

REPORT TO: AUDIT & RISK MANAGEMENT SUB-COMMITTEE - 29 APRIL 2009
REPORT ON: INTERNAL BENCHMARKING OF INSURABLE LOSSES
REPORT BY: RISK AND BUSINESS CONTINUITY MANAGER
REPORT NO: 75-2009

1 PURPOSE OF REPORT

This report provides Elected Members with comparative claims figures for the policy years 2006, 2007 and 2008.

2 RECOMMENDATIONS

It is recommended the Committee:

- i notes the claims data provided;
- ii continues to monitor the progress of the claims 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 as the claims costs are contained within the allowances made for such losses in the Council's Insurance Fund.

4 MAIN TEXT

Members' attention is drawn to the content of Report No 68-2008 to the Audit and Risk Management Sub-Committee of 21 January 2008 highlighting prior year's claims performance. An updated summary of the Council's claim performance over the major classes of insurance is attached as an Appendix to this report.

The following observations are made:

- a In nearly every year and for every different class of insurance business, the number of claims has reduced. This is perhaps the best guide to the efficacy of the Council's Risk Management efforts.
- b The increased value for property claims in 2008 reflects the Fire Damage at Craigie High School (current reserve £375,000).
- c In overall terms the cost to the Council of claims is stable and contained within existing financial provisions for such losses.

5 **POLICY IMPLICATIONS**

The subject matter of this report is concerned with one aspect of the Council's overall Risk Management strategy, namely the control of self-insured losses incurred by the Council.

6 **CONSULTATIONS**

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

7 **BACKGROUND PAPERS**

None

RISK AND BUSINESS CONTINUITY MANAGER

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