

# **The Personal Injuries Assessment Board Annual Report & Accounts 2014**



The Personal Injuries Assessment Board  
Annual Report & Accounts 2014



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While, throughout this Report the organisation is referred to as the Injuries Board or InjuriesBoard.ie, the organisation's full title and legal name is the Personal Injuries Assessment Board.

[InjuriesBoard.ie](http://InjuriesBoard.ie)

**Annual Report of the Personal Injuries Assessment Board 2014**

June 2015

The Personal Injuries Assessment Board

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# Chairperson's Foreword

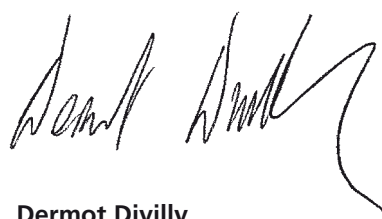
In the 10 years since the Injuries Board was established the organisation has become an established fixture on the personal injuries landscape. The Board has developed a robust, non-adversarial, consumer-focused model that is delivering significant savings to society while protecting the interests of accident victims.

In 2014 we saw the continuation of a strong operational performance by the organisation, delivering a quality service to its customers. This has been achieved against a backdrop of straitened resources and as a result of the hard work, enthusiasm and commitment of the staff and Board Members, both past and present.

During the year the former Chairperson Dorothea Dowling departed after many years at the helm of the organisation. Great tribute is due to her for her visionary role in leading the Board from the outset. The year also saw the departure of many of the original Board Members who likewise contributed to the development of this organisation.

During the year the Board also published its third Strategic Plan for the period 2014-2019. This plan sets out the Board's key Strategic Objectives over the coming years along with the key actions to be undertaken to achieve these objectives. I look forward to working with Board Members and the Executive alike, as we seek to implement the strategies contained within this plan.

I would finally like to thank Minister Bruton and his officials for the support they have shown during the year, and I look forward to working in collaboration with the Department in the coming years.



**Dermot Divilly**  
Chairperson

# Chief Executive's Introduction

2014 marked the Board's 10th anniversary and offers a natural opportunity to reflect upon progress delivering against our mission of facilitating the delivery of compensation in a fair, prompt and transparent manner. Opening in 2004 amidst a flurry of legal opposition was but the start of a challenging journey that would see a transformation in the personal injury landscape; a landscape that, at that time, was characterised by a claims/insurance premium spiral that undermined competitiveness through prolonged, adversarial, and costly claims resolution.

The Board has faced a significant number of challenges since its establishment; all told some 31 Judicial Reviews were launched over our first 10 years in existence. This added a considerable burden to the main objective, to build a self-funding, consumer-centric, administrative, resolution service for those injured or paying for motor, public and work place personal injury claims. There was no template or "blue print" for doing so, either nationally or internationally. The commitment was made to deliver a faster and more effective service whilst protecting the same level of awards previously enjoyed by claimants.

2014 results are summarised below and are typical of the Board's year-on-year results:

- ▶ Awards – delivered within 7 months (compared to an average of 3 years in litigation)
- ▶ Overall average awards €22,000, a marginal decrease on 2013 (in line with Courts)
- ▶ Cost of delivery 6.7% on average per award (current day litigation costs 58%)


It is results like these which have driven savings of circa €1 billion in processing costs over just 10 years, which in turn has been the single most significant driver of reductions in insurance premiums in Ireland (CSO 2003-2013: -40%).

€1 billion in savings by a small State body has delivered very positive impacts for a wide range of stakeholders during a challenged period for the Irish economy. Had the Government not initiated the Insurance Reform Programme back in 2003, it seems evident the burden on the economy, on business and the taxpayer would have been even more acute over recent years.

The Board's volume of awards has remained relatively consistent throughout, such that claims and awards trends of recent years do not seem to support the current increases in motor insurance premiums in Ireland. Whereas the Board accounts for a relatively small volume of the overall resolutions (which include early settlements facilitated by the Board's non-adversarial process), the insurance industry has frequently stated that it is precisely these claims (costly personal injury claims) that have most impact on insurance premiums; as such claims are harder and trickier to anticipate when forecasting loss ratios and setting premiums rather than the more predictable cost of car repairs.

It is accepted that the predictability and consistency of the Board's model has facilitated more accurate pricing and underwriting. On this basis and given that the volume of personal injury claims remains relatively static (up circa 1 per cent between 2013 and 2014) it seems logical that similar trends apply to car repair volumes (in which the injured parties travel). Clearly not all motor claims involve personal injury but based on the data to which we do have access we believe we can reasonably infer that there has not been a material increase in the number of unreported motor incidents. Recent reports of more cars on the road also seems a curious rationale for premium increases as every new car carries a new policy and should therefore attract a currently rated premium.





The problem for the Board and for other stakeholders is that we do not have access to the requisite information to objectively assess what is driving the noticeable increase in premiums over recent months. It may be that the increase is driven by any number of other factors such as:

- ▶ higher costs being paid by insurers to deliver early settlements (outside of the Injuries Board process)
- ▶ to compensate for poor underwriting, or
- ▶ to rebalance a departure from risk rating, perhaps after chasing market share with loss leading premiums

Given this uncertainty, we believe it is essential that insurance companies provide access to anonymised data that would enable independent verification of the rationale for premium increases in the interest of individuals, business and the premium paying public.

In the interim the Board continues to deliver personal injury awards at a fraction of the delivery costs and in a fraction of the delivery time endured by claimants and respondents a mere 10 years ago. Notwithstanding, this progress the Board has no room for complacency, and that is why it continues to challenge all aspects of the claims environment to ensure that hard won progress can be sustained over the longer term.

Based on my experience of working with a superb Board and staff, and a succession of very supportive Ministers and lead departments, including Minister Bruton and the Department of Jobs, Enterprise and Innovation, I am very confident that consumer interests and indeed the interest of the public at large, will remain the key consideration of the Injuries Board for many years to come.



**Patricia Byron**  
*Chief Executive*

# Overview

## Mission Statement

The mission statement of the Injuries Board is “to facilitate the delivery of compensation in a fair, prompt and transparent manner for the benefit of society overall”.

In delivering on our mission and mandate during 2014 the Injuries Board has:

- ▶ Managed 31,576 personal injury claims, made 12,420 formal Awards and facilitated the resolution of an estimated similar number of direct settlements;
- ▶ Achieved an average claims processing timeframe of 7 months – below the statutory nine month timeline;
- ▶ Awarded total compensation for accident victims of €281.21 million at an administration cost of 6.7% of the actual compensation amount. This is a significant reduction on the 46% administration cost prior to the establishment of the Board, now estimated to be 58%.

## Core Strategic Objectives

The five core strategic objectives of the Injuries Board as set out in its current strategic plan are:

### Objective 1

To assess fairly and accurately the amount of compensation entitlement in personal injury claims within the remit of InjuriesBoard.ie in a timely manner.

### Objective 2

To promote the lowest possible administration costs associated with the resolution of personal injury claims.

### Objective 3

To promote a culture of innovation and excellence, fostering an efficient, flexible organisation with motivated and skilled staff and maximising the positive impact of technology.

### Objective 4

To promote and advance a superior customer service, focussed on making information about our services accessible to all, supported by a transparent and accessible claims assessment process and a cost-effective organisation.

### Objective 5

To continue to contribute positively to the changing personal injury claims resolution environment in Ireland through greater use of the Board’s non-adversarial model.

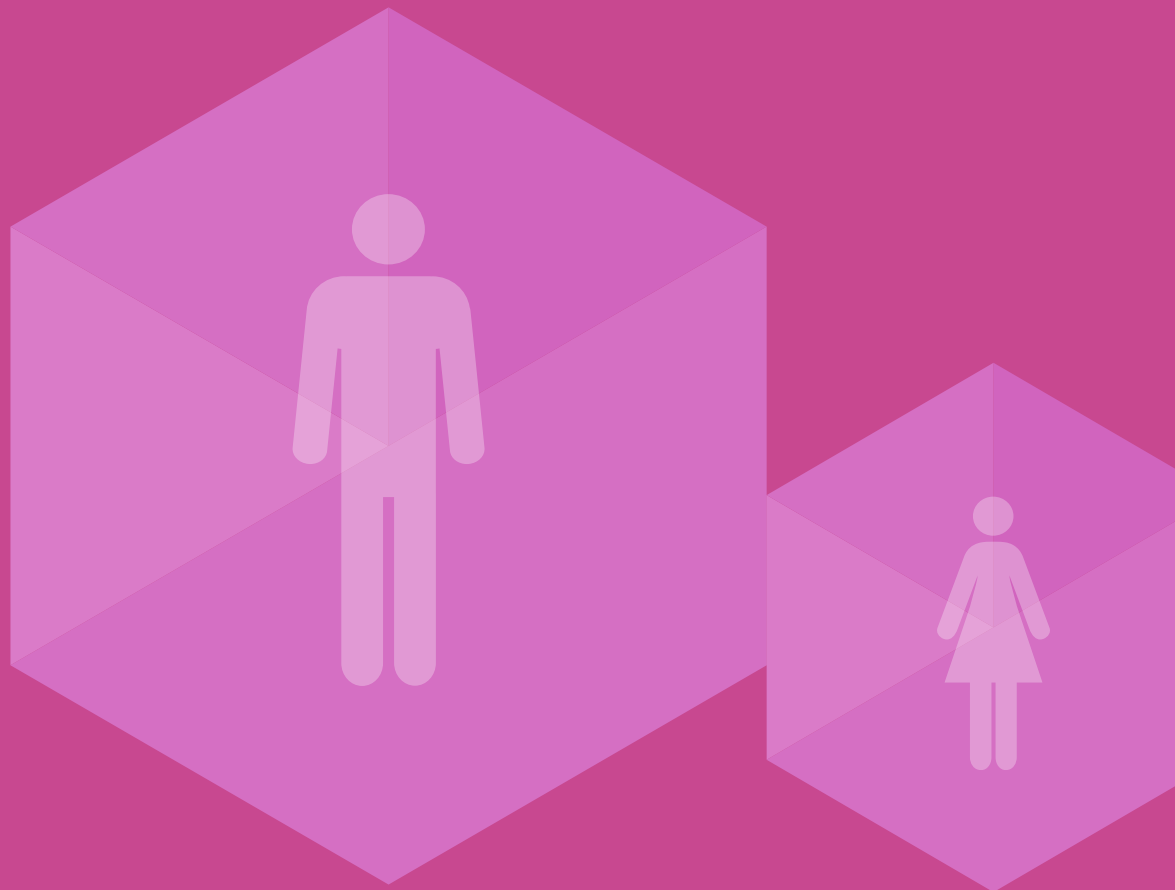
During 2014, the Injuries Board continued to work towards the attainment of these Objectives. Sections 1 to 4 of this report set out in detail the initiatives and actions undertaken during the year.





# Section 1

Assessing compensation entitlements in a fair, accurate and timely manner.



# Section 1

## Assessing compensation entitlements in a fair, accurate and timely manner.



### Section 1

### Awards

The Injuries Board assesses the compensation payable for personal injuries sustained as a result of a motor, workplace or public liability accident. All such cases must by law be submitted to the Board unless resolved at an earlier stage between the parties. In circumstances where the respondent (the party against whom the claim is made) consents to an assessment being made by the Injuries Board, the assessment is completed within a maximum nine month period and often sooner. Where both parties accept the assessment, the matter is resolved without recourse to litigation, resulting in legally enforceable awards on a par with the Courts but with a far lower administration cost arising. In 2014, the Board made 12,420 awards for compensation to the value of €281.21 million.

