

report

meeting	NOTTINGHAMSHIRE AND CITY OF NOTTINGHAM FIRE & RESCUE AUTHORITY	
date	10 December 2004	agenda item number

REPORT OF THE CHIEF FIRE OFFICER

CREATION OF THE POST OF RISK MANAGER

1. PURPOSE OF REPORT

This report seeks the approval of the Fire Authority to the creation of a permanent new post of Risk Manager to be employed at Fire & Rescue Headquarters.

2. BACKGROUND

In the annual budget for 2004/5 agreed by the Fire Authority a sum of money was set aside in the Base Budget under the general heading of Legal Advice. It was always envisaged that this post would provide legal advice relating to claims being made against the Authority and provide in house liaison with solicitors and insurers as well as being able to advise management when external legal advice was required.

3. PROPOSED POST

3.1 The extension of Comprehensive Performance Assessment to Fire Authorities has brought with it a greater focus on risk management. Nottinghamshire is already considered to exhibit some of the best risk management processes in the country, particularly in relation to corporate risk, receiving a national award in 2003. Whilst risk management procedures are excellent, it is becoming increasingly difficult to blend corporate risk management, risk control and risk transference, which must all form part of an overall risk management strategy.

3.2 Currently the Head of Finance and Resources holds the reference for risk management and whilst considerable progress has been made however, it is not possible for this officer to fully develop and embed risk management within the Service. This has resulted in parts of the risk management reference being picked up by staff from various departments and the majority of the claims liaison work being dealt with by the Health and Safety Advisor which has a detrimental impact upon the essential work relating to Health and Safety.

3.3 Risk Management as a discipline is firmly grounded within the insurance industry and therefore most risk management professionals can be expected to have some experience of the handling of claims. It is considered more appropriate therefore to consider appointing a risk manager who will be able to deal with the initial stages of claims handling, than to specifically seek a dedicated legal advisor.

3.4 Another reason for not appointing a specific legal advisor is because of the range of legal advice required. It would be too difficult to appoint a legal advisor who could reasonably be expected to advise management on diverse subjects such as

employment law, contract law, matters relating to fire safety enforcement, land deals and on occasions criminal law. It is therefore likely that any such individual would still require the services of external lawyers.

3.5 A full job description is attached to this report which sets out in detail the specific responsibilities of the post in terms of advising on current and emergent risks, the maintenance of the risk profile and negotiating with insurers, brokers and solicitors in relation to claims handling.

3.6 The post has been evaluated within the new job evaluation procedure. Whilst this has not been fully agreed yet by the Trade Unions the salary suggested by the process is in the range £24,000-£28,000. This would suggest an annual cost of between £29,000 and £33,500.

4. FINANCIAL IMPLICATIONS

The cost of the post can be contained within existing budgets if it is evaluated towards the lower end of the proposed range. The original estimate for the salary of this post was £25,000 pa which would have placed it firmly within the budget. If it is evaluated however, towards the upper end of the range then a small amount of additional budget may need to be allocated. The costs of this post are already provided for within the 2004/5 budget and given that there would be provision within the 2005/6 budget for normal levels of increments, the gap between the actual cost of the post and the £30,000 budget would be fairly small.

5. PERSONNEL IMPLICATIONS

Personnel implications are contained within the body of the report.

6. EQUAL OPPORTUNITY IMPLICATIONS

The report clearly involves the appointment to a new post which will be advertised externally in accordance with the Authority's equal opportunities policies.

7. RISK MANAGEMENT IMPLICATIONS

The implications for Risk Management are set out in full within the body of the report.

8. RECOMMENDATIONS

That the Fire Authority approves the creation of the post of Risk Manager as set out in the body of the report.

9. BACKGROUND PAPERS FOR INSPECTION

None.

