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| COMMITTEE | AUDIT AND GOVERNANCE COMMITTEE |
| DATE | 22 JUNE 2017 |
| TITLE | INSURANCE CLAIMS AGAINST THE COUNCIL |
| PURPOSE OF THE REPORT | PROVIDE AN OPPORTUNITY FOR THE AUDIT AND GOVERNANCE COMMITTEE TO SCRUTINISE THE COUNCIL'S ARRANGEMENTS FOR DEALING WITH INSURANCE CLAIMS |
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1. INTRODUCTION

- 1.1 Once a year, the Insurance and Risk Service presents a report to the Audit and Governance Committee outlining the liability insurance claims made against the Council in the previous year, showing the ones that the Council was able to defend successfully, and those where there were costs to the Council and/or the insurance company.
- 1.2 The report assists the Committee to fulfil its role of maintaining an overview of the Council's risk management arrangements. It is also an opportunity for members to receive a complete picture in terms of public liability and employee liability claims, in the context of reports that occasionally appear in the press following freedom of information requests.
- 1.3 This report contains information public liability and employee liability claims that were closed during 2016/17.
- 1.4 The Audit and Governance Committee is responsible for dealing with issues relating to risk, and dealing with insurance claims is part of that. Therefore, in order to carry out its duties as "those responsible for governance", there is a need for the Audit and Governance Committee to:
 - **Accept this report which explains the arrangements within Gwynedd Council for dealing with insurance claims.**
 - **Scrutinise the arrangements that are in place, so that it is clear that the Council has procedures in place to ensure that insurance payments are appropriate.**

2. GWYNEDD COUNCIL'S ARRANGEMENTS FOR DEALING WITH INSURANCE CLAIMS

2.1 The purpose of the Insurance and Risk Unit is:

Supporting the Council's departments as they assess the threats and opportunities that they could face when providing their services and as they prioritise their activities on the basis of the assessment. Protect the interests of taxpayers by ensuring appropriate insurance arrangements and dealing with claims.

2.2 Two officers work in the unit, namely the Insurance and Risk Co-ordination Manager, and Insurance Officer.

2.3 The table that is included in the Appendix contains details of all liability insurance claims settled in 2016/17.

2.4 Given the purpose of the unit, the main performance measure for demonstrating that we are achieving our purpose is **Protecting the financial interests of the taxpayer: percentage of public liability claims denied (settled for £0).**

2.5 Analysis of all public liability and employer's liability claims settled in 2016/17 and in previous years shows the following:

Public Liability

| | 2013/14 | 2014/15 | 2015/16 | 2016/17 |
|---|----------|------------|------------|------------|
| Number of Public Liability claims closed, with costs | 33 (26%) | 26 (22.2%) | 18 (21.2%) | 25 (22.9%) |
| Number of Public Liability claims closed, without costs | 94 (74%) | 91 (77.8%) | 67 (78.8%) | 84 (77.1%) |
| Total number of Public Liability claims closed | 127 | 117 | 85 | 109 |

Employer's Liability

| | 2013/14 | 2014/15 | 2015/16 | 2016/17 |
|---|-----------|---------|---------|-----------|
| Number of Employer's Liability claims closed, with costs | 5 (55.6%) | 3 (43%) | 2 (25%) | 4 (44.4%) |
| Number of Employer's Liability claims closed, without costs | 4 (44.4%) | 4 (57%) | 6 (75%) | 5 (55.6%) |
| Total number of Employer's Liability claims closed | 9 | 7 | 8 | 9 |

Public Liability and Employer's Liability together

| | 2013/14 | 2014/15 | 2015/16 | 2016/17 |
|--|----------|------------|------------|------------|
| Number of Liability claims closed, with costs | 38 (28%) | 29 (23.4%) | 20 (21.5%) | 29 (24.6%) |
| Number of Liability claims closed, without costs | 98 (72%) | 95 (76.6%) | 73 (78.5%) | 89 (75.4%) |
| Total number of Liability claims closed | 136 | 124 | 93 | 118 |

2.6 That is, in 2013/14 72%, in 2014/15 76.6%, in 2015/16 75.5% and in 2016/17 75.4% of liability claims against Gwynedd Council were settled without costs.

3. ROLE OF THE INSURANCE COMPANY

- 3.1 All of the cases listed in the Appendix were subject to an excess of £25,000 prior to 1 April 2016, since then the excess has increased to £50,000 per Public Liability and Employers Liability claim. Gwynedd Council paid any costs on the individual claims up to this threshold, and our insurance company pay any amounts above that.
- 3.2 It will therefore be a continuing challenge, in conjunction with all Council services, to manage our insurable risks in order to reduce accidents and allegations of neglect, not only for financial reasons, but for the sake of our colleagues and the public.

4. RECOMMENDATION

- 4.1 The Audit and Governance Committee is asked:
- **Accept this report which explains the arrangements within Gwynedd Council for dealing with insurance claims.**
 - **Scrutinise the arrangements that are in place, so that it is clear that the Council has procedures in place to ensure that insurance payments are appropriate.**