An Award is the value of compensation payable to an individual in respect of a personal injury caused through the fault of another. It includes General Damages for pain and suffering caused by the injury and Special Damages for financial loss – both to date and into the future e.g. loss of wages, cost of medical care etc. Awards data in this report relates to the total value of an Award and does not differentiate between General and Special Damages.

General Damages are assessed using The Book of Quantum, a guide to compensation levels in Ireland (available at [www.injuriesboard.ie](http://www.injuriesboard.ie)) to which the Courts are also required to have regard under the Civil Liability & Courts Act 2004. This ensures that where some cases are released by the Board to the Courts, the same level of awards for similar injuries continues to apply while other matters, such as liability disputes, are addressed in Court.

Such disputes typically arise in approximately one-third of personal injury cases. As such, the Board's non-adversarial model has succeeded in removing two-thirds of personal injury cases from unnecessary litigation, thereby saving the associated litigation costs and reducing the time injured parties wait for their compensation to be awarded.

### Awards Volumes and Values

Set up in 2004, the Board made its first Awards in 2005. Table 1.1 sets out the number and value of Awards made each year since 2006. The Board has made over 80,000 awards with a value exceeding €1.8 billion to date.

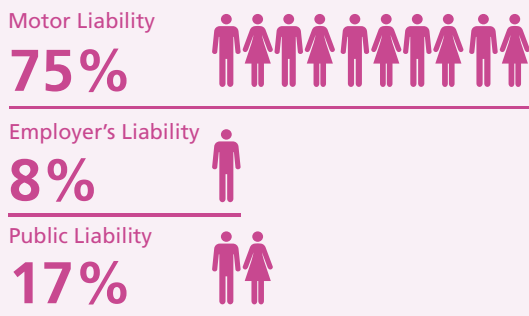
**Table 1.1 Awards Volumes and Values by Year**

	No. of Awards	Value of Awards
2014	12,420	€281.21m
2013	10,656	€243.46m
2012	10,136	€217.94m
2011	9,833	€209.83m
2010	8,380	€186.63m
2009	8,643	€200.22m
2008	8,845	€217.16m
2007	8,208	€181.04m
2006	5,573	€115.28m
<b>Total</b>	<b>82,694</b>	<b>€1,852.77m</b>

There was a 16% increase in the number of awards made in 2014. The main reasons for this include: increased volumes of claims made in 2013 which were assessed during 2014, significant productivity improvements year on year and increased use of the Board's model by respondents/insurers, whereby respondents/insurers are consenting in greater numbers to the assessment of cases by the Board.

The average award of €22,642 in 2014 was marginally below the average award €22,847 in 2013.

**Figure 1.1 Breakdown of 2014 Awards by Category**



### Awards by Claim Category

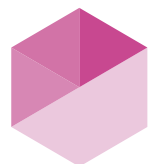
In 2014, 75% (9,328) of the number of all awards were in respect of Motor cases, while 8% (941) related to Employer's Liability and 17% (2,151) related to Public Liability. This split remained unchanged from 2013.

### Value of Awards by Category

Figure 1.2 shows the average value of awards by each of the categories in 2014 i.e. Motor, Employer's Liability and Public Liability. The average award of €22,642 in 2014 was marginally below the average award €22,847 in 2013. The volume of cases in each claim category can vary year to year reflecting changes in the economic environment and the flow of new claims. Changes in the severity and volume of claims each year can cause a variation in the average award.

**Figure 1.2 Value of Average Awards by Category in 2014 Compared to 2013**

2014	2013
<b>MOTOR LIABILITY</b>	
€21,215	€21,730
<b>EMPLOYER'S LIABILITY</b>	
€32,134	€28,886
<b>PUBLIC LIABILITY</b>	
€24,677	€25,120
<b>OVERALL AVERAGE</b>	
€22,642	€22,847



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During 2014, and in line with earlier years, average awards in the Employer's Liability category were highest at €32,134 reflecting the often more serious and complex nature of the injuries sustained in workplace accidents. Section 2 of this Report provides more detailed analysis on the specific categories of claims.

### Range of Awards – Highest/ Lowest Awards

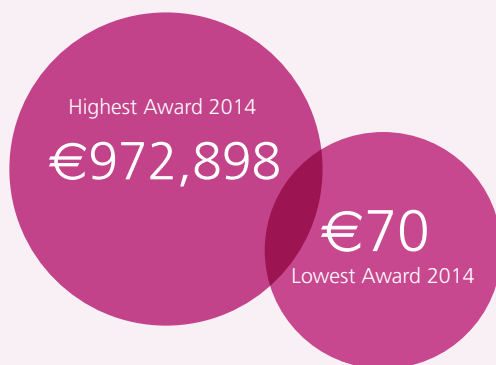
The lowest and highest awards are shown in Figure 1.3. The Board processes claims ranging from very low severity to very serious cases. The highest Award to date (€1,390,043) was made in 2013.



**Table 1.2 Breakdown of Total No. of Awards in 2014 (by Value and Claim Category)**

Average Value Category (€'s)	Motor Liability	Employer's Liability	Public Liability	Total
<20k	5,930	351	1,073	7,354
20-38k	2,679	363	730	3,772
38-100k	664	208	338	1,210
>100k	55	19	10	84
<b>All</b>	<b>9,328</b>	<b>941</b>	<b>2,151</b>	<b>12,420</b>

**Figure 1.3 Range of Awards**



Note: There is no cap on the value of awards the Board is authorised to award. The value of awards however varies in relation to the nature and severity of the injuries suffered in any given accident.

**Value and Claim Category Analysis**

Almost 6 in 10 (59%) of all Injuries Board awards are under €20,000 and 9 in 10 (90%) are under €38,000. This has been consistent in recent years.

The profile of injury type continues to predominantly involve soft tissue or fractures – or a combination of both. There has been a marginal drop in the percentage of cases under €20,000 (61% in 2013 as compared to 59% in 2014).

90% of personal injury awards are under €38,000, so it is clear that serious injuries continue to be the exception rather than the rule. The high volume of low to medium value personal injury claims drives the underlying aggregate claims bill in Ireland, which also comprises claims for property damage and financial reserves required to meet outstanding claims at year end. This ultimately directly impacts on the cost of insurance premiums for consumers and business in Ireland. The Board is continuing to drive faster timelines and lower administration costs for the processing of personal injury claims, so the savings being made on these, high volume, low value claims should directly feed into the cost of more sustainable insurance premia.

Almost 6 in 10 (59%) of all Injuries Board awards are under €20,000 and 9 in 10 (90%) are under €38,000. This has been consistent in recent years.

**Table 1.3**

<b>DUBLIN</b>	<b>2014 Average Award</b>
Motor Liability	€20,222
Employer's Liability	€27,972
Public Liability	€22,773
<b>REST OF LEINSTER</b>	<b>2014 Average Award</b>
Motor Liability	€22,097
Employer's Liability	€32,744
Public Liability	€25,049
<b>CONNAUGHT ULSTER*</b>	<b>2014 Average Award</b>
Motor Liability	€24,009
Employer's Liability	€37,832
Public Liability	€28,681
<b>MUNSTER</b>	<b>2014 Average Award</b>
Motor Liability	€20,207
Employer's Liability	€34,674
Public Liability	€24,738

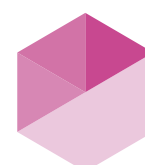
\* Republic of Ireland counties

The Board is seeking to adopt an international injury coding model based on medical information (World Health Organisation's ICD10 model) and is currently working with other agencies in this regard. By coding our injury data in accordance with this model improved analysis of the severity of injuries and accident causes will be possible, and be of particular use to accident prevention organisations/agencies.

A detailed analysis of awards by region and county can be found in Appendix 3.

### **Average Award by Region/ Category 2014**

Table 1.3 shows the breakdown of the average award by category on a regional basis. Employer's Liability awards are typically of higher value due to the nature of the injuries sustained in workplace accidents. Regional variations are reflected in the particular nature of the accidents involved.



## **Section 1**

**Table 1.4 Volumes of Claims by Category over the Past Five Years**

<b>Claims volumes</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>
Total Claims	31,576	31,311	29,603	27,669	26,964
Motor Liability	18,994	18,877	17,443	16,351	15,971
Employer Liability	4,368	4,040	3,828	3,866	3,742
Public Liability	8,214	8,394	8,332	7,452	7,251



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## Assessment Timeline

The Injuries Board is obliged, under the Personal Injuries Assessment Board Act 2003, to assess claims within nine months of a respondent's (those responding to claims – mostly insurers on behalf of policyholders) consent to the assessment process. The 2014 results for the Injuries Board show that the average time to deliver Awards was 7 months.

**Figure 1.4 Compensation Timeline**



## Applications (Claims)

In accordance with the Personal Injuries Assessment Board Act 2003, all personal injury claims (with exceptions as per the Act such as medical negligence) must be submitted to the Injuries Board. Claimants can deal directly with the Board or they may ask a third party, including solicitors, to submit their claim on their behalf at their own cost. This is a user friendly administrative system with no oral hearings or adversarial processes and the Board makes many supports available to claimants wishing to handle their claim themselves to avoid paying unnecessary fees to a third party. The Board requires the treating doctor(s) to provide a

medical update based on treatment records for their patient relating to the accident injuries. At this point the Board appoints the necessary independent experts to assist the Statutory Assessors in determining the full nature and extent of injury including financial losses such as reduced income, medical and other such costs arising from the accident injuries. On occasion, more than one report may be required depending on the nature of the injury sustained, stage of recuperation and future medical prognosis. The Board, as an independent State body, ensures this is all thoroughly completed. On occasion the Board avails of extended timelines but, as our results confirm, the average timeline to award in 2014 was 7 months.

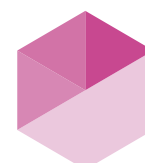
In assessing claims and awarding compensation, the Board makes no distinction between a direct applicant and a claimant who pays an intermediary to process the application to the Board on their behalf. In 2014 a total of 31,576 applications for personal injury claims were received by the Injuries Board, an increase of less than 1% on 2013. Motor claims increased by less than 1%, Workplace related claims increased by 8%, and Public Liability claims decreased by 2%. To date the Board has received over 260,000 claims since it was established.

Further analysis shows that total underlying claims received by the Board increased by almost one fifth (18%) in the five years since 2010, driven by motor claims which increased by approximately one quarter over the past five years. See Table 1.4.

In 2014 a total of 31,576 applications for personal injury claims were received by the Injuries Board, an increase of less than 1% on 2013. To date the Board has received over 260,000 claims since it was established.

