

Risk Management: City loss prevention needs a proactive approach

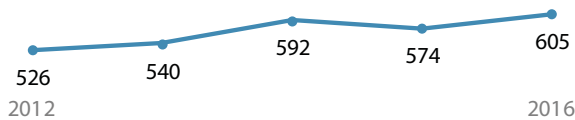


Audit highlights - June 2017

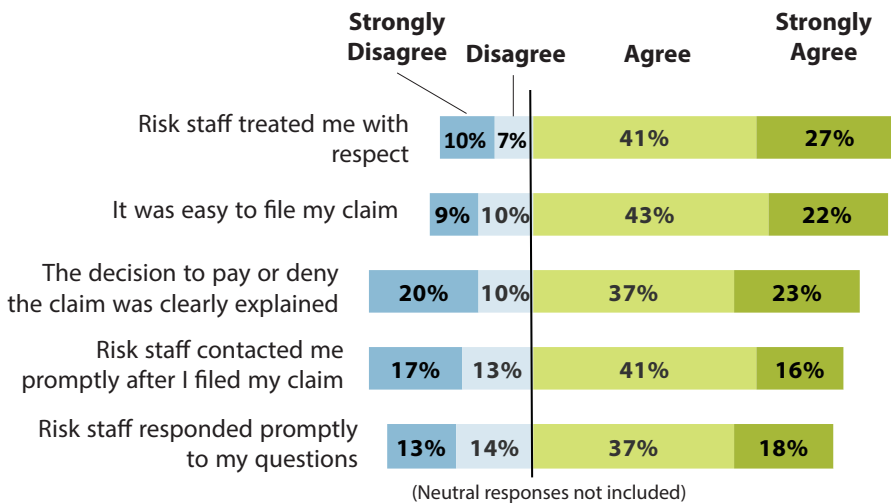
The City's Risk Management Division spends about \$16 million each year to help City bureaus avoid injuries and loss and manage and pay claims against the City if an accident occurs. We audited the **loss prevention** and **claims management** processes.

Risk Management does not have a proactive approach to loss prevention

- Risk Management is not following City Code requirements for loss prevention, such as setting benchmarks, developing plans, and reporting to Council.
- A lack of information-sharing may hinder City safety programs.
- A central role for Risk Management is needed to champion loss prevention.
- Worker injuries are increasing.



Risk Management handles most liability claims well



- Claimants we surveyed were positive about Risk Management services.
- The process for most claims was smooth, but for some claims we saw problems in documentation or communication.
- Council's \$5,000 threshold for review of claims needs to be revisited.

We **recommend** that Risk Management establish a proactive, Citywide approach to loss prevention and update its claims management procedures.

