV	£0.00	£0.00
PLANNING	£9,207.90	£0.00
ROADS	£17,634.49	£0.00
SOCIAL WORK	£12,776.99	£0.00
SPORTS CENTRES	£774.40	£0.00
STAND ALONE LIBRARY	£25.95	£0.00
WASTE MANAGE	£411.08	£0.00
Grand Total	£449,884.03	£20,000.00

PUBLIC LIABILITY CLAIMS 04/05

DEPARTMENT	TOTAL PAID	TOTAL RESERVE
ADMINISTRATION	£24.99	£0.00
CENTRAL LIBRARY	£50.00	£0.00
CHIEF EXECUTIVE	£100.00	£0.00
DRYBURGH EDUCATION	£84.38	£0.00
DUNDEE CONTRACTS	£9,819.25	£0.00
ECONOMIC DEVELOP	£4,778.58	£500.00
EDUC - NURSERIES	£350.00	£0.00
EDUC - PRIMARIES	£799.95	£6,500.00
EDUC - SECONDARIES	£1,940.77	£19,255.00
EDUC CEN ADMIN	£155.99	£0.00
FINANCE - REVENUES	£32.49	£0.00
HERITAGE	£300.00	£0.00
HOUSING GENERAL	£11,394.40	£16,401.00
HSG - CENTRAL	£8,447.75	£56,900.00
HSG - HAPPYHILLOCK	£3,356.98	£14,000.00
HSG - LOCHEE	£3,793.33	£37,100.00
INT CENTRES/LIBRARY	£0.00	£0.00
PARKS CLIENT	£0.00	£0.00
PARKS/CEMETERIES	£4,184.44	£0.00
PLANNING	£0.00	£0.00
ROADS	£26,778.15	£209,567.00
SOCIAL WORK	£529.29	£0.00
SPORTS CENTRES	£870.10	£24,205.00
WASTE MANAGE	£1,602.84	£0.00
Grand Total	£79,393.68	£384,428.00

PUBLIC LIABILITY CLAIMS 05/06

DEPARTMENT	TOTAL PAID	TOTAL RESERVE
COMMUNITIES	£62.99	£500.00
DUNDEE CONTRACTS	£4,606.16	£7,658.00
ECONOMIC DEVELOP	£752.94	£4,400.00
EDUC - NURSERIES	£0.00	£20.00
EDUC - PRIMARIES	£147.99	£138.00
EDUC - PSYCHOLOGY	£0.00	£350.00
EDUC - SECONDARIES	£137.99	£4,810.00
EDUC CEN ADMIN	£742.97	£0.00
FINANCE - GENERAL	£14.00	£0.00
FINANCE - REVENUES	£0.00	£0.00
HERITAGE	£0.00	£3,500.00
HOUSING GENERAL	£4,465.01	£25,689.00
HSG - CENTRAL	£776.99	£43,262.00
HSG - HAPPYHILLOCK	£478.76	£17,627.00
HSG - LOCHEE	£1,677.47	£42,891.00
PARKS CLIENT	£0.00	£0.00
PARKS DSO	£0.00	£0.00
PARKS/CEMETERIES	£165.51	£10,500.00
PLANNING	£20.00	£4,000.00
ROADS	£2,119.39	£318,586.00
SOCIAL WORK	£444.61	£160.00
SPORTS CENTRES	£641.32	£23,500.00
WASTE MANAGE	£1,219.00	£3,855.00
Grand Total	£18,473.10	£511,446.00