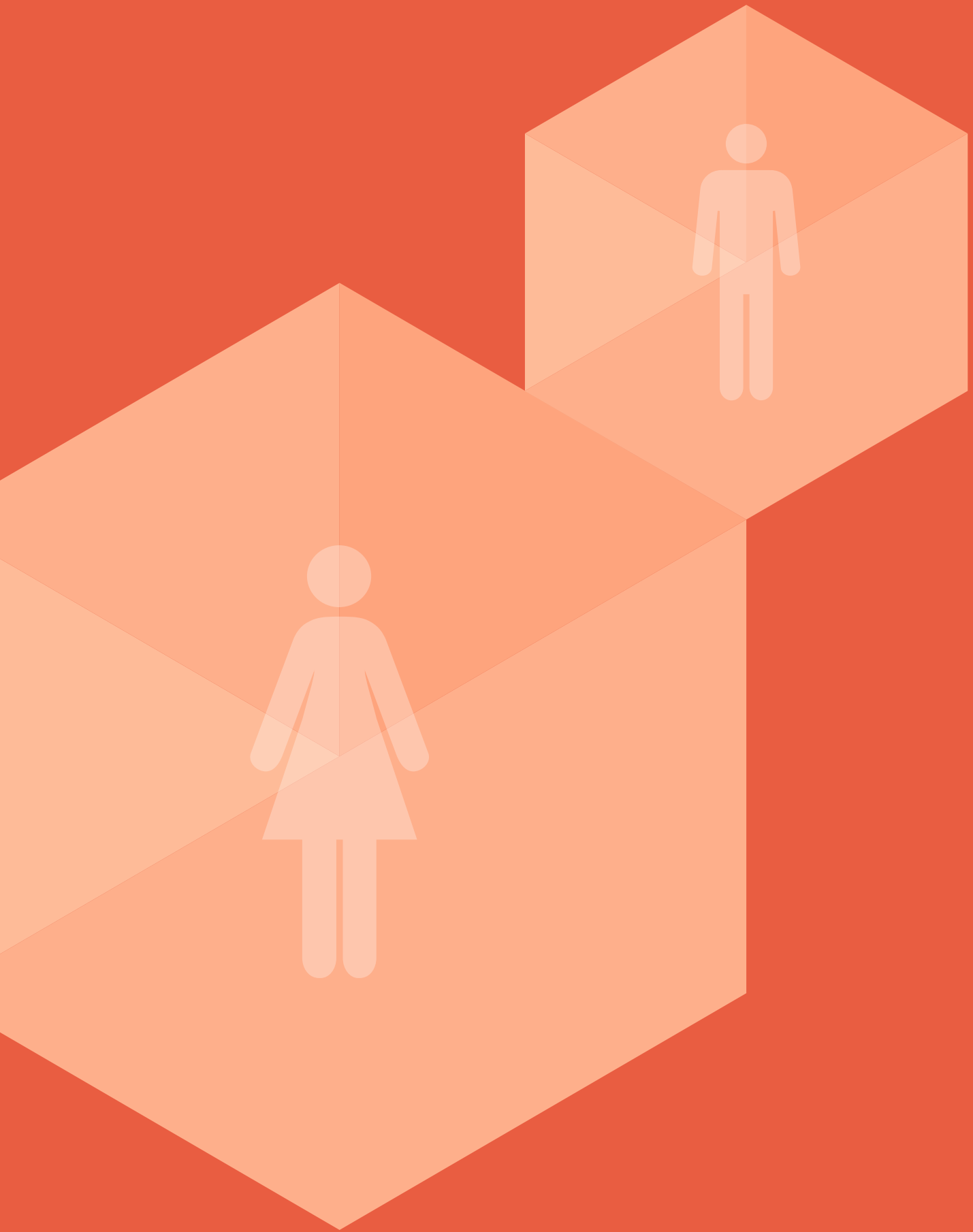
The steady but consistent increase in claims volumes over the five year period to 2014 appears to reflect an increase in the volume of motor claims albeit with no evidence of a rise in accident volumes. As previously reported there are likely to be a number of factors involved in the increase including the behaviour of respondents who are opting in greater numbers to avail of the Injuries Board's assessment process at the reduced fee of €600 (the lowest level since establishment in 2004). The increase in claims received by the Board in 2014 was less than 1%.

To understand the personal injury claims market and to complete a Cost Benefit Analysis of the Board's operations, the full picture in relation to overall claim volumes cannot be definitively confirmed without access to full market data. The Board have requested the data from, and are in dialogue with, Insurance Ireland and the State Claims Agency to find the best way forward to provide and collate the data.



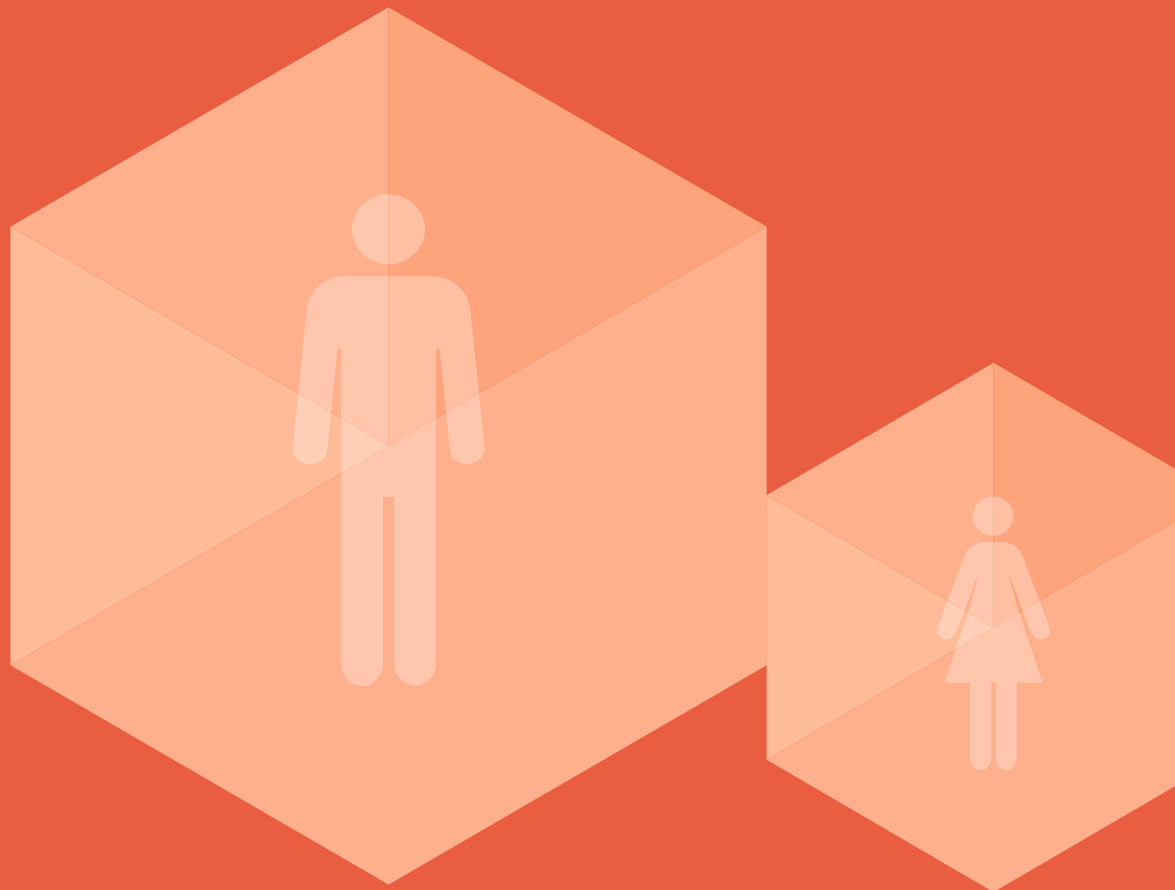
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# Section 2

Contributing positively to the claims resolution environment.



# Section 2

## Contributing positively to the claims resolution environment.



### Section 2

Ten years ago a claimant who had suffered a personal injury had no alternative but to pursue their claim through the litigation system. Claims took on average 3 years to resolve with the majority being settled without the need for a court hearing imposing unacceptable delays and costs on consumers, businesses and society as a whole.

Ten years on, the Board's non-adversarial model delivers settlements to claimants without the need for litigation in less than 9 months, as against 3 years, and at a delivery cost of less than 7% as against a litigation cost of what was 46% in 2003 and is now even higher at 58%.

### I. Court Services:

When two parties have an accident they can always settle the claim between them. If the claim cannot be settled, the injured claimant, prior to the commencement of the operation of the Board in 2003, had no alternative but to pursue their claim through the litigation system. Claims through the Courts took three years to resolve and for every €100 paid in compensation a further €46 was paid in delivery costs. At the time proceedings for personal injury compensation were issued in 30,000-35,000 cases on an annual basis. This impacted not only on the allocation of scarce resources in the Courts but also on claimants who were faced with a prolonged delay in relation to a potential court hearing.

The Board was established to deliver compensation to injured claimants without the need for litigation in appropriate cases. The Board operates a non-adversarial paper based administration system which does not involve

oral hearings. If a claim cannot be settled, the claimant is obliged to submit their claim to the Board for assessment. If an assessment by the Board is accepted the responsible party pays the claimant the amount of the compensation assessment and the matter is closed.

Today it is estimated that 70% of claims are settled without the need for litigation, freeing up the Courts to deal with the more complex contested claims and those claims which are outside the remit of the Board, such as medical negligence.

### II. Competitiveness/ Insurance Costs:

As set out in more detail in the following chapter, the Injuries Board is self-funded, having repaid in December 2011 an initial establishment grant from the Exchequer. The Board generates a fee income from claimants and respondents. Continuous efficiency improvements over recent years have seen successive reductions in the fees charged, totalling 42% for respondents in the two-year period to January 2013. The current fee of €600 is now at its lowest level since the Board commenced handling cases.

The Board was mandated to address the cost of delivering compensation and reducing the timeframe in which it was delivered. As outlined elsewhere in this report, delivery costs and times have been significantly reduced. There are however many other factors which contribute to the cost of insurance such as underwriting policies, approach to market share and pricing. They were, and remain, outside the remit of the Board.

## The Board's non-adversarial model delivers settlements to claimants without the need for litigation in less than 9 months.

The relative cost of processing a case through the Injuries Board, compared to litigation, has resulted in substantial cost savings (€85million directly in 2014) for those paying out on claims. This, in turn, places considerable downward pressure on insurance premiums to the benefit of consumers, businesses and society as a whole. As a consequence of the Board's efforts and other insurance reform measures, motor insurance premiums reduced by 40% in real terms between 2002 and 2013. 2014 saw an increase in premiums, while the Board continues to reduce delivery costs and award values have remained stable.

### III. Claimant Experience:

Under the litigation model a person injured as a result of an accident allegedly caused by another party had to suffer the additional trauma and stress of a potential Court appearance in order to pursue a legitimate claim, including out of pocket costs incurred over a three year period. This stress was heightened by the often default position of defendants and/or their insurers which was to deny liability. The processes involved were adversarial, complex and legalistic making legal representation unavoidable in most cases.

Today a claim can be submitted directly to the Board via post or online. In general, the claimant will know within a maximum of three months of a completed application if the respondent wishes the claim to be assessed by the Board, in which case an award will be made within nine months from the date of this consent. Outside of medical costs the only upfront cost is a refundable application fee of €45 and claimants have access to a dedicated Customer Service

Centre as well as online support for assistance throughout the process. It is now easier for those who have suffered an injury and believe they might be entitled to compensation, to apply to the Board, however the process ensures that only those claims where the respondent (typically an insurance company) has already consented to an assessment, can be assessed by the Board.

### IV. Claims and Policy Insights:

In fulfilling its remit to deliver compensation awards, the Injuries Board gathers substantial data on injuries and the circumstances of accidents in a wide variety of settings. Access to this anonymised data provides an important insight into the types of injuries people sustain and the nature of the accidents in which they are involved. This statistical information can be particularly useful to those responsible for risk management and accident prevention, including other State Agencies. Such insights can also be of value to the general public by enabling the Board to highlight risks as well as emerging insights on rehabilitation measures and policies. When the processing of these claims is accepted to be faster and more cost effective, the remaining question arises – can we harness this claims data to better prevent or reduce the impact of accidents, i.e. accident frequency and or severity? The Board's data also enables the Board to comment objectively on matters in the public interest. For example, acting in the public interest, the Board continues to challenge those advocating premium increases where such increases do not appear warranted.



