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Reports show incipient signs of revived claims culture

The Health & Safety Review Website (www.healthandsafetyreview.ie) in its News Briefing 10/2010 notes that Reports published by the Irish Insurance Federation, the Injuries Board (formerly PIAB), the State Claims Agency and the Courts Service show some incipient indications of a revived claims culture. This is most noticeable in the IIF figures for public liability claims, which have now increased for the third year in a row. Other indications of this trend are the figures from the Courts Services Annual Report 2008, which shows an 8.5% increase in High Court personal injury claims. The figures from the Injuries Board show a significant increase in the personal injury compensation awards. The figures from the State Claims Agency show a fall in the number of both EL and PL claims since the SCA was established.

Irish Insurance Federation Factfile

Overall (including motor, EL and PL) the number of new claims notified to insurers in 2008 rose by 14%. The number of PL claims rose from 14,426 in 2007 to 17,627 last year. In 2006 there were 12,909 PL claims. However the number of EL claims fell last year from 7,611 in 2007 to 7,071.

While the number of claims increased in 2008, the premiums paid to insurers fell. EL premiums fell by 18.2% and PL premiums by 9.9%. However this trend is likely to be reversed this year (see HSR, July/August 2009, pg1).

Injuries Board report

The Injuries Board Annual Report records that a total of 24,722 applications for personal injury compensation were received by the Board last year. That represents a 6% increase on the 2007 figure. Twenty-six percent of the claims (6,427) were PL claims and 18% (4,449) were EL claims. The Board issued 8,845 awards during the year: 972 in EL cases and 1,503 in PL cases.

The average compensation in PL claims was €24,769 (compared to €20,792 in 2007) and in EL cases was €32,266 (compared to €26,038 in 2007).

State Claims Agency report

The State Claims Agency Annual Report continues to show the benefit of a determined policy of defending claims deemed to be of dubious merit, combined with a strong risk management approach. As the State Claims Agency has developed the management of clinical negligence claims against the State has emerged as the dominant focus of its activities.

However it is still handling a considerable caseload of EL and PL claims. At the end of 2008, the Agency had 2,622 claims under management. This number represents a fall of 78% in EL claims and 38% in PL claims since the Agency was established in 2002. The main causes of EL/PL claims are road traffic accidents (30%), alleged exposure to hazardous substances (28%) and slips, trips, falls 11%.