

To: POLICY AND RESOURCES (FINANCE) SUB-COMMITTEE		Subject : PUBLIC / EMPLOYERS LIABILITY CLAIMS – POSITION AS AT 31 MARCH 2005
From: DIRECTOR OF FINANCE		
Date: 3 MAY 2005	Ref: JV/LA/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 31 March 2005. The report is a follow up to that presented to Committee in October 2004, which detailed the status of claims at 30 September 2004.

2 **Current Position**

2.1 During the period 1 April 1996 to 31 March 2005, a total of 17,134 liability claims were received. These claims have been dealt with as follows:-

Public Liability

	<u>As at 31/03/05</u>		<u>As at 30/09/04</u>		<u>As at 31/03/04</u>	
Claims Paid	6094	37%	5857	37%	5561	37%
Claims Repudiated	9552	57%	9055	56%	8549	55%
Claims Outstanding	999	6%	1108	7%	1187	8%
Total	<u>16645</u>	<u>100%</u>	<u>16020</u>	<u>100%</u>	<u>15417</u>	<u>100%</u>

Employers Liability

	<u>As at 31/03/05</u>		<u>As at 30/09/04</u>		<u>As at 31/03/04</u>	
Claims Paid	177	36%	166	35%	149	33%
Claims Repudiated	174	36%	172	36%	147	33%
Claims Outstanding	138	28%	134	29%	150	34%
Total	<u>489</u>	<u>100%</u>	<u>472</u>	<u>100%</u>	<u>446</u>	<u>100%</u>

The number of public liability claims outstanding has decreased from 1108 to 999 and efforts will continue 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 31 March 2005 is shown in the undernoted table. Details for individual years are shown in Appendix 1.

Summary of Outstanding Claims 1996/97 - 2004/05

	<u>Public Liability</u>		<u>Employers Liability</u>		<u>Total</u>	
	Total	%	Total	%	Total	%
1 Awaiting Council Report	48	5	2	1	50	5
2 Awaiting further information from Council	81	8	12	9	93	8
3 Awaiting response from Third Party / Solicitors	407	41	24	17	431	38
4 Awaiting Specialist / Medical Report	43	5	4	3	47	4
5 Claims litigated	142	14	62	45	204	18
6 Claims with Marsh	278	27	34	25	312	27
	999	100	138	100	1137	100

3 Analysis of Outstanding Claims

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

3.2 The number of claims awaiting information from departments has decreased from 215 to 143. The Risk & Insurance Section recently initiated a series of Business Change Processes in conjunction with departments. This involves mapping the claims handling process and identifying areas of delays, duplication, and other drains on resources, and thereafter introducing measures to improve the speed and efficiency of the process. The process has been successfully completed in the Housing department and is currently underway in Planning and Environment. Reports are being received much quicker and there is a notable improvement in the quality of information. Nevertheless, the Risk & Insurance Section continues to actively pursue departments for the prompt return of reports and information to enable Marsh to deal with claims.

3.3 The number of claims outstanding because further information has been requested from claimants, their Solicitors or Specialists or where they are subject to Court timetables, has decreased from 733 to 681, and accounts for 60 % of all claims outstanding. These categories relate 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.

3.4 The level of claims with Marsh has increased slightly from 294 to 312. The situation is being monitored between staff in the insurance section and Marsh to ensure claims are dealt with timeously and the claims with Marsh do not unduly increase.

4 Recommendation

4.1 Members are asked to note this position.



DIRECTOR OF FINANCE

For further information please contact Alan Scougall on tel. ext.2192.

APPENDIX 1

Outstanding Claims by Year

TABLE 1	<u>Public Liability</u>		<u>Employers Liability</u>	
	1996/97 to 2000/01	%	1996/97 to 2000/01	%
1 Awaiting Council Report				
2 Awaiting further information from Council				
3 Awaiting response from Third Party / Solicitors	30	33	2	7
4 Awaiting Specialist / Medical Report				
5 Claim litigated	62	67	26	93
6 Claims with Marsh				
	<hr/>	<hr/>	<hr/>	<hr/>
	92	100	28	100

TABLE 2	2001/02	%	2001/02	%
1 Awaiting Council Report				
2 Awaiting further information from Council	1	1	3	16
3 Awaiting response from Third Party / Solicitors	46	55	1	5
4 Awaiting Specialist / Medical Report	4	5		
5 Claim litigated	30	37	15	79
6 Claims with Marsh	2	2		
	<hr/>	<hr/>	<hr/>	<hr/>
	83	100	19	100

TABLE 3	2002/03	%	2002/03	%
1 Awaiting Council Report				
2 Awaiting further information from Council	1	1	2	11
3 Awaiting response from Third Party / Solicitors	41	52	6	33
4 Awaiting Specialist / Medical Report	8	10	1	6
5 Claim litigated	11	14	8	44
6 Claims with Marsh	18	23	1	6
	<hr/>	<hr/>	<hr/>	<hr/>
	79	100	18	100

TABLE 4	2003/04	%	2003/04	%
1 Awaiting Council Report				
2 Awaiting further information from Council	11	5	2	6
3 Awaiting response from Third Party / Solicitors	94	45	6	18
4 Awaiting Specialist / Medical Report	22	11	1	3
5 Claim litigated	29	14	9	27
6 Claims with Marsh	52	25	15	46
	<hr/>	<hr/>	<hr/>	<hr/>
	208	100	33	100

TABLE 5		2004/05	%	2004/05	%
1	Awaiting Council Report	47	9	1	2
2	Awaiting further information from Council	68	12	6	15
3	Awaiting response from Third Party / Solicitors	198	37	10	25
4	Awaiting Specialist / Medical Report	9	2	1	3
5	Claim litigated	10	2	4	10
6	Claims with Marsh	205	38	18	45
		<u>537</u>	<u>100</u>	<u>40</u>	<u>100</u>