

15 March 2021

Agenda Item: 5

## **REPORT OF SERVICE DIRECTOR FOR FINANCE, INFRASTRUCTURE & IMPROVEMENT**

### **RISK AND INSURANCE RESTRUCTURE PROPOSALS**

#### **Purpose of the Report**

1. To review the staffing structure for the Risk and Insurance service and to propose amendments to better meet current and future demand. The purpose of this report is therefore to set out the rationale for change and how these changes will improve the future efficiency, resilience and performance of the team.

#### **Information**

##### ***Drivers for change***

2. The Risk and Insurance Team is a long-established team, currently sited within the Assurance Group of the Chief Executive's Department. In February 2020 the newly appointed Risk and Insurance Manager commenced working with the team.
3. Having monitored the operations of the team for the last twelve months, two significant pressure points have been identified. These pressure points cannot be alleviated without a reorganisation of the existing team structure.

##### ***First pressure point – Volume of Claims***

4. The highest proportion of claims received and managed by the team are highways related claims. Highways claims are in general high-volume/low-value and are highly sensitive to environmental conditions. It is not uncommon for the Council to experience peaks and troughs in claim numbers, with the peak arriving generally in the winter months as the weather can exacerbate and accelerate the deterioration of road surfaces. However, as we appear to be experiencing ever more extreme weather systems these peak periods are commencing earlier and becoming more prolonged.
5. The Highways related claims are dealt with by the two Claim Handler posts within the team. In recent years the high volume of claims during the peak periods has exceeded their combined capacity, creating significant work load pressures for them and other members of

the team. Although the team have been able to meet these challenges, measures need to be implemented to alleviate the impact and pressures of future peaks.

6. The team has seen a reduced number of highways claims so far in 2020/21 as a direct consequence of the Covid 19 pandemic. The impact of the first lockdown in March 2020 was significant with the number of claims received dropping dramatically during this period. This temporary reprieve and the somewhat quieter summer/autumn months enabled the handlers to focus on, and deal with, the ongoing claims from the winter of 2019/20. It has also helped to minimise the impact of the team being temporarily reduced to one Claim Handler, following the successful recruitment of the second Claim Handler to a vacant senior post within the team.
7. The lull in claim numbers, however, is a temporary anomaly and, as we have entered the winter months of 2020/21 and traffic levels remained higher than those seen during the first lockdown, claim numbers have again started to rise to usual levels. Therefore, recruiting to the current vacant Claims Handler post alone will not address the existing pressures within the current structure of the team.

### ***Second pressure point - Resilience***

8. The second pressure point materialises when the team's one administrative support officer is absent. The team currently has one Insurance Technician who undertakes all the team's specialised administrative duties, which include, but are not limited to, the setting up and allocation of all new claims, managing the team's post and allocating tasks.
9. The delivery of the team's administrative support is seamless and forms the bedrock for the team. However, when the Insurance Technician is absent for any length of time this creates significant administrative pressures for the rest of the team. Although some duties can wait until the Insurance Technician's return, the support to the claims handling service has to continue and therefore these duties fall to the handlers themselves to complete. This creates additional pressures on an already engaged claims handling service.

### **Summary of restructure proposals**

10. To improve resilience and to increase capacity in respect of both claims handling and administrative support, it is proposed that the current vacant post of Claim Handler (NJE Grade 5) and the existing post of Insurance Technician (NJE Grade 3) be amalgamated to create two new posts that will incorporate elements of both claims handling and administrative support.
11. These new Claims Handler and Administrative Assistant (NJE Grade 4) posts will have authority to handle liability, property and motor claims up to £25,000. Approximately 94% of all claims brought against the Council in the last five years were below this threshold. As most claims brought against the Council are below this limit, then it is expected that these posts will significantly increase the team's capacity for handling claims, especially in respect of the high-volume/low-value highways claims.
12. The new Claims Handler and Administrative Assistant posts will also be responsible for undertaking all administrative duties for the team. Having two posts providing administrative

support means that, in all but exceptional circumstances, there should always be administrative support available to the team. The post holders will be expected to coordinate absence wherever possible and will be trained in all aspects of the team's specialised administrative duties so there is both a sharing of knowledge and duties.