#### Section 2



### Section 2

Where the Board identifies emerging trends, which if not investigated might increase upward pressure on insurance premiums for consumers and businesses; the Board raises these issues with the appropriate stakeholders. Over recent years the Board has been critical of increased promotion of claims handling services, especially by claims farming firms.

In previous years the Board published a comprehensive review of injuries which arose from workplace accidents, motor accidents and accidents in public places. These reviews provided significant insights into accidents and the subsequent effects on those involved and will benefit those responsible for risk management. As a consistent source of information, it also has the potential to be leveraged to assist in the reduction of accidents. In 2014 the Board published two such reports.

Key statistics from the Injuries Board analysis of employer liability awards in 2013 (produced and published in 2014) were as follows:

- ▶ Slips, trips and falls were the most common accident type accounting for almost one third (30.8%) of all awards for workplace accidents.
- ▶ The vast majority of awards (80%) were under €38,000.
- ▶ The average award for a workplace accident was €28,886. The average award for men was slightly higher at €29,523, while women received an average award of €27,441.
- ▶ The majority of awards were to workers in the 25 to 34 age group (31.6%).
- ▶ Men are twice as likely as women to sustain a workplace injury with men accounting for 7 in 10 awards (69.4%), while women accounted for the remaining 3 in 10 (30.6%) awards.
- ▶ Over the last three years, Thursdays in November have proven to be the most common days for workplace accidents while the least number of accidents occurred on Sunday, and the safest month was April.
- ▶ Dublin, Cork and Limerick were the counties with the highest number of awards, whereas Leitrim, Roscommon, Sligo and Longford had the lowest.

Key statistics from the Injuries Board analysis of public liability awards in 2013 (produced and published in 2014) were as follows:

- ▶ The average award for a public liability claim was €25,120. The average award for men was €25,664, while women received an average award of €24,902.
- ▶ Women are almost twice as likely as men to sustain an injury in a public place, accounting for over 7 in 10 awards (71.4%), while men accounted for the remaining 3 in 10 (28.6%) cases.
- ▶ Nearly two-thirds of public liability awards were to people in the 25 to 64 age group. 18-24 year olds were the least likely to receive a PL award at 8.3% of cases.
- ▶ Slips, trips and falls were the most common accident type.
- ▶ The vast majority of awards (85%) were under €38,000.

Acting in the public interest, the Board continues to challenge those advocating premium increases.

- ▶ For the third consecutive year, Saturday was the most common day for public place accidents while the least number of accidents occurred on Tuesday, as was the case in 2012.
- ▶ Over the last three years, January has been the safest month while July saw the highest level of accidents throughout the year taking the last 3 years figures into account.
- ▶ The highest percentage of awards in 2013 went to Dublin (37%), followed by Munster (29%), the rest of Leinster (19%) and Connaught/Ulster (13%).

Slips, trips and falls accounted for over two-thirds of personal injuries in public places and included accidents on wet floors/surfaces, uneven/broken pavements, drains and manholes. The resulting injuries included fractures, soft tissue injuries, bruises, cuts and lacerations. Other accidents included those involving falling/flying objects (5%) and accidents involving burns and scalds (2.5% of awards). 2% of public place accidents involved animals, including dog attacks and bites, bull attacks, being trampled by a horse, and collisions between cyclists and dogs.

Over 40 awards were made for accidents which occurred in supermarkets, including injuries from trolleys and baskets, while almost 100 accidents occurred in leisure type facilities such as sports clubs/gyms, cinemas and hairdressers.

## V. Reform Initiatives

The Board proposed a number of reform initiatives for implementation by other organisations as follows:

### Reimbursement of accident related Social Welfare Benefits to the State

The Board proposed that the Department of Social Protection address the recoupment of accident related welfare benefits as part of any personal injury claim being ultimately pursued by the recipient of the State benefits. The section of the Social Welfare and Pensions Act 2013 relating to the recoupment of benefits commenced on the 1st August 2014. The change is expected to produce savings of **€20m** to the State on an annual basis and will eliminate any element of double payment.

### Framework agreement for external service providers

External delivery models, such as the Service Centre model adopted by the Board, allow greater flexibility in terms of opening hours and variations in work volumes. They allow organisations to continuously innovate and avail of back office workflow solutions which otherwise would not have been available. Generic activities such as routine call servicing, document management, data entry and debt management are available. These models offer a potentially cost effective and efficient solution for other organs of the State. Such an approach can lower the cost of delivery of services whilst providing high quality services to the citizen. Accordingly the Board has actively engaged with Government, civil servants, and other agencies in relation to potential cross functional reform opportunities in this regard. The Board had a lead role in the establishment of a Framework for Business Process Support Services in April 2014, following agreement with the Department of Public Expenditure & Reform, and in consultation with the Office of Government Procurement.

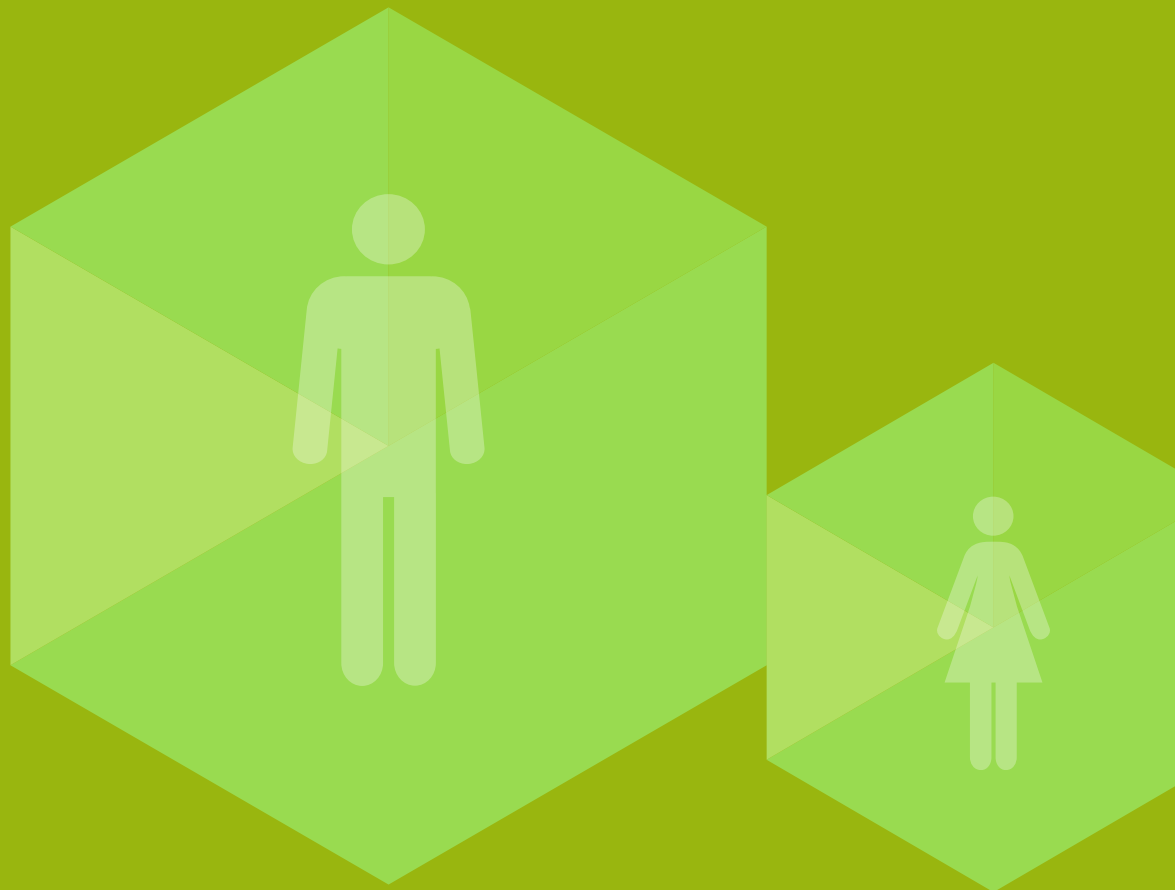


#### Section 2



# Section 3

Reducing administration costs associated with resolving personal injury claims.





# Section 3

## Reducing administration costs associated with resolving personal injury claims.



### Section 3

#### Self-Funding Agency

2014 marked the eighth successive year in which the Board has operated at nil cost to the Exchequer or taxpayer. As reported previously, in 2011 the Board repaid its initial set-up grant received from its parent Department. Since inception the Board has been a net contributor to the Exchequer, not drawing any funds but contributing in terms of tax, PRSI and pension remittances and boosting competitiveness for society and the economy as a whole.

The Board's income is derived from the fees it charges, primarily on respondents (or their insurers) with a modest application fee levied on claimants. In 2014, the Board charged fees of €600 for respondents and €45 for claimants. The respondent fee of €600 reduced from €850 in 2013, representing a 29% reduction on 2012 levels. As these fees are incurred predominantly by insurers, this reduction asserts downward pressure on premiums. Motor car insurance premiums reduced by 40% in real terms up to the end of 2013 as a result of the introduction of the Injuries Board as well as other reform measures, although 2014 again saw increases as referred to earlier in this report.

In 2014 the Board recorded a surplus of €1.3m. Application volumes which drive income were similar to 2013 levels. Total income was approximately €12 million for the year similar to 2013.

#### Continuous Efficiency Focus

There was a continued focus in 2014 on securing value for money in the supplies and services procured by the Board. Competitive tendering was used and Central Government contracts were fully exploited in order to facilitate savings.

The Board strives to pay its suppliers within the terms of the prompt payments legislation (which is 30 days from the resolution of any issues arising from invoicing). In 2014, our compliance was in excess of 99% with 94% of the invoices paid within Government Guidelines of 15 days. In cases where the number of days exceeded 30 days, prompt payment interest was paid. The amount of prompt payment interest paid in 2014 was €3,360. The quarterly returns are available on our website.

The Board pays approximately 23,000 invoices annually. In 2014, 92% of these invoices were paid by Electronic Funds Transfer, an increase on 2013 levels and keeping in line with the E-Government initiative.

2014 marked the eighth successive year in which the Board has operated at nil cost to the Exchequer or taxpayer.

**Table 2.1 Total Number and Value of Injuries Board Accepted Award**

	2009	2010	2011	2012	2013	2014
No. of Accepted Awards	5,387	5,038	5,875	6,124	6,476	7,519
<b>Total Value of Accepted Awards</b>	<b>€118.20m</b>	<b>€108.24m</b>	<b>€122.71m</b>	<b>€127.62m</b>	<b>€142.57m</b>	<b>€165.97m</b>

**Table 2.2 Injuries Board Delivery Costs and Estimated Cost Saving**

	2009	2010	2011	2012	2013	2014
Total Injuries Board Delivery Costs	€10.3m	€9.52m	€10.68m	€11.47m	€10.76m	€11.17m
Comparable Litigation Costs	€54.4m	€49.79m	€56.45m	€58.71m	€65.58m	€96.26m
<b>Actual Savings</b> (Injuries Board Vs. Litigation System assuming 46% costs in Litigation System, adjusted to 58% from 2014)	<b>€44.1m</b>	<b>€40.27m</b>	<b>€45.59m</b>	<b>€47.24m</b>	<b>€54.82m</b>	<b>€85.09m</b>



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## Cost Savings

In 2014, the Injuries Board delivered the current level of compensation at a delivery cost of 6.7% as against costs under the litigation system now estimated to be 58%. The Board's delivery costs are not based on a percentage of the amount of the award but are predominantly fixed fees. As reported in last year's Annual Report, data available from compensation schemes outside the remit of the Board suggest that litigation costs remain a matter of significant concern in Ireland. Many personal injury cases, processed outside the Board's non-adversarial system, attract litigation costs significantly in excess of the 58% figure referred to above.

