



Audit for North Yorkshire Police

Completed by:

Victoria Beaumont – Audit & Compliance Officer

13th March 2017

 **GALLAGHER BASSETT**
GUIDE. GUARD. GO BEYOND.

Contents

Section	Page
Audit Summary	3
Summary of Findings	4
Overall Assessment	9
Corrective Action Plan	10

Audit Summary

Jane Wintermeyer is the Force Solicitor & Head of Legal Services at North Yorkshire Police and Julie Shuttleworth is the Insurance & Litigation Manager who oversees the civil claim handling team in a supervisory capacity. The civil claims are handled by Sarah Tomlinson, Police Lawyer, Sarah Donsajh, Paralegal and Amie McNairn, Paralegal.

At the time of the review the case load for each handler was:

Sarah Tomlinson - 34
Amie McNairn – 17
Sarah Donsajh – 4
Lucy Holland – 3

At the present time North Yorkshire Police have a SIR of £150,000 and handle all casualty claims in house up to £50,000. Gallagher Bassett are to be notified of any claims that are reserved in excess of £50,000 or that meet the Insurers reporting requirements.

None of the claims reviewed fell outside the in house handling arrangement.

The review consisted of a file audit of 21 cases public liability cases which were selected from the IHH data returns as at 30th September 2016.

The data provided within the claims return was found to be accurate when compared to the data contained on the files selected for review.

The measurement key used consists of 5 ratings:-

Measurement Key	
97% or above	Exemplary
93% - 96.99%	Merit
88% - 92.99%	Satisfactory
85% -87.99%	Cautionary
Less than 84.99%	Requires Improvement

Summary of Findings

New Claim		Merit
<p>New claims are allocated by the Civil Claims Lawyer who triages the claim. The allocation of workload is discussed within the civil claims team meeting where the Police Lawyer will review the claim and allocate it based upon the risk, value, head of claim and level of expertise.</p> <p>The client operates a paperless system, namely Iken. All ingoing and outgoing correspondence is saved to Iken, the files were orderly and easy to follow. A file management sheet should also be attached to each file which. Amongst other things, reviews the risk, CRU requirements and fraud checks.</p> <p>Upon opening a new claim an email is routinely sent to the Professional Standards Department to ensure that no complaint investigation is ongoing.</p> <p>The client's guidelines are that claims are allocated to the system within 7-8 days of receipt and acknowledged within 21 days however best practice would see all new claims set up and acknowledged within 5 working days.</p> <p>There were five new claims that were set up over 5 days after receipt and a further two that took over 21 days.</p>		

Policy Coverage and DAL		Exemplary
<p>The client advises that all cases are reviewed by the insurance and litigation manager before they are submitted to the insurers to ensure that the claims have been recorded correctly and that the claims are covered by the policy.</p> <p>All of the claims reviewed were within the in house claims handling authority. It was not considered that any of the claims should be reported to the insurer.</p> <p>There were no issues with policy coverage.</p>		

Key Evaluation		Merit
<p>The decision making process in relation to liability was well documented on most of the files reviewed and all liability decisions were considered to be correct and investigations were prompt and timely on the vast majority of files.</p> <p>Enquiries carried out on the files reviewed were sufficient to establish the liability position aside from one claim as detailed below.</p> <p>On audit 2 reference 2189 it was unclear how the handler had arrived at the liability decision, it simply states that an Officer deployed a stinger damaging the claimant's vehicle, however there was no rationale on the file as to why the stinger had deployed incorrectly or what the full circumstances were.</p> <p>Delays were noted on audits 15, 16 & 19 in providing a liability decision, all three saw liability decisions</p>		

provided outwith the 90 day protocol period, luckily there was no detriment to the claims as a result of these delays.

Investigation Exemplary

All claims are investigated internally and there was good evidence of thorough investigations being carried out between departments.

The claims handler will consider the relevant area of law and assess the matter as a whole based upon the outcome of their investigation and form view with regards to liability. They will consider whether they have sufficient grounds to repudiate the claim and documentation to support this decision.

Decisions were found to be made in a timely manner although a few delays were noted as referenced above.

Validation of quantum and accident causation Exemplary

Offers had been made on eight of the 21 claims reviewed. There were excellent examples of research being carried out to ensure betterment was not an issue.

All of the claims reviewed were fully validated in terms of quantum and causation.

Communications and Disclosure Satisfactory

The client advises that they now issue a fair obtaining notice as a matter of course and these were generally included in the initial acknowledgement letter. There were, however, six files reviewed where this had not been issued.

The quality of correspondence on all of the files reviewed was of a high standard, the letters are split into useful headings dealing with the allegations, the facts, the law etc. The communication was deemed entirely appropriate.

Where liability had been repudiated the disclosure that had been made was generally correct and timely. There was however one example seen where no disclosure had been provided in support of the denial.

Offers Exemplary

Offers had been made on eight of the files reviewed.

Offers were well researched and rationale around the offers was well documented. Good settlement was achieved on all files.

There was excellent evidence of supervision on files with all offers being reviewed prior to being made.