13. The new Claims Handler and Administrative Assistant posts will report directly to the Risk and Insurance Manager.

14. These changes can be contained within the existing budgetary provisions.

### **Proposed changes in structure**

15. The current vacant post Claim Handler (NJE Grade 5) is to be removed from the current team structure.

16. The existing post Insurance Technician (NJE Grade 3) is to be removed from the current team structure.

17. The Claim Handler and Insurance Technician posts will be replaced within the structure by the two Claims Handler and Administrative Assistant (NJE Grade 4) posts.

18. To reflect the changes within the structure and to bring clarity to the purpose of the existing roles, it is proposed that the current job titles of the other members of the team be changed as follows:

- The Senior Insurance and Risk Officer title will be changed to Principal Risk and Insurance Officer – Policies
- The Risk Advisor and Senior Claims Handler title will be changed to Principal Risk and Insurance Officer – Claims
- The existing Claim Handler title will be changed to Senior Claims Handler.

There are no other proposed changes to these roles and as such, responsibilities and job descriptions will remain the same.

19. To enable a comparison of the proposed changes against the existing structure an illustration of each is provided in the appendices. Appendix 1 illustrates the current structure whilst Appendix 2 illustrates the proposed restructure.

### **Consultation**

20. These staffing proposals have been subject to a 3 week consultation period that concluded on 17 February 2021. No concerns were raised by the Trade Unions. No responses were received during the consultation period.

### **Implementation and timescales**

The following table sets out the key actions and timescales to take the proposals forward.

| Action  | Jan 2021  | Feb 2021  | Mar 2021  | April 2021  | May 2021 |
|---|---|---|---|---|----------|
| Formal consultation period (3 weeks)                                    |  |   |   |   |          |
| Respond to feedback, finalise proposals and communicate to team         |   |  |   |   |          |
| Committee approval:<br>- Finance & Major Contracts Management Committee |   |   |   |   |          |
| Recruitment to first Claims Handler and Administrative Assistant post   |   |   |  |   |          |
| Enabling process  |   |   |  |   |          |
| Dealing with staff at risk of redundancy                                |   |   |   |  |          |
| Recruitment to second Claims Handler and Administrative Assistant post  |   |   |   |  |          |

### Other Options Considered

21. Taking in to consideration the current financial budgetary constraints and the given drivers for change, this is the most effective and efficient method of addressing the pressure points within the existing structure. Alternative options, such as the recruitment of a second Insurance Technician and third Claim Handler post was considered unnecessary and would require additional financial resourcing.

### Reason/s for Recommendation/s

22. The proposed restructure will ensure that the Risk and Insurance service has the resilience and increased capacity in respect of both claims handling and administrative support to meet the current and future demands on the service.

### Statutory and Policy Implications

23. This report has been compiled after consideration of implications in respect of crime and disorder, data protection and information governance finance, human resources, human rights, the NHS Constitution (public health services), the public sector equality duty, safeguarding of children and adults at risk, service users, smarter working, sustainability and the environment and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

### Financial Implications

24. The proposed restructure is deliverable within the team's current financial resources.

## **Human Resources Implications**

25. Paragraphs 15 to 18 of this report summarise the implications in terms of the posts to be removed from the team's structure and those to be established. Should the restructure be approved the advice of Human Resource colleagues will be followed to implement the Council's enabling process for the transfer of staff from the existing structure into the new structure. Where this leads to staff being placed at risk of redundancy the Council's agreed procedures will be followed.

## **RECOMMENDATION**

That the revised staffing structure for Risk and Insurance as set out in paragraphs 15 to 18 be approved.

**Nigel Stevenson**  
**Service Director, Finance, Infrastructure & Improvement**

**For any enquiries about this report please contact:**  
Claire Dyson  
Risk and Insurance Manager

### **Constitutional Comments (KK 09/02/2021)**

26. The proposal in this report is within the remit of the Finance and Major Contract Managements Committee

### **Financial Comments (SES 10/02/2021)**

27. The financial implications are set out in paragraph 24 of the report. The proposed restructure is deliverable within the team's current financial resources.

### **HR Comments (MS 22/02/2021)**

28. The HR implications are set out in paragraph 25 of this report. The new post has been subject to the Authority's Job evaluation process. Recruitment will be in line with the relevant HR policies and procedures.

## **Background Papers and Published Documents**

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

- None

## **Electoral Division(s) and Member(s) Affected**

- All