

NORTH LANARKSHIRE COUNCIL

REPORT

To: POLICY AND RESOURCES (FINANCE) SUB-COMMITTEE		Subject: PUBLIC / EMPLOYERS LIABILITY CLAIMS - POSITION AS AT 30 SEPTEMBER 2002
From: DIRECTOR OF FINANCE		
Date: 09 OCTOBER 2002	Ref: JV/IRF/I-23.10	

1 Introduction

1.1 The purpose of this report is to update the Committee with details of the status of insurance claims lodged against the Authority during the period 1 April 1996 to 30 September 2002. The report is a follow up to that presented to Committee in August 2002 which detailed the status of claims at 30 June 2002.

2 Current Position

2.1 During the period 1 April 1996 to 30 September 2002, a total of 13,974 liability claims were received. These claims have been dealt with as follows:-

Public Liability

	<u>As at 30/09/02</u>		<u>As at 30/06/02</u>		<u>As at 31/03/02</u>	
Claims Paid	4874	36%	4746	35%	4569	35%
Claims Repudiated	7485	55%	7269	55%	7029	55%
Claims Outstanding	1244	9%	1298	10%	1329	10%
Total	<u>13603</u>	<u>100%</u>	<u>13313</u>	<u>100%</u>	<u>12927</u>	<u>100%</u>

Employers Liability

	<u>As at 30/09/02</u>		<u>As at 30/06/02</u>		<u>As at 31/03/02</u>	
Claims Paid	96	26%	93	26%	78	22%
Claims Repudiated	134	36%	133	37%	131	38%
Claims Outstanding	141	38%	133	37%	138	40%
Total	<u>371</u>	<u>100%</u>	<u>359</u>	<u>100%</u>	<u>347</u>	<u>100%</u>

Members may recall from the previous report that the number of new claims had reduced after the winter weather conditions has passed. This reduction has been sustained during the period July to September when the number of new claims was 290 for the three months. The number of claims outstanding has decreased by 54 from 1298 to 1244. Efforts are being made to ensure that all claims are dealt with timeously so that the total number of outstanding claims continues to reduce.

- 2.2 The status of all outstanding claims at 30 September 2002 is shown in the undernoted table. Details for individual years are shown in Appendix 1.

Summary of Outstanding Claims 1996/97 - 2002/03

	<u>Public Liability</u>		<u>Employers Liability</u>		<u>Total</u>	
	Total	%	Total	%	Total	%
1 Awaiting Council Report	121	10	16	12	137	10
2 Awaiting further information from Council	87	7	13	10	100	7
3 Awaiting response from Third Party / Solicitors	530	43	29	31	559	41
4 Awaiting Specialist / Medical Report	93	7	3	1	96	7
5 Claims litigated	182	15	55	35	237	17
6 Claims with Marsh	231	18	25	11	256	18
	1244	100	141	100	1385	100

3 Analysis of Outstanding Claims

The following summarises the position of outstanding claims in respect of the above categories.

- 3.1 The claims awaiting information from the Council have decreased from 242 to 237. The Insurance section is actively pursuing departments for the return of reports and information promptly to enable Marsh to deal with the claims. Visits are being made to those offices which have a number of outstanding claims to help effect a faster turn-around in reports being produced.
- 3.2 The percentage of claims outstanding where information has been requested from claimants, their Solicitors or Specialists or where they are subject to Court timetables, has reverted to 65% from 69%. These categories relates to claims that have been passed by the Council to the claims handlers, or Legal Services, but require further information from persons outwith the Council to enable the claims to be progressed.
- 3.3 The level of claims with Marsh this quarter has increased from 194 to 256, due to a high response from Third Parties. Reports from Loss Adjusters and/or Medical Specialists are now with Marsh for consideration in order to process these claims to a conclusion.
- 3.4 Members will be aware that a Best Value Service Review of Insurance, Risk Management and Health and Safety is being undertaken during the current Financial Year. It is anticipated that this will further raise awareness of the cost of Insurance and the need for Departments to be pro-active with regard to Risk Management and responding to claims more quickly in order to minimise Claimants' expectations.

4 Recommendation

- 4.1 Members are asked to note this position.



DIRECTOR OF FINANCE

APPENDIX 1

Outstanding Claims by Year

TABLE 1	<u>Public Liability</u>		<u>Employers Liability</u>	
	1996/97 to 1998/99	%	1996/97 to 1998/99	%
1 Awaiting Council Report				
2 Awaiting further information from Council	2	1		
3 Awaiting response from Third Party / Solicitors	33	27		
4 Awaiting Specialist / Medical Report	3	3		
5 Claim litigated	78	64	20	83
6 Claims with Marsh	6	5	4	17
	<u>122</u>	<u>100</u>	<u>24</u>	<u>100</u>

TABLE 2	1999/00		1999/00	
		%		%
1 Awaiting Council Report				
2 Awaiting further information from Council	7	6	1	7
3 Awaiting response from Third Party / Solicitors	44	35	2	13
4 Awaiting Specialist / Medical Report	7	6		
5 Claim litigated	55	43	11	73
6 Claims with Marsh	13	10	1	7
	<u>126</u>	<u>100</u>	<u>15</u>	<u>100</u>

TABLE 3	2000/01		2000/01	
		%		%
1 Awaiting Council Report	1	0	4	9
2 Awaiting further information from Council	17	9	4	9
3 Awaiting response from Third Party / Solicitors	119	61	10	24
4 Awaiting Specialist / Medical Report	18	9		
5 Claim litigated	27	14	19	44
6 Claims with Marsh	14	7	6	14
	<u>196</u>	<u>100</u>	<u>43</u>	<u>100</u>

TABLE 4	2001/02		2001/02	
		%		%
1 Awaiting Council Report	15	4	4	10
2 Awaiting further information from Council	35	8	6	15
3 Awaiting response from Third Party / Solicitors	224	55	15	39
4 Awaiting Specialist / Medical Report	43	10	3	8
5 Claim litigated	19	5	4	10
6 Claims with Marsh	76	18	7	18
	<u>412</u>	<u>100</u>	<u>39</u>	<u>100</u>

TABLE 5

	2002/03	%	2002/03	%
1 Awaiting Council Report	103	27	8	40
2 Awaiting further information from Council	28	7	2	10
3 Awaiting response from Third Party / Solicitors	110	28	2	10
4 Awaiting Specialist / Medical Report	22	6		
5 Claim litigated	3	1	1	5
6 Claims with Marsh	122	31	7	35
	<u>388</u>	<u>100</u>	<u>20</u>	<u>100</u>