

DERBYSHIRE COUNTY COUNCIL
CABINET MEMBER FOR COUNCIL SERVICES

20 July 2015

Report of the Strategic Director of Corporate Resources

OPERATIONAL RISK MANAGEMENT PROJECTS

1 Purpose of the Report

To seek approval to proposed operational risk management projects.

2 Information and Analysis

Background Information

Derbyshire County Council has provided funding assistance for risk management schemes in schools (including secondary schools) and other County premises since the 1990s.

The purpose of these risk management schemes is to:

- Protect the safety of the pupils, visitors and employees
- Protect assets from
 - Vandalism Damage
 - Arson
 - Theft – particularly of IT equipment

Funding support is only recommended when it is established by the Risk and Insurance Manager and Property Risk Manager that there is a need for the project based upon:

1. Request by the establishment including detail of any problems experienced which are not insurance claim related.
2. Review of the annual completed Risk Assessment Questionnaires. These focus on the existing physical security, layout of the site (eg concealed courtyards, flat roofs etc), locality crime and housekeeping at an establishment along with a rating of the level of incidents experience. Each question is scored and a total ranking determined for each establishment.
3. Experience of any existing on-going problems or any anticipated problems.

4. The location of the establishment.
5. Site visit by the Property Risk Manager to verify the contents of the annual Risk Assessment and validate the necessity and anticipated benefit.

The Risk Management projects often, but not always, take the form of fencing of the property compound.

Between 1991 and 2013 Derbyshire County has experienced direct financial loss resulting from damage to or theft of assets from schools totalling £17.6m (£14m arson, £2.6m theft and £1m malicious damage). This level of loss does not include the extra staff costs in dealing with claims, the knock-on increases in insurance premiums caused by poor claims experience, reputational aspects or, perhaps more significantly, disruption to the learning of pupils.

Since 1995 the Risk Management Budget has contributed around £1.65million to schools fencing and security schemes.

Since 1 May 2014 Derbyshire County Council is self-insured for the first £1,000,000 of any fire loss in education establishments and completely self-insured for theft and malicious damage at education establishments.

Secondary Schools with completed fencing projects have seen a combined 88% reduction in these types of losses (an average of £18,000 per secondary school per annum).

Funding

The 2014-15 Capital programme includes funding for risk management projects of **£562,348** comprised of:

- | | |
|---|----------|
| • 2013-14 Risk Management Capital carried forward | £312,348 |
| • 2014-15 Capital Budget – Risk Management | £250,000 |

Projects for approval

Initial projects at £132,197 were approved from an initial report submitted in July 2014.

Approval for further projects attached at Appendix 1 is now recommended. All schools were asked to complete a property risk assessment form as part of the insurance renewal process. The risk assessment form is issued with the renewal proposal form to ensure 100% completion and because it provides underwriting information to support the renewal underwriting process. This information forms the basis for selection of priorities for funding, in line with Government guidance in respect of school security. The primary schools listed are anticipated to contribute 25% of the total project

cost and secondary schools/non-school establishment to contribute 50% of the total project cost.

These schemes involve fencing, access control and safeguarding measures at schools across the County.

Contingencies

As in previous years the remaining risk management budget will be retained to fund further issues that arise, some of which are already identified but still require detailed costing or planning advice.

The contingency amount is:	£
Risk Management Capital Budget	£562,348
Less project bids approved July 2014	-£132,197
Less additional confirmed bids	<u>-£ 72,110</u>
Risk Management Capital Contingency	<u>£358,041</u>

3 Financial Considerations

The total estimated cost of these additional risk management improvements is £72,110.

4 Legal Considerations

The County Council has a duty of care to provide a safe environment for staff, pupils and visitors.

5 Human Resources and Health Considerations

Completing these projects will show the Council's continued commitment to safeguarding and personal safety, in protecting staff, pupils, service users and visitors. It will help to protect the Council's assets from vandalism, theft and arson, which can be costly and cause significant disruption to services.

6 Property Considerations

The schemes have been discussed with the heads of the establishments, and, where appropriate, the County Property Division Area Surveyors and/or CAYA Area Health and Safety Officers to ensure that the works planned are the most appropriate to address the problems at the individual sites.

7 Other Considerations

In preparing this report the relevance of the following factors has been considered - human rights, equality and diversity, environmental, transport, and prevention of crime and disorder considerations.

8 Key Decision

No.

9 Call-in

Is it required that call-in be waived in respect of the decisions proposed in the report? No

10 Background Papers

Held in the Risk and Insurance Section.

11 Officer's Recommendation

The Cabinet Member approves the risk management capital projects set out in Appendix 1 of the report.

JUDITH GREENHALGH

Strategic Director of Corporate Resources

23 June 2015

APPENDIX 1

Establishment	Scheme Details	RM Contribution	Total RM Bid	Scheme
William Allitt School	Building compound fencing, gates and associated access control equipment.	£6,033	£50,065	Fencing – asset protection & safeguarding
John Flamsteed Community School	Fencing to an unsecured elevation of the site.	£15,500	£31,000	Fencing – asset protection & safeguarding
Clowne Infant, Nursery and Junior Schools	Gates and associated access control equipment.	£15,938	£21,250	Fencing/Gates – asset protection & safeguarding
Buxton Community School	Building compound fencing, gates and associated control equipment	£25,000	£50,000 (estimate)	Fencing/Gates – asset protection & safeguarding
Woodthorpe C of E Primary School	Building compound fencing and associated access control equipment.	£9,639	£12,852	Fencing – asset protection & safeguarding
		£72,110	£165,167	