

To: POLICY AND RESOURCES (FINANCE) SUB-COMMITTEE		Subject : PUBLIC / EMPLOYERS LIABILITY CLAIMS – POSITION AS AT 30 SEPTEMBER 2005
From: DIRECTOR OF FINANCE		
Date: 12 OCTOBER 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 30 September 2005. The report is a follow up to that presented to Committee in May 2005, which detailed the status of claims at 31 March 2005.

2 Current Position

2.1 During the period 1 April 1996 to 30 September 2005, a total of 17,719 liability claims were received. These claims have been dealt with as follows:-

Public Liability

	<u>As at 30/09/05</u>		<u>As at 31/03/05</u>		<u>As at 30/09/04</u>	
Claims Paid	6288	37%	6094	37%	5857	37%
Claims Repudiated	10005	58%	9552	57%	9055	56%
Claims Outstanding	912	5%	999	6%	1108	7%
Total	<u>17205</u>	<u>100%</u>	<u>16645</u>	<u>100%</u>	<u>16020</u>	<u>100%</u>

Employers Liability

	<u>As at 30/09/05</u>		<u>As at 31/03/05</u>		<u>As at 30/09/04</u>	
Claims Paid	200	39%	177	36%	166	35%
Claims Repudiated	182	35%	174	36%	172	36%
Claims Outstanding	132	26%	138	28%	134	29%
Total	<u>514</u>	<u>100%</u>	<u>489</u>	<u>100%</u>	<u>472</u>	<u>100%</u>

The number of public liability claims outstanding has decreased from 999 to 912 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 30 September 2005 is shown in the undernoted table. Details for individual years are shown in Appendix 1.

Summary of Outstanding Claims 1996/97 - 2005/06

	<u>Public Liability</u>		<u>Employers Liability</u>		<u>Total</u>	
	Total	%	Total	%	Total	%
1 Awaiting Council Report	79	9	10	8	89	9
2 Awaiting further information from Council	84	9	9	7	93	9
3 Awaiting response from Third Party / Solicitors	293	32	21	16	314	30
4 Awaiting Specialist / Medical Report	37	4	4	3	41	4
5 Claims litigated	122	13	53	40	175	17
6 Claims with Marsh	297	33	35	26	332	31
	<u>912</u>	<u>100</u>	<u>132</u>	<u>100</u>	<u>1044</u>	<u>100</u>

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 increased from 143 to 182. The Risk & Insurance Section continues to actively pursue departments for the prompt return of reports and information to enable claims to be finalised.

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 681 to 530, and accounts for 51 % 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 from 312 to 332. 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.

3.5 Members will be aware that the Council's Risk & Insurance section was awarded the Chartermark accreditation last year. As part of the Chartermark process, the section committed to increase the percentage of claims finalised within 6 months of receipt. I am pleased to report that the section has achieved this target with the percentage of claims finalised within 6 months increasing from 30.1% as at 31 March to 33.6% as at 30 September.

4 Insurance Renewal

4.1 The Council's general insurance policies reach the end of their 5 year long term agreements on 31 March 2006. The process of re-tendering has begun and the Risk & Insurance Section is working with the Council's insurance adviser, Aon, to gather the information required to prepare tender documents. Committee will be advised of the outcome of the tender in due course.

5 Recommendation

5.1 Members are asked to note this position.

A handwritten signature in black ink, appearing to read "Alan Scougall". The signature is fluid and cursive, with the first name "Alan" and last name "Scougall" clearly distinguishable.

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	21	33	2	10
4 Awaiting Specialist / Medical Report				
5 Claim litigated	43	67	18	90
6 Claims with Marsh				
	<u>64</u>	<u>100</u>	<u>20</u>	<u>100</u>

TABLE 2	2001/02		2001/02	
		%		%
1 Awaiting Council Report				
2 Awaiting further information from Council			1	8
3 Awaiting response from Third Party / Solicitors	32	56	3	23
4 Awaiting Specialist / Medical Report	3	5		
5 Claim litigated	21	37	9	69
6 Claims with Marsh	1	2		
	<u>57</u>	<u>100</u>	<u>13</u>	<u>100</u>

TABLE 3	2002/03		2002/03	
		%		%
1 Awaiting Council Report				
2 Awaiting further information from Council	1	2	1	6
3 Awaiting response from Third Party / Solicitors	20	45	5	32
4 Awaiting Specialist / Medical Report	1	2	1	6
5 Claim litigated	12	27	8	50
6 Claims with Marsh	11	24	1	6
	<u>45</u>	<u>100</u>	<u>16</u>	<u>100</u>

TABLE 4	2003/04		2003/04	
		%		%
1 Awaiting Council Report				
2 Awaiting further information from Council	5	4		
3 Awaiting response from Third Party / Solicitors	49	38	3	11
4 Awaiting Specialist / Medical Report	11	8	1	4
5 Claim litigated	24	18	13	46
6 Claims with Marsh	42	32	11	39
	<u>131</u>	<u>100</u>	<u>28</u>	<u>100</u>

TABLE 5	2004/05	%	2004/05	%
1 Awaiting Council Report	3	1		
2 Awaiting further information from Council	27	10	5	16
3 Awaiting response from Third Party / Solicitors	109	40	8	26
4 Awaiting Specialist / Medical Report	19	7	1	3
5 Claim litigated	11	4	5	16
6 Claims with Marsh	103	38	12	39
	<u>272</u>	<u>100</u>	<u>31</u>	<u>100</u>

TABLE 6	2005/06	%	2005/06	%
1 Awaiting Council Report	76	22	9	38
2 Awaiting further information from Council	51	15	1	4
3 Awaiting response from Third Party / Solicitors	64	19	3	13
4 Awaiting Specialist / Medical Report	3	1		
5 Claim litigated	11	3		
6 Claims with Marsh	138	40	11	45
	<u>343</u>	<u>100</u>	<u>24</u>	<u>100</u>