The analysis below utilises this 58% figure based on what we now believe to be present day litigation costs. In short insurance costs would not only have remained excessively high had the Board not been established but would have continued to soar. In the context of our economy over the last 5 years alone, this would have put an additional and unbearable cost on the individual citizen and the business community at large.

In 2014, 7,519 Awards were accepted by customers of the Injuries Board resulting in €165.97 million of compensation. The relevant figures from 2009 are outlined in Table 2.1.



The volume of accepted awards, at circa 60%, has been fairly consistent over the past 6 years. A large proportion of the rejected awards seem to settle shortly afterwards because they do not appear in the litigation data from the Courts Service. The overall value of compensation awarded by the Injuries Board is impacted by the mix of claims received i.e. whether Motor, Public place or Workplace, in addition to the severity of the injuries and financial losses within each of these categories.

### **Direct Savings:**

While the Board made 12,420 Awards in 2014, for the purposes of calculating direct savings, the Board only includes, in its evaluation, the Awards which are accepted by both claimants and respondents. Accordingly, this is a most conservative calculation, as it excludes cases where the Board facilitates direct settlement at the early stage of its process as well as cases that are concluded directly during, or shortly after our process. Such resolution between the parties is, by and large, due to the Board's facilitation process. We provide a platform for resolution and closure at several junctures along our process.

Table 2.2 shows the actual Injuries Board delivery costs of €11.17m and compares it to the estimated overhead cost of delivering the same award value under the litigation system (58%) i.e. €96.26m. The resulting savings are shown in the bottom row. Direct Injuries Board savings in 2014 were €85.09m.

Indisputably, significant additional savings arise in relation to direct settlements, through the Injuries Board Customer Service Centre, of cases which almost routinely entered litigation

prior to our existence. The Central Bank Study from October 2011 found that 70% of all claims either settle directly between the parties (facilitated by the Injuries Board process which facilitates communication between the key parties) or through an Injuries Board Award and hence do not proceed to litigation. At a minimum we understand there is at least one direct settlement for every Injuries Board accepted award. Applying pro rata savings to those settlements would generate additional savings of €85 million, thereby increasing 2014 savings to €170 million and overall savings since inception to well over €1 billion.

Such savings take no account of additional Central Bank research which indicates that even rejected Injuries Board assessments settle quickly and typically do not proceed to Court – even if it is most likely some legal costs are being paid to settle these cases. These estimates also do not factor in the direct savings to insurance companies whose litigation and claims management departments in many cases have substantially reduced in size. The Board is in contact with Insurance Ireland and the State Claims Agency for the data to assist in understanding the overall cost of litigation versus the Injuries Board process. This would assist in developing a definitive cost-benefit analysis of the two systems which are now in place to resolve personal injury claims. This data would assist in a deeper understanding of the overall favourable impact as a result of the establishment of the Board both in terms of costs and also the relief of stress for parties involved in adversarial litigation often caused in the longer timelines of the Court system.

In 2014, 7,519 awards were accepted by customers of the Injuries Board resulting in €165.97 million in compensation.

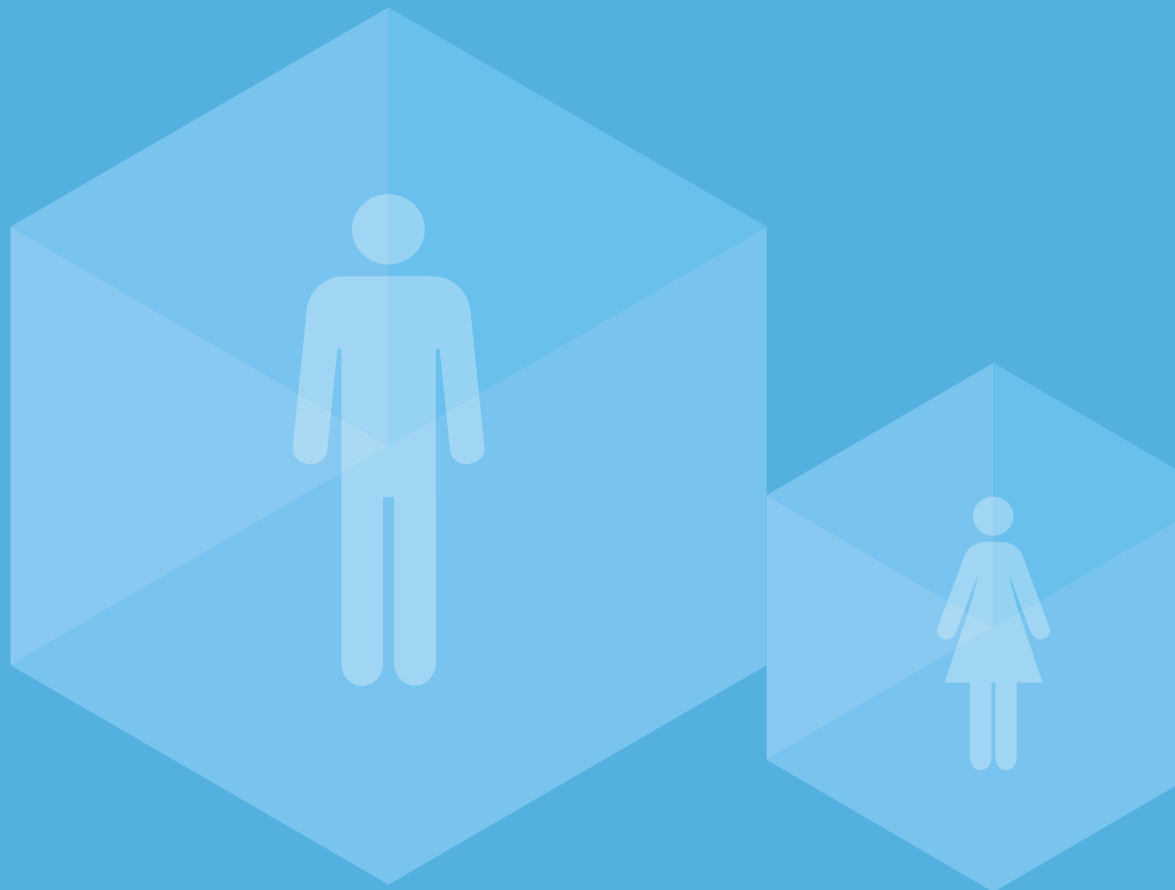


**Section  
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# Section 4

Delivering superior customer service from an efficient, flexible and cost-effective organisation.



# Section 4

Delivering superior customer service from an efficient, flexible and cost-effective organisation.



## Section 4

### Customer Service

Customer service is delivered through the front line Service Centre and through activities completed by the Assessment Teams. The Board's Customer Service Centre provides:

- ▶ Detailed information and assistance to potential claimants and respondents in progressing claims;
- ▶ Detailed guidance and assistance to claimants completing applications;
- ▶ The Customer Service Centre is accessible on Lo-call number 1890 829 121 from 8am to 8pm Monday to Friday. In addition, direct claimants can now complete their applications online 24/7 with web chat facilities available to assist direct claimants throughout the process

During 2014 over 31,000 applications were handled and assessments were made in 12,420 cases.

In 2014, the Injuries Board continued to provide a transparent and accessible claims assessment process through the Service Centre. In 2014, the Centre received almost 55,000 telephone calls, 98% of which were answered within 20 seconds following a short automated greeting; 467,000 items of post, 99,000 electronic mail items and 11,500 faxes, all of which are handled within 10 days. In addition over 22,000 medical appointments were arranged in 2014 to support timely assessments.

The Customer Service Centre assists claimants with particular needs, e.g. linguistic or other vulnerabilities. Feedback from customers who contacted the Board's helpline is very positive

with high satisfaction levels recorded.

The Board's Complaints Procedure was published on our website in late 2012 and a dedicated complaints mailbox was provided for customers. This created a greater level of awareness of our Complaints Procedure. There were no significant issues reported in 2014. We welcome customer feedback at all times and we use this as a valuable opportunity to review existing processes and improve the customer experience.

### Website

The Board's website [www.injuriesboard.ie](http://www.injuriesboard.ie) is a primary focus for engagement and information sharing with our customers. The site provides customer focussed elements including enhanced online options to submit and manage claims directly, thereby mitigating unnecessary legal fees for claimants. The site features the "harp" to distinguish itself from other sites which are not those of the official State agency.

The site features improved navigation and design with more understandable and accessible plain language, and clear information on how to make a claim. There is now a significantly streamlined online form, clear instructions and help functions, enhanced online support, a variety of contact options including call-backs, contact forms and web chat, feedback options through the site and on-line form, and a dynamic news and information area.

During the year the website was further enhanced with a direct newsfeed from the recently established Injuries Board Twitter account. The use of social media and this newsfeed helps connect the Injuries Board directly with its customers in real time.

Over 22,000 medical appointments were arranged in 2014 to support timely assessments.

User experience with the re-vamped site has been positive to date with an increase of 25% in website visits in 2014 and more than double the number of claims coming through the on-line channel than previously. Satisfaction levels have been well over 90% as reported through the feedback channels. In 2014 there were 235,599 visits to the website compared to 189,057 visits in 2013 – a 25% increase.

### **InjuriesBoard.ie smartphone application (“app”)**

A smartphone app was developed towards the end of 2013. The app has been designed to inform and educate the public about the role of the Injuries Board and to provide information on the personal injury claims process. It complements the Board’s user friendly and upgraded website and online direct claims service.

## **Information & Communications Technology**

Information and Communications Technology is a key enabler. The Board’s technical platform and key applications support the current business needs. The Board’s strategy is to continue investing in ICT to enhance service and to assist an on-going programme of efficiency improvement as part of an Agency-wide drive to do more with less – not least in the context of the recruitment moratorium and the on-going economic pressures evident across the public and private sectors.

The Board produced a three-year IT Strategic Plan in 2012 (2012-2014). As part of this Plan the Board also completed a review of its Claims Management System, the output of which was a recommendation to upgrade the Board’s

current Claims Management System to the latest web enabled version. This upgraded version will interface more readily with the Board’s stakeholders (Claimant, Respondent, Medical/Legal Community) and has the potential to deliver significant service and value propositions in the future. The detailed planning and implementation of this upgrade commenced during 2014. During the year a decision was made to await the release of a later version of the product, due for release in quarter four 2014, due to the enhanced functionality offered by this later version. The upgrade is now scheduled to be completed during the first half of 2015.

Another key element of the Board’s IT strategy is the development of additional e-Services for stakeholders via portals. These will be developed during 2015 following on from the upgrade of the Claims Management System.

## **Facilities – Leasehold Premises**

The Board currently occupies premises at Grain House, Exchange Hall, Tallaght, Dublin 24. The premises are sub leased on a 20 year term via the Office of Public Works who lead and manage the primary lease.