Paul Woods
CHIEF FIRE OFFICER

NOTTINGHAMSHIRE FIRE AND RESCUE SERVICE

JOB DESCRIPTION

POST: Risk Manager

GRADE: £24,000 - £28,000

POST REFERENCE: TBA

CONDITIONS OF SERVICE: NJC APT&C

RESPONSIBLE TO: Head of Resources and Finance

General Description of Post

The post holder will be responsible to the Head of Resources and Finance for the efficient promotion and application of Risk Management; ensuring that its principles are embedded throughout the service and that effective service delivery is achieved to all internal and external stakeholders.

In addition the postholder will maintain the Risk Profile and facilitate the identification and analysis of all existing, new and emergent risks and their potential impact on the service. The postholder will be expected to influence the decision making process when identifying whether such risks should be transferred, retained, or otherwise handled by the service.

To consider and recommend a range of risk management strategies including risk transfer to insurers and to assist the Head of Resources and Finance in negotiating insurance premiums and liaising with brokers and other advisors.

Have direct responsibility for all claims work on insurance of all classes and uninsured losses including those within agreed deductibles.

Liaise with solicitors, loss adjusters, claims handlers and other intermediaries as required in order to secure appropriate, timely and realistic settlements.

Specifically :-

Risk Management

1. Providing Risk Management advice to the Chief Officer and principal officers on risk issues and assisting in the compilation and maintenance of the Risk Profile and Risk Register.
2. Advising and assisting in the preparation of the Service's Integrated Risk Management Plan.
3. Advise on suitable protective measures in order to maintain the good reputation and public image of the service.
4. Advise on general asset protection measures and site security as required to ensure that risk exposures are minimised.
5. To provide advice on adequacy of existing risk control measures (including insurances) in light of changing legislation and the regulatory framework.

6. To produce and maintain appropriate contingency and business continuity plans in conjunction with senior and middle managers.
7. To promote the Risk Management ethos throughout the organisation.
8. To advise the procurement and estates officer on appropriate levels of indemnity for contractors.

Insurance Management

1. To assist the Head of Resources and Finance with the negotiation of renewal premiums and to liaise with brokers and insurers to secure Best Value.
2. To annually review levels of insurance cover and to maintain insurance schedules and fleet lists. To complete all annual declarations and insurance returns specifically noting changes in activity which could significantly affect the level of indemnities and/or premiums.
3. To record detailed claims information and report to management on trends and management strategies.
4. In conjunction with insurance brokers and insurers advise on the extent to which the Service might consider self insurance, levels of deductibles and non-insurance.
5. To carry out negotiations directly with claimants on small self insured claims. On major claims to negotiate on behalf of the service with solicitors, loss adjusters, claims handlers, insurers and other intermediaries. To liaise generally with all appropriate experts both in house and externally and to provide access to such information as is legitimately permitted to assist in the judicial process and expedite conclusion of the claim.
6. To brief internal witnesses on court procedures and to ensure that witness evidence is as reliable and consistent as far as reasonably practicable.
7. To liaise with and advise the Head of Human Resources on matters relating to employee liability claims.

Financial

1. To monitor actual insurance premiums and to produce an accurate summary of expenditure for each class of cover.
2. To produce, update and manage the annual premium budget of each year's insurance premiums, in advance of renewal, indicating prospective changes in premium taking prevailing factors into account.
3. To provide a summary of run off claims to track expenditure of uninsured losses and advise on levels of insurance reserves and provisions.

General

1. All employees must take reasonable care for their health and safety and that of other persons who may be affected by the performance of your duties and where appropriate to safeguard the health and safety of all persons and premises under your control and guidance in accordance with the provisions of Health and Safety legislation and the Authority's and Service's codes of practice and procedures.

2. Proper care and handling, operating and safeguarding of any equipment , vehicle or appliance provided, used or issued by the County Council or provided or issued by a third party for individual or collective use in the performance of your duties.
3. To promote and deliver fair and quality services that are sensitive and responsive to customers and ensure the implementation of customer care by any staff supervised.
4. Any other duties which may reasonably be regarded as within the nature of the duties, responsibilities and grade of the post as defined, subject to the proviso that normally any substantial change of a permanent nature shall be incorporated into the job description in specific terms.