



## EAST AYRSHIRE COUNCIL

## GOVERNANCE &amp; SCRUTINY PROJECT PLAN 2010/11

**PROJECT 2 - INSURANCE ARRANGEMENTS PROVIDED BY CONTRACTORS  
CARRYING OUT WORK ON BEHALF OF EAST AYRSHIRE COUNCIL**
**REVIEW TOPIC:**

Review of insurance arrangements provided by contractors carrying out work on behalf of East Ayrshire Council

**OBJECTIVES:**

To examine whether, when third party liability claims are made by East Ayrshire residents, these can be properly addressed by the contractors' insurers against criteria agreed with the Council, and in accordance with recommended industry practice.

**DESIRED OUTCOMES:**

1. To ensure that contractors operating on behalf of the Council have insurance arrangements in place to properly and proportionately deal with East Ayrshire residents' claims.
2. To give comfort to our residents that where detriment is caused by contractors, negligence in the course of carrying out operations on behalf of the Council, commensurate compensation arrangements are in place.

**TERMS OF REFERENCE:**

1. To confirm and evaluate the public liability insurance arrangements which contractors operating on behalf of the Council have in place to deal with East Ayrshire residents' insurance claims
2. To confirm and evaluate the existing processes which the Council has in place for checking contractors' insurance details to ensure that they have adequate levels of public liability insurance
3. To identify whether there any improvements which can be made to the existing arrangements and processes and to make recommendations accordingly.

**KEY ISSUES:**

- Responsibility of contractors
- Residents' right to proportionate compensation in accordance with agreed practice and legal entitlement
- Role of EAC in ensuring and facilitating residents' access to compensation where appropriate

**RISKS:**

- Increased cost of contracts
- Public perception that the review is in response to failings of the current arrangements and unrealistic expectations of changes to these arrangements

**VENUES:**

N/A

**TIMESCALE:**

**START: OCTOBER 2010**

**FINISH: MARCH 2011**

## **INFORMATION REQUIREMENTS AND SOURCES:**

### **Documents/Evidence**

- East Ayrshire Council standard contract terms and conditions
- East Ayrshire Council Public Liability claim documentation
- Sample/typical claim

### **Witnesses**

- Executive Director of Finance and Corporate Support (or representative)
- Executive Director of Neighbourhood Services (or representative)
- Head of Legal, Procurement and Regulatory Services (or representatives from Legal Services and Procurement)
- Risk Manager

### **Consultation/Research**

- Zurich (East Ayrshire Council's Insurers)
- ALARMS (Association of Local Authority Risk Managers)
- Benchmarking (family group of authorities)
- Consumer Advice/Citizens Advice
- Tenants/residents who have made claims (sample survey)
- Contractors

### **Site Visits**

N/A

## **OFFICER SUPPORT:**

Lead Officers – Andrew Kennedy, Acting Head of Service: Facilities Management and David Hunter, Risk Manager  
Governance and Scrutiny Support Team

## **TARGET BODY FOR REPORT: (Cabinet/Council)**

Cabinet

GOVERNANCE AND SCRUTINY COMMITTEE

WORK REVIEW PROGRAMME FOR PROJECT 2 - INSURANCE ARRANGEMENTS PROVIDED BY CONTRACTORS CARRYING OUT WORK ON BEHALF OF EAST AYRSHIRE COUNCIL

	Week 1 W/C MON 4 OCTOBER	Week 2 W/C MON 11 OCTOBER	Week 3 W/C MON 18 OCTOBER	Week 4 W/C MON 25 OCTOBER	Week 5 W/C MON 1 NOVEMBER	Week 6 W/C MON 8 NOVEMBER	Week 7 W/C MON 15 NOVEMBER	Week 8 W/C MON 22 NOVEMBER
MON	4	11	18	25	1 Issue core documents	8 Issue benchmarking/ consultation documentation	15	22
TUES	5	12	19	26	2	9	16	23
WED	6	13	20	27	3	10	17	24
THURS	7	14	21	28	4	11	18	25
FRI	8	15	22 Awareness raising presentation by Head of Finance	29	5	12	19	26

	Week 9 W/C MON 29 NOVEMBER	Week 10 W/C MON 6 DECEMBER	Week 11 W/C MON 13 DECEMBER	Week 12 W/C MON 20 DECEMBER	Week 13 W/C MON 27 DECEMBER	Week 14 W/C MON 3 JANUARY	Week 15 W/C MON 10 JANUARY	Week 16 W/C MON 17 JANUARY
MON	29	6	13	20	HOLIDAY		10	17
TUES	30	7	14	21			11	18
WED	1	8	15	22	HOLIDAY		12	19
THURS	2	9	16	23			13	20
FRI	3	10	17	24	HOLIDAY		14	21
	Return of benchmarking/consultation responses							

	Week 17 W/C MON 24 JANUARY	Week 18 W/C MON 31 JANUARY	Week 19 W/C MON 7 FEBRUARY	Week 20 W/C MON 14 FEBRUARY	Week 21 W/C MON 21 FEBRUARY	Week 22 W/C MON 28 FEBRUARY	Week 23 W/C MON 7 MARCH	Week 24 W/C MON 14 MARCH
MON	24 Final meeting of G&S Committee Members to formulate outcomes and recommendations	31 Preparation of draft outcome report by officers	7	14 Issue draft outcome report to G&S Committee members and consultees for comment	21 Response from G&S Committee members/ consultees on draft outcome report	28	7 Lodgement of outcome report for Cabinet	14
TUES	25	1	8	15	22	1	8	15
WED	26	2	9	16	23	2	9	16
THURS	27	3	10	17	24	3	10	17
FRI	28	4	11	18	25 Lodge outcome report for G&S Committee	4 G&S Committee - Issue Agenda	11 Submit outcome report to G&S Committee for consideration	18

	Week 25 W/C MON 21 MARCH	Week 26 W/C MON 28 MARCH	Week 27 W/C MON 4 APRIL	Week 28 W/C MON 11 APRIL	Week 29 W/C MON 18 APRIL	Week 30 W/C MON 25 APRIL
MON	21	28	4	11	18	25
TUES	22	29	5	12	19	26
WED	23 Consideration of outcome report by Cabinet	30	6	13	20	27
THURS	24	31	7	14	21	28
FRI	25	1	8	15	22	29

4 October 2010  
FM