## **Review of Energy Usage in 2014**

The Injuries Board, as a public sector agency, is fully committed to playing its part in the achievement of energy efficiency (reduction) targets, currently 33% across the public sector, by 2020. In this regard, the Board appointed an Energy Management Team who developed an Energy Policy, which was adopted by the Injuries Board in 2011.



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### Energy Usage 2014

In 2014, the Injuries Board consumed 203,200 KWh of energy, consisting solely of electricity use. This represents a 4,150 KWh reduction on usage in 2013.

#### Actions Undertaken in 2014

In 2014 the Injuries Board undertook a range of initiatives to improve our energy performance, including:

- ▶ Printer Replacement Programme with Multi-Functional Devices which resulted in an estimated 10,000 KWh of annual savings
- ▶ On-going staff awareness programme relating to energy conservation

#### Actions Planned for 2015

In 2015, the Injuries Board intends to further improve energy performance by completing the following;

- ▶ Investigate the replacement of office lighting with energy savings alternatives
- ▶ Investigate upgrading the Air Conditioning system
- ▶ On-going staff awareness programme relating to energy conservation

### Human Resources

The Board continues to operate under the Government's moratorium on recruitment of staff. From a staff allocation of 77 in 2010 under the Employment Control Framework (ECF) the Board currently has 67 staff. Notwithstanding the reduction in staff numbers the Board through the employment of an experienced, skilled and motivated workforce continues to

deliver on its core function of the assessment of claims. Productivity has been increased due to constant process re-engineering, reallocation of resources and maximising the use of an outsourced Service Centre for a broader range of non-core assessment roles.

The Board's Partnership Committee and Joint Consultative Committee continued to meet regularly.

A number of staff studied Certificate and Degree courses under the Board's Assisted Education Scheme. Training was also facilitated by Tallaght Hospital, Irish College of Ophthalmologists, Dublin Dental University Hospital, Irish Payroll Association (IPASS), Irish Business and Employers Confederation (IBEC), Public Affairs Ireland and the Institute Public Administration.

In early 2014 the Board procured the services of an Employee Assistance Programme (EAP) for employees and their family.

The EAP provides confidential independent counselling and support services. The service gives access to online information, advice and support to help employees navigate many of life's milestones. This is complimented by a counselling service which provides up to eight sessions for employees to discuss any issues. The type of counselling offered is referred to as Solution Focused Short Terms counselling.

The Board provided lunch time workshops facilitated by VHI Corporate Solutions that were advantageous to the holistic development and work life balance of staff such as Building Resilience, Positive Parenting and First Aid for Children.

During the year employees of the Board organised fundraising activities for the Irish Cancer Society and the Ciaran Carr Foundation.

## Corporate Social Responsibility

During the year employees of the Board organised fundraising activities for the Irish Cancer Society and the Ciaran Carr Foundation.

## Internal Audit

The Internal Audit function is a key element in informing the Board on the effectiveness of the system of internal controls. The internal auditors operate in accordance with the Code of Practice for the Governance of State Bodies. Internal Auditor reports were prepared in 2014 covering a wide range of areas: Financial, Operational and Organisational. These reports were brought before the Audit Committee and there were no significant issues identified.

## Corporate Governance

The Injuries Board operates in accordance with the provisions of the Personal Injuries Assessment Board Act 2003 as amended in 2007. The Board operates under the aegis of the Minister for Jobs, Enterprise and Innovation who is empowered to provide funds to the Agency to enable it to discharge its obligations and to seek certain information on the Agency's activities. The Board has not called upon Exchequer funds since an establishment grant was approved at the outset and which was fully reimbursed to the Exchequer subsequently in 2011.

In addition to the terms of its governing legislation, the Board is also required to comply with a wide range of other statutory (National and EU) and administrative requirements. In particular, it has put in place procedures to ensure compliance with the following specific requirements:

## Code of Practice for the Governance of State Bodies

The Injuries Board has developed and implemented procedures to ensure that it complies with this code of practice. Annually, the Board's Chairperson formally confirms to the Minister for Jobs, Enterprise and Innovation the Board's compliance with the above mentioned Code.

## Risk Management

During the year the Board implemented Risk Management procedures as outlined in its Risk Management Framework. This comprehensive framework is fully integrated with the Board's Quality Assurance Programme and Business Planning cycle.

## Ethics in Public office Act, 1995

The Injuries Board comes within the scope of the Ethics in Public Office Act, 1995 and has adopted procedures to comply with the Act. Accordingly, where required, Board Members and staff holding designated positions have completed statements of interest in compliance with the provisions of the Act. Furthermore, procedures are in place for the on-going disclosure of interests by Board Members which is a question asked at the outset of every Board meeting. Management level staff are also subject to this legislation.

## Safety, Health and Welfare at Work Act 2005

In accordance with the Safety, Health and Welfare at Work Act 2005, the Board has implemented procedures to comply with the provisions of the Act. The Board has adopted a safety statement that encompasses all of the aspects of staff welfare. In 2014 the Board in



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compliance with the Act offered Display Screen Equipment eye examinations for all staff for the fifth time since the Board was stabilised.

### **Employment Equality Acts, 1998 and 2004**

The Injuries Board is committed to a policy of equal opportunity and adopts a positive approach to equality in the organisation. The Board is committed to developing a balanced work/life environment. It currently operates flexi time for graded staff with requirements in relation to the minimum and maximum number of hours to be worked. Six staff availed of parental leave in a reduced fortnight basis and two staff enjoyed blocks of parental leave during the summer months of 2014. Several staff benefited from paid paternity leave in 2014.

### **Data Protection Acts, 1988 and 2003**

The Injuries Board is a registered data controller under the Data Protection Acts. The Board operates in accordance with a formal Data Protection Policy as agreed with the Office of the Data Protection Commissioner. This places the Board at the forefront of implementing data protection procedures, thus protecting the individual's fundamental right to privacy and exercising control over how personal information may be made available under the Data Protection Acts.

### **Official Languages Act 2003**

The Injuries Board comes under the remit of the Official Languages Act 2003 which provides a statutory framework for the delivery of services through the Irish Language. In accordance with Section 10 of the Act, this Annual Report is published simultaneously in Irish and English.

### **Procurement**

Competitive tendering is the normal procedure utilised by the Board in the procurement process. Tenders issued have had due regard to the value thresholds for the application of procurement rules. The Injuries Board confirms compliance with procurement procedures in respect of competitive tendering. This includes adherence to both national guidelines and the relevant EU Directives, which have the force of law in this and all Member States. The Board continually reviews and updates its procurement policies and procedures and also provides training to relevant personnel in this important technical area.

### **Prompt Payment of Accounts Act, 1997**

The Injuries Board acknowledges its responsibility for ensuring compliance in all material respects with the provisions of the Prompt Payment of Accounts Act, 1997, and the European Communities (Late Payment in Commercial Transactions) Regulations 2012. It is the policy of the Board to ensure that all invoices are tracked and paid promptly before their due date for interest and charges purposes. Procedures are in place to provide reasonable assurances against non-compliance with the Act and Regulations.

### **Taxation**

The Injuries Board confirms compliance with tax laws. Procedures are in place to ensure that the Board is exemplary in its compliance with its obligation under taxation laws and that all tax liabilities are paid on or before the relevant due dates.

During the year the Board published its third Strategic Plan for the period 2014-2019.

### **Strategic Planning**

During the year the Board published its third Strategic Plan for the period 2014-2019. This plan sets out the Board's key Strategic Objectives over the coming years along with the key actions to be undertaken to achieve these objectives. At Operational level, staff objectives and Annual Business Plans continue to be aligned with the Board's Strategic Objectives.

### **Stakeholder Relations**

During 2014, the Injuries Board maintained its programme of engagement with key stakeholders. In addition to regular liaison meetings with its parent Department (Jobs, Enterprise & Innovation) and representatives of claimant and respondent groups, the Board met many other stakeholders during the year. Feedback from our stakeholders is essential as we continue to develop, improve and implement policies.

The following is a selection of organisations which we met during the year: The Courts Service, the Law Society (User Forum), Insurance Ireland (User Forum), the Health and Safety Authority, the Irish Medical Council, the ESRI, and the Road Safety Authority. Additionally, a number of presentations were made to various bodies including IBEC, at the Health & Safety Review Conference, and to the Joint Oireachtas Committee on Jobs, Enterprise & Innovation. The Board also took part in the Taking Care of Business Initiative run by the Department of Jobs, Enterprise & Innovation and had a stand at the National Ploughing Championships.

### **User Groups**

As part of the Boards on-going commitment to improve services during 2014 user forum meetings were held with both the Law Society and Insurance Ireland.

### **Inter-Agency Co-Operation**

The Board is represented on the Health & Safety Work Place Related Vehicle Safety Committee which is run by the Health & Safety Authority (HSA) and the Road Safety Authority (RSA). As a representative the Board has supplied relevant aggregated data in relation to workplace accidents involving vehicles such as forklifts. This information is useful in terms on the HSA's and the RSA's safety programmes.

### **Awareness Research**

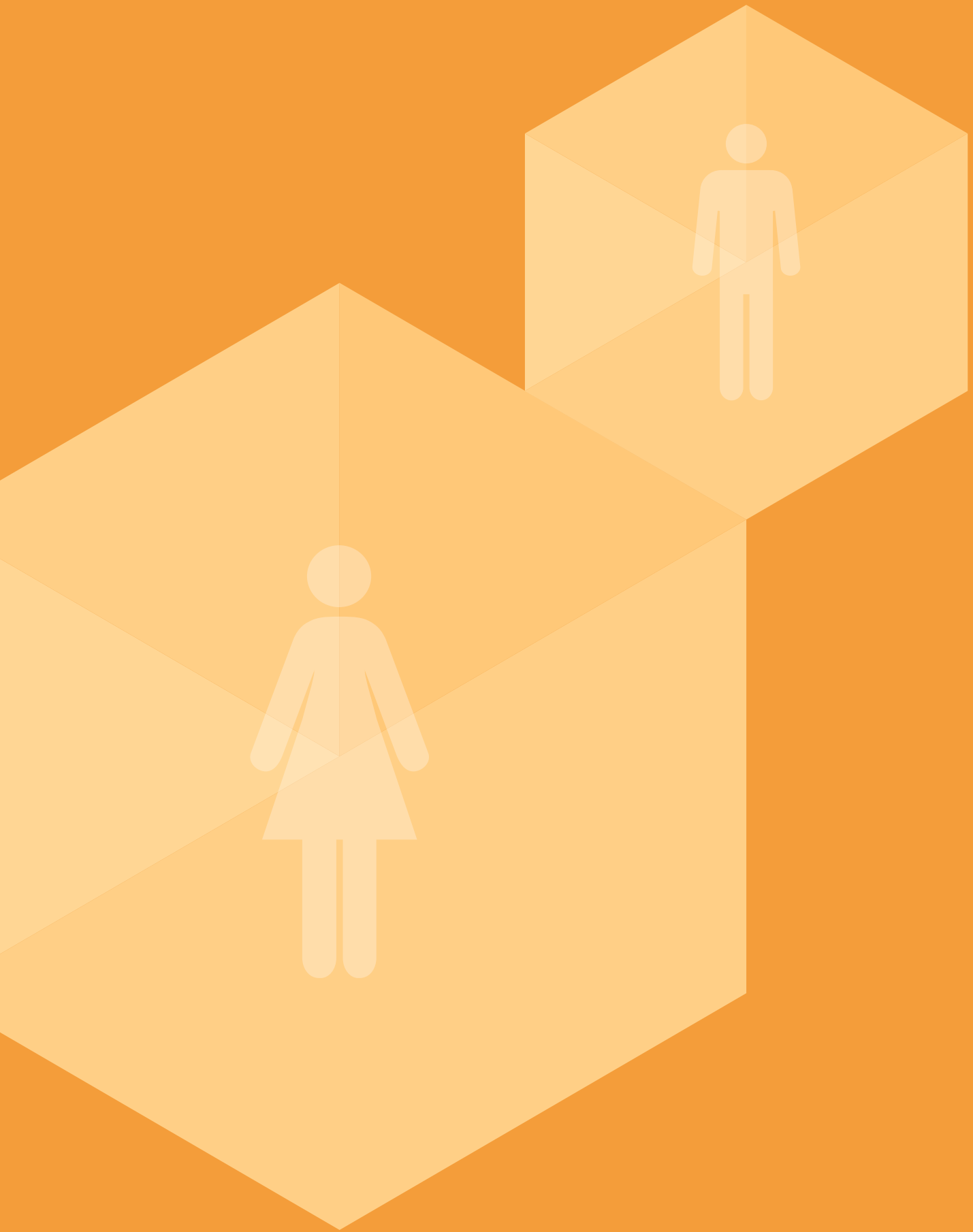
The Board commissioned research during the year to measure the public's awareness of the Injuries Board and its processes. This indicates awareness levels of 45% of an organisation that deals with compensation and prompted brand awareness of the Injuries Board increased from 48% to 53%.