Reserves		Exemplary
<p>The reserves are set at the outset of the claim and are recorded on the claims strategy sheet.</p> <p>All of the opening reserves were found to be correct, there was just one instance of the reserve not being amended upon receipt of material information.</p>		
CRU		Requires Improvement
<p>The client advises that all personal injury claims are registered via the Compensation Recovery Unit website. The Certificates are checked at 3 monthly reviews and the expiry date is also entered as a key date in the civil workflow spreadsheet as well as in the Outlook Calendar.</p> <p>There was only one personal injury claim reviewed, the injury allegations formed part of a false arrest and imprisonment claim this case had not been registered with the CRU.</p>		
Portal Compliance		
<p>The portal is accessed on a daily basis by the Insurance & Litigation Officer, or in her absence by other members of the team.</p> <p>None of the claims reviewed were suitable for the portal process.</p>		
Supply Chain		
<p>There were no matters where the instruction of suppliers was deemed necessary.</p>		
Motor Claims Only		
<p>The client's motor claims did not fall under the remit of this audit.</p>		
Insurer Reporting		
<p>There were no claims that had been reported to the insurers or where reporting to them was considered necessary.</p>		
Supervision		Exemplary
<p>The client ensures that all claims are allocated to the appropriate adjuster from the outset. Any claims that become litigated are passed on to the Police Lawyer who is in turn supervised by the Acting Force Solicitor & Head of Legal Services. Any claims that require further supervision/authorisation are generally reviewed by the Deputy Chief Constable or the Chief Executive Officer for Commissioner.</p> <p>There was excellent evidence of supervision on files, quantum and liability referrals were well documented and no issues were noted.</p>		

Recovery and Sharing		
There were no claims reviewed where a recovery or subrogation was considered appropriate		
Litigation		Exemplary
<p>One of the claims reviewed had been litigated. Proceedings had been issued but not yet served by the claimant.</p> <p>The litigated file was correctly handled by the client. The claimant never served medical evidence and the claim was subsequently closed with no payments being made.</p>		
Fraud Process		Exemplary
<p>The client advises that their claims records are checked for repeat claimants, they also use a fraud checklist which forms part of the file management sheet which is completed by the file handler upon opening of the claim.</p> <p>Where any indicators are found or where they suspect a claim to be exaggerated then the claim would be investigated more in depth.</p> <p>All of the claims reviewed contained evidence of fraud checks, o specific fraud concerns were raised during the audit process.</p>		
Rehabilitation		
There were no claims reviewed where rehabilitation was considered appropriate.		
Closure		Satisfactory
<p>The client's standard practice is that claims are closed immediately upon settlement of the claim or 3-6 months following repudiation where no response has been received.</p> <p>11 of the claims reviewed had been closed, just one of these fell outside the client's closure policy where the claim remained open for around 3 months following settlement.</p>		
Key Values		Exemplary
<p>The client operates a paperless system, namely Iken. The system operates well. The files were clear, orderly and easy to follow. File maintenance was of a very good standard.</p> <p>The client adds an attendance note to each file which is updated at each stage of the claim, this represents very good practice and makes the position immediately clear to whoever maybe reviewing/handling the file at that time.</p> <p>There was however just one claim with a linked matter whereby the documentation held on the file was limited, it was difficult to determine whether the liability decision and the reserve were correct due to this. Each sub file to a claim should stand alone ensuring that the position is abundantly clear on each</p>		

without cross referral to the linked matter.

Governance

Satisfactory

In the main the client operates an effective diary system, however there were occasions where it was felt that diaries could have been used more efficiently to ensure protocol dates were adhered to.

Although the client advises that the sanctions list is checked on each file and that medicare checks are also carried out, there was no visibility of this on any of the files reviewed.

Overall Assessment



Areas for Improvement

- The Compensation Recovery Unit should be notified of all claims with an element of personal injury.
- The internal closure policy should be adhered to on all files.
- The diary system should be used to proactively handle claims and this should be evidenced on files.

Mandatory Corrective Actions

- A Data Protection Fair Obtaining Notice (FON) should be included on all correspondence to advise the claimant who North Yorkshire Police will share personal data with.
- Ensure that there is visibility that steps have been taken to ensure that the claimant is not a US Citizen before any payments are issued to them.
- Ensure that there is visibility that the financial sanctions list has been checked before any payments are released.

North Yorkshire Police – Corrective Action Plan

Category	Rating	Actions Required	Evidence Required	Due Date	Comments	Completed
Communications and Disclosure		A Data Protection Fair Obtaining Notice (FON) to be included on all correspondence to advise the claimant who North Yorkshire Police will share personal data with.	Confirmation that appropriate standard wording has been introduced along with internal quality checks to evidence that a FON is being included on all third party correspondence.	01/05/17		
CRU		All claims involving an element of personal injury to be notified to the CRU.	Internal quality checks four weeks following notification of new claims to ensure all personal injury claims have been notified to the CRU.	01/06/17		
Closure		The internal closure policy is to be adhered to on all files.	Internal quality checks to evidence that the closure policy is being adhered to on a consistent basis.	01/06/17		
Governance		The diary system is to be used consistently to proactively handle claims.	Quality checks across the lifecycle of a random selection of files to evidence that the files have been handled proactively and also that relevant timescales have been adhered to.	01/06/17		

Governance		Ensure that there is visibility that steps have been taken to ensure that the claimant is not a US Citizen before any payments are issued to them.	Internal quality checks to ensure that there is visibility that relevant checks are being carried out prior to payments been issued to Claimant's on any claims involving an element personal injury.	01/05/17		
Governance		Ensure that there is visibility that the financial sanctions list has been checked before any payments are released.	Internal quality checks to ensure that there is visibility that relevant checks are being carried out prior to payments being issued.	01/05/17		