DCC MOTOR CLAIMS 04/05

Department	Total Paid	Total Reserve
ARCH SERVICES	£1,433.17	£0.00
CHIEF EXECUTIVE	£215.10	£0.00
CONSUMER PROT	£40.00	£0.00
DUNDEE CONTRACTS	£49,499.28	£16,157.00
ECONOMIC DEVELOP	£608.66	£81.00
EDUC - PSYCHOLOGY	£4,193.63	£200.00
EDUC - SECONDARIES	£4,305.85	£500.00
EDUC CEN ADMIN	£6,526.45	£2,910.00
EMP DISABILITY UNIT	£674.64	£0.00
FINANCE - GENERAL	£12,897.75	£0.00
FINANCE - REVENUES	£2,686.11	£1,600.00
HOME SCHOOL SUPPORT	£3,750.30	£1,823.00
HOUSING GENERAL	£7,428.26	£0.00
HSG - CENTRAL	£512.50	£0.00
HSG - LOCHEE	£485.59	£0.00
INFORMATION TECH	£4,064.55	£38.00
INT CENTRES/LIBRARY	£928.44	£560.00
MITCHELL ST CENTRE	£146.30	£0.00
PARKS CLIENT	£0.00	£100.00
PARKS DSO	£0.00	£500.00
PARKS/CEMETERIES	£3,560.62	£2,465.00
PROJ/OTHER BASES	£220.79	£0.00
ROADS	£6,689.20	£250.00
SOCIAL WORK	£35,413.92	£2,979.00
SPORTS CENTRES	£12,059.99	£30.00
STAND ALONE LIBRARY	£530.50	£0.00

Department	Total Paid	Total Reserve
WASTE MANAGE	£86,261.32	£12,347.00
Grand Total	£245,132.92	£42,540.00

DCC MOTOR CLAIMS 05/06

Department	Total Paid	Total Reserve
ADMINISTRATION	£0.00	£0.00
ARCH SERVICES	£2,645.35	£625.00
CENTRAL LIBRARY	£0.00	£400.00
CHIEF EXECUTIVE	£961.36	£200.00
CITY ENGINEER	£2,563.41	£0.00
COMMUNITIES	£1,852.78	£1,400.00
DUNDEE CONTRACTS	£29,114.74	£10,358.00
ECONOMIC DEVELOP	£1,347.57	£58.00
EDUC - PRIMARIES	£555.49	£660.00
EDUC - PSYCHOLOGY	£958.37	£0.00
EDUC - SECONDARIES	£810.00	£1,545.00
EDUC CEN ADMIN	£9,455.94	£548.00
EMP DISABILITY UNIT	£0.00	£400.00
FINANCE - GENERAL	£500.55	£750.00
FINANCE - REVENUES	£1,112.02	£14.00
HERITAGE	£2,500.00	£0.00
HOME SCHOOL SUPPORT	£1,680.52	£561.00
HOUSING GENERAL	£2,777.67	£400.00
HSG - CENTRAL	£2,361.20	£400.00
HSG - HAPPYHILLOCK	£643.93	£93.00
INFORMATION TECH	£7,627.78	£650.00
INT CENTRES/LIBRARY	£987.26	£392.00
MITCHELL ST CENTRE	£998.47	£0.00
PARKS CLIENT	£918.61	£0.00
PARKS DSO	£0.00	£0.00
PARKS/CEMETERIES	£3,520.12	£0.00
PERSONNEL/MAN SERV	£3,901.55	£250.00
PLANNING	£416.61	£0.00
PROJ/OTHER BASES	£0.00	£200.00
ROADS	£757.42	£0.00

Department	Total Paid	Total Reserve
SOCIAL WORK	£30,922.75	£4,707.00
SPORTS CENTRES	£3,759.39	£498.00
WASTE MANAGE	£48,543.11	£11,759.00
Grand Total	£164,193.97	£36,868.00

EMPLOYERS LIABILITY CLAIMS 04/05

Department	Total Paid	Total Reserve
ADMINISTRATION	£0.00	£10,000.00
DUNDEE CONTRACTS	£0.00	£39,000.00
EDUC - SECONDARIES	£0.00	£300,000.00
FINANCE - REVENUES	£0.00	£12,500.00
HSG - CENTRAL	£0.00	£5,000.00
SOCIAL WORK	£0.00	£30,000.00
SPORTS CENTRES	£0.00	£5,000.00
WASTE MANAGE	£0.00	£42,500.00
Grand Total	£0.00	£444,000.00

EMPLOYERS LIABILITY CLAIMS 05/06

Department	Total Paid	Total Reserve
ADMINISTRATION	£0.00	£5,000.00
CENTRAL LIBRARY	£0.00	£0.00
DUNDEE CONTRACTS	£0.00	£50,000.00
EDUC - SECONDARIES	£0.00	£20,000.00
SOCIAL WORK	£9.99	£5,000.00
SPORTS CENTRES	£0.00	£25,000.00
WASTE MANAGE	£0.00	£20,000.00
Grand Total	£9.99	£125,000.00