The results are encouraging. Communications is still broadly targeted at our specific users and potential claimants to ensure they have access and knowledge of how to navigate our system, rather than being directed to the public at large.

This research will assist the Board in its future public information programmes. While only a small percentage of the public will make a claim in any given year it is vital that those who have accidents have information available to them at the earliest possible juncture to make an informed decision about how to proceed with a claim if they intend to seek compensation.

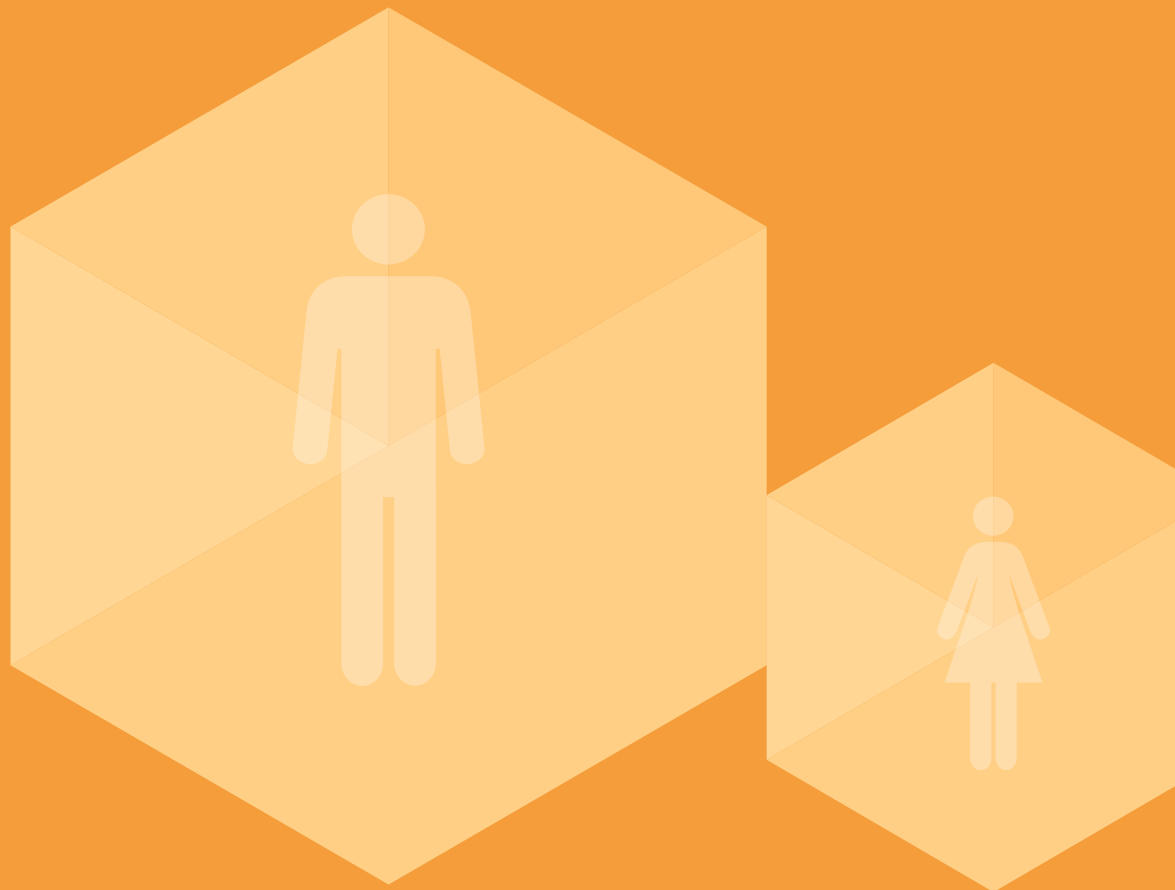


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# Section 5

Financial Statements  
for the year ended  
31 December 2014



# Section 5

Financial Statements for the year ended  
31 December 2014

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# General Information

## Members of the Board

Dorothea Dowling	Membership ceased on 12th April 2014
Dermot Divilly (Chairperson)	Commenced 16th July 2014
Joe O'Toole	Membership ceased on 12th April 2014
Patricia Byron (CEO)	
Tom Noonan	Membership ceased on 12th April 2014
Jerry Fitzpatrick	Membership ceased on 12th April 2014
Walter Cullen	Commenced 30th April 2014
Margot Slattery	Commenced 30th April 2014
Dermot Gorman	Commenced 26th September 2014
Breda Power	
Martin Naughton	
John Lynch	
Fionnuala O'Loughlin	
Mick Stewart	Commenced 1st January 2014
Karen O'Leary	Membership ceased on 31st October 2014 & recommenced on the 16th December 2014



## Section 5

## Office

Grain House  
Exchange Hall  
Belgard Square North  
Tallaght  
Dublin 24

## Bankers

Bank of Ireland  
4-6 Priorsgate  
Main Street  
Tallaght  
Dublin 24

## Website

[www.injuriesboard.ie](http://www.injuriesboard.ie)

## Auditor

Comptroller and Auditor General  
Dublin Castle  
Dublin 2

## Solicitors

Arthur Cox & Co.  
Earlsfort Centre  
Earlsfort Terrace  
Dublin 2



# Statement of Responsibilities of the Board

Section 77 of the Personal Injuries Assessment Board Act 2003, requires the Board to prepare annual financial statements in the format and manner specified by the Minister for Jobs, Enterprise and Innovation.

In preparing those financial statements, the Board is required to:

- ▶ Select suitable accounting policies and then apply them consistently.
- ▶ Make judgements and estimates that are reasonable and prudent.
- ▶ Prepare the financial statements on the going concern basis unless it is inappropriate to presume the Board will continue in operation.
- ▶ State whether applicable accounting standards have been followed, subject to any material departures being disclosed and explained in the financial statements.

The Board is responsible for keeping proper books of account which disclose with reasonable accuracy at any time the financial position of the Board and which enable it to ensure that the financial statements comply with Section 77 of the Act. The Board is also responsible for safeguarding the assets and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.



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On Behalf of the Board

Handwritten signature of John Lynch in black ink.

**John Lynch**

27th April 2015

Handwritten signature of Martin Naughton in black ink.

**Martin Naughton**

27th April 2015

# Statement on Internal Financial Control

On behalf of the Personal Injuries Assessment Board I acknowledge our responsibility for ensuring that an effective system of internal financial control is maintained and operated.

Such a system of internal financial control can provide only reasonable and not absolute assurance against material error. The system provides reasonable assurance that assets are safeguarded, transactions authorised and properly recorded, and that material errors or irregularities are either prevented or would be detected in a timely period.

## Key Control Procedures

The Board has taken steps to ensure an appropriate control environment by:

- ▶ clearly defining management responsibilities;
- ▶ establishing formal procedures for reporting significant control failures and ensuring appropriate corrective action takes place;
- ▶ establishing an Audit Committee to advise the Board on discharging its responsibilities for the internal financial control system.

The Board continues to develop and improve management processes to identify and evaluate business risks by:

- ▶ identifying the nature, extent and possible implication of risks facing the Board including the extent and categories which it regards as acceptable;
- ▶ assessing the likelihood of identified risks occurring;
- ▶ assessing the Board's ability to manage and mitigate the risks that do occur;
- ▶ assessing the costs of operating particular controls relative to benefit obtained.

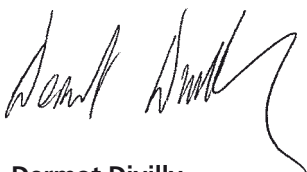
The system of internal financial control is based on a framework of regular management information, administrative procedures including segregation of duties and a system of delegation practices and accountability. In particular it includes:

- ▶ a comprehensive budgeting system with an annual budget which is reviewed and agreed by the Board
- ▶ monthly income and expenditure statements with analysis of major income and expenditure categories, which are reviewed by the Board
- ▶ the implementation of a financial accounting system – the Board has put in place a computer software system incorporating an accounting package to facilitate the internal financial controls.

The Board has appointed an Audit Committee and a firm of independent professional auditors to undertake its internal audit function. The internal audit function operates in accordance with the Code of Practice for the Governance of State Bodies. The work of internal audit is informed by an analysis of the risk to which the Board is exposed. The Audit Committee review the annual financial statements. The analysis of risk and the internal audit plans are approved by the Chief Executive and are subject to endorsement by the Audit Committee and approval by the Board.

## Annual Review of Controls

I confirm that in respect of the year ended 31st December 2014, the Board conducted a review of the system of internal financial control.



**Dermot Divilly**  
Chairperson

27th April 2015



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# Report of the Comptroller and Auditor General

I have audited the financial statements of the Personal Injuries Assessment Board for the year ended 31 December 2014 under the Personal Injuries Assessment Board Act 2003. The financial statements, which have been prepared under the accounting policies set out therein, comprise the statement of accounting policies, the income and expenditure account, the statement of total recognised gains and losses, the balance sheet, the cash flow statement and the related notes. The financial statements have been prepared in the form prescribed under Section 77 of the Act, and in accordance with generally accepted accounting practice in Ireland.

## Responsibilities of the Members of the Board

The Board is responsible for the preparation of the financial statements, for ensuring that they give a true and fair view of the state of the Board's affairs and of its income and expenditure, and for ensuring the regularity of transactions.

## Responsibilities of the Comptroller and Auditor General

My responsibility is to audit the financial statements and to report on them in accordance with applicable law.

My audit is conducted by reference to the special considerations which attach to State bodies in relation to their management and operation.

My audit is carried out in accordance with the International Standards on Auditing (UK and Ireland) and in compliance with the Auditing Practices Board's Ethical Standards for Auditors.

## Scope of audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements, sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of

- ▶ whether the accounting policies are appropriate to the Board's circumstances, and have been consistently applied and adequately disclosed
- ▶ the reasonableness of significant accounting estimates made in the preparation of the financial statements, and
- ▶ the overall presentation of the financial statements.

I also seek to obtain evidence about the regularity of financial transactions in the course of audit.

