

TONBRIDGE & MALLING BOROUGH COUNCIL

AUDIT COMMITTEE

21 October 2008

Report of the Director of Finance

Part 1- Public

Delegated

1 ALLOCATION OF RISK MANAGEMENT CONSULTANCY ALLOWANCE

This report seeks Members' approval for the further part allocation of a Risk Management Consultancy Allowance that was provided by the Council's insurers in 2007.

1.1 Background

1.1.1 Members will recall that a feature of the insurance tender exercise, carried out as part of last year's insurance renewals, was the provision by the successful insurer of an allowance which could be used to 'fund' risk management consultancy work carried out by the insurers. The amount of the allowance was £31,500 and one condition attaching to its use was that the funds had to be used within a three year period. Any funds not used within that period will have to be refunded to the insurers.

1.1.2 Thus far Members have approved two risk management initiatives as being appropriate for funding via the allowance -

A Risk Management Health Check £ 4,892

A Review of the Council's Management of Health & Safety £ 4,275

1.1.3 The Chief Leisure Officer has proposed that a review of the Council's Tree Risk Management Procedures by the insurer's consultants be considered for approval. The intention is for the recommendations and findings of the review to be included within the Council's new Tree Risk Strategy. This issue was reported to the Leisure & Arts Advisory Board on 15 July 2008 and Members approved the following recommendation to Cabinet –

"a Tree Risk Strategy for public open spaces and woodlands owned by the Council be developed in liaison with the Council's insurers".

- 1.1.4 The insurers have provided details of their proposals and methodology for carrying out the review and a document containing this information is attached as a Background Paper. The cost of carrying out this the exercise will be £ 3,500 plus travelling expenses.

1.2 Legal Implications

- 1.2.1 Under the Occupiers Liability Act the Council has a duty to ensure that visitors to its premises are kept reasonably safe. As far as Public Open Spaces and woodlands are concerned this includes a requirement for the Council to inspect and carry out work to any trees that may be regarded as a risk to safety.

1.3 Financial and Value for Money Considerations

- 1.3.1 The initial review work carried out by the consultants will be funded from the allowance granted to the Council and will therefore not involve any sizeable additional costs. In addition this exercise will afford the Council the opportunity to obtain recommendations and advice from consultants experienced in this field of work

1.4 Risk Assessment

- 1.4.1 The implementation of a robust Tree Risk Strategy which incorporates recommendations and advice obtained from the insurers will enhance the risk management process of the Council. Inadequate management systems for dealing with dangerous or diseased trees would leave the Council potentially liable to reputational and financial risk.

1.5 Policy Considerations

- 1.5.1 Asset Management, Sustainability

1.6 Recommendations

- 1.6.1 Members are **RECOMMENDED** to endorse the proposal of the Chief Leisure Officer for a review of the Council's Tree Risk Management Procedures with associated consultancy costs funded from the risk management consultancy allowance.

Background papers:

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Product Summary -Tree Liability Report
Zurich Municipal

Sharon Shelton
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