In addition, I read the Board's annual report to identify material inconsistencies with the audited financial statements. If I become aware of any apparent material misstatements or inconsistencies, I consider the implications for my report.

## Opinion on the financial statements

In my opinion, the financial statements, which have been properly prepared in accordance with generally accepted accounting practice in Ireland, give a true and fair view of the state of the Board's affairs at 31 December 2014 and of its income and expenditure for 2014.

In my opinion, proper books of account have been kept by Board. The financial statements are in agreement with the books of account.



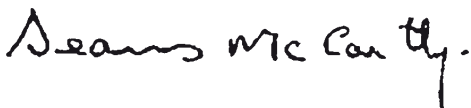
### Section 5

## Matters on which I report by exception

I report by exception if

- ▶ I have not received all the information and explanations I required for my audit, or
- ▶ my audit noted any material instance where money has not been applied for the purposes intended or where the transactions did not conform to the authorities governing them, or
- ▶ the information given in the Board's annual report is not consistent with the related financial statements, or
- ▶ the statement on internal financial control does not reflect the Board's compliance with the Code of Practice for the Governance of State Bodies, or
- ▶ I find there are other material matters relating to the manner in which public business has been conducted.

I have nothing to report in regard to those matters upon which reporting is by exception.



**Seamus McCarthy**

*Comptroller and Auditor General*

8 May 2015



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# Statement of Accounting Policies

## Basis of Preparation

The financial statements have been prepared under the accrual method of accounting, the historical cost convention, in accordance with generally accepted accounting practice and are in the format agreed with the Minister for Jobs, Enterprise and Innovation. The unit of currency in which the financial statements are denominated is the Euro.

## Fee Income

Fee Income consists of Claimant and Respondent Fees. Claimant fees are recognised on a cash receipts basis. Respondent Fees are recognised on consent to the Board's assessment process.

## Tangible Fixed Assets

Tangible Fixed Assets are stated at cost or valuation less accumulated depreciation. Depreciation is provided on a straight line basis at rates which are estimated to reduce the assets to their realisable values by the end of their expected useful lives as follows:

Leasehold Improvements	Remaining years of the lease	
IT Hardware/Software	25%	Straight Line
Office Equipment	20%	Straight Line
Fixtures & Fittings	12.5%	Straight Line
Office Furniture	12.5%	Straight Line

## Taxation

The Board is exempt from Income Tax and Corporation Tax under Section 220 of the Taxes Consolidation Act 1997. This exemption does not apply to deposit interest. Where interest receivable is subject to tax (e.g. DIRT) the net receivable amount is credited to the Income and Expenditure account.

## Operating Lease

Payments under the operating lease are charged to the Income and Expenditure Account.

## Retirement Benefits

### Nature of Scheme

The Board operates a defined benefit pension scheme for its employees. The scheme structure is based on the Public Service Model. The employee scheme was approved by the Minister of Enterprise, Trade and Employment and the Minister for Finance in 2008. The Spouse and Children's scheme was approved in 2009.



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## Scheme Characteristics

The scheme has a number of specific characteristics:

- ▶ The Board makes an agreed contribution to the Department of Jobs, Enterprise and Innovation.
- ▶ The contribution comprises of an employee element along with an employer element. The employer contribution in 2014 was 25% of gross pay, 30% for staff on PRSI Class B and D.
- ▶ There is a commitment from the Department of Jobs, Enterprise and Innovation with the agreement of the Department of Finance, that the Exchequer will meet the cost of benefits as they fall due.

In substance, the Board considers that the obligation to pay retirement benefit remains with Personal Injuries Assessment Board (PIAB), but that the Exchequer has committed to providing PIAB with sufficient funds to settle any such obligations on PIAB's behalf as they fall due, provided PIAB pays over employees' and the employer's contributions at rates specified. Accordingly, the financial statements recognise both a Retirement Benefit Obligation and a Deferred Exchequer Retirement Benefit Funding receivable.

## Scheme Liabilities

Scheme liabilities represented by the present value of future payments earned by PIAB staff to date are measured on an actuarial basis using the projected unit method. Pension costs reflect benefits earned by PIAB staff in the period and are shown net of employee pension contributions, which are retained by the Department. The amount to be included in the financial statements for the Deferred Exchequer Retirement Benefit Funding amount is estimated at an amount equal to the estimate of the obligation for the pension scheme liabilities.

## Scheme Actuarial Gains or Losses

Actuarial gains or losses arising from changes in actuarial assumptions and from experience surpluses and deficits are recognised in the Statement of Total Recognised Gains and Losses for the year in which they occur and a corresponding adjustment is recognised to the balance for Deferred Exchequer Retirement Benefit Funding.

Pension costs in the Income and Expenditure account comprise the employer's contribution in respect of the year.

In previous years the Board charged the employer contributions to the Income and Expenditure Account in the year, as if the scheme was a defined contribution scheme. The effect of the change in accounting policy has no net impact on the surplus in the Income and Expenditure Account or on the Balance Sheet.

## Debtors

Known bad debts are written off and specific provision is made for any amount the collection of which is considered doubtful.

## Capital Account

The capital account represents assets transferred from Department of Jobs, Enterprise and Innovation prior to the set-up of the Board. The assets are amortised on the same basis as depreciation of the related Leasehold Improvement fixed assets.

# Income and Expenditure Account

for the year ended 31 December 2014

	Notes	2014 €	2013 €
<b>Income</b>			
Fee Income	1	11,580,807	11,260,272
Transfer from Capital Account	12	7,667	222,333
Other Income		65,347	15,012
<b>Total Income</b>		<b>11,653,821</b>	<b>11,497,617</b>
<b>Expenditure</b>			
Salaries, Pensions and related expenses	2	5,451,331	5,594,472
Claims Processing expenses	3	2,497,312	1,930,256
Board Member Fees	2	62,666	59,850
Accommodation & Establishment Costs	4	453,857	438,081
Recruitment, Training & Education	4	46,724	18,278
Information, Research & Communication	4	342,900	335,147
Legal Costs & Professional Fees	4	255,171	242,367
Judicial Review Costs	4	100,230	138,816
IT Costs	4	383,324	313,501
Telecommunication Costs		112,659	110,516
General Administration	4	552,130	516,246
Loss on Disposal of Fixed Assets		264	245
Depreciation		198,265	567,999
<b>Total Expenditure</b>		<b>10,456,833</b>	<b>10,265,774</b>
<b>SURPLUS OF INCOME OVER ADMINISTRATION EXPENSES</b>		<b>1,196,988</b>	<b>1,231,843</b>
<b>Interest Receivable</b>		<b>121,896</b>	<b>212,061</b>
<b>SURPLUS FOR THE YEAR</b>		<b>1,318,884</b>	<b>1,443,904</b>
<b>Balance at 1 January</b>		<b>15,359,620</b>	<b>13,915,716</b>
<b>BALANCE AT END OF YEAR</b>		<b>16,678,504</b>	<b>15,359,620</b>

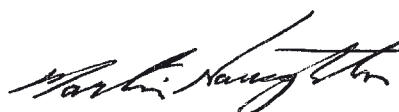
The Statement of Accounting Policies and Notes 1 to 16 form an integral part of these financial statements.

On Behalf of the Board



**John Lynch**

27th April 2015



**Martin Naughton**

27th April 2015



# Statement of Total Recognised Gains and Losses

for the year ended 31 December 2014

	2014 €	2013 €
Surplus for the year	1,318,884	1,443,904
Experience gains on pension scheme liabilities	285,000	1,066,000
Change in assumptions underlying the present value of pension scheme liabilities	(7,413,000)	(355,000)
Adjustment to Deferred Pension Funding	7,128,000	(711,000)
<b>Total recognised gains for the year</b>	<b>1,318,884</b>	<b>1,443,904</b>

The Statement of Accounting Policies and Notes 1 to 16 form an integral part of these financial statements.

On Behalf of the Board



**John Lynch**

27th April 2015



**Martin Naughton**

27th April 2015



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# Balance Sheet

at 31 December 2014

	Notes	2014 €	2014 €	2013 €	2013 €
<b>Fixed Assets</b>					
Tangible Assets	5		301,501		345,999
<b>Current Assets</b>					
Debtors	6	1,537,320		1,178,403	
Cash at bank and in hand		1,654,856		979,857	
Short Term Deposits		15,502,218		15,018,879	
<b>Total Current Assets</b>		<b>18,694,394</b>		<b>17,177,139</b>	
<b>Current Liabilities</b>					
Creditors: Amounts falling due within one year	7	1,441,932		1,264,937	
<b>Net Current Assets</b>			<b>17,252,462</b>		<b>15,912,202</b>
<b>Total Assets less Current Liabilities</b>					
			<b>17,553,963</b>		<b>16,258,201</b>
Provision for liabilities and charges	8		875,459		890,914
<b>Retirement Benefits</b>					
Retirement Benefit Liability	13		(22,877,000)		(14,439,000)
Deferred Exchequer Retirement Benefit Funding	13		22,877,000		14,439,000
<b>Net Assets after Retirement Benefits</b>			<b>16,678,504</b>		<b>15,367,287</b>
<b>Financed By:</b>					
Capital Account	12		0		7,667
Income & Expenditure Account			16,678,504		15,359,620
<b>Total Financed by:</b>			<b>16,678,504</b>		<b>15,367,287</b>

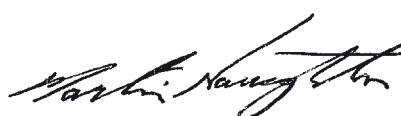
The Statement of Accounting Policies and Notes 1 to 16 form an integral part of these financial statements.

On Behalf of the Board



**John Lynch**

27th April 2015



**Martin Naughton**

27th April 2015



# Cash Flow Statement

for the year ended 31 December 2014

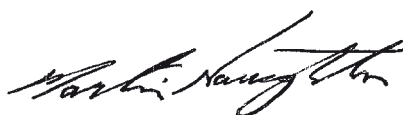
	Notes	2014 €	2013 €
<b>Cash Flow Statement</b>			
Net Cash Flow from Operating Activities	9	1,190,475	2,021,526
Returns on Investment and Servicing of Finance Bank Interest		121,896	212,061
<b>Cash Flow before Capital Expenditure</b>		<b>1,312,371</b>	<b>2,233,587</b>
<b>Capital Expenditure</b>			
Purchase of Tangible Fixed Assets	5	(154,033)	(8,251)
<b>Net Cash outflow from Capital Expenditure</b>		<b>(154,033)</b>	<b>(8,251)</b>
<b>Movement in Cash for the Year</b>	9	<b>1,158,338</b>	<b>2,225,337</b>

On Behalf of the Board



**John Lynch**

27th April 2015



**Martin Naughton**

27th April 2015



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# Notes to the Financial Statements

for the year ended 31 December 2014

## 1 Fee Income

	2014 €	2013 €
Claimant Fee Income	<b>1,385,637</b>	1,377,474
* Respondent Fee Income	<b>10,195,170</b>	9,882,798
	<b>11,580,807</b>	11,260,272

\* The Respondent fee reduced from €850 to €600 for Formal Notices issued from 1st January 2013. The respondent fee is in respect of the Board dealing with an application (as outlined in the PIAB Act). The respondent fee is recognised on consent to the InjuriesBoard.ie process. The average time taken to complete the assessment of a claim in 2013 is 7 months.

## 2 i) Salaries, Pensions and Related Expenses

	2014 €	2013 €
Salaries	<b>4,018,346</b>	4,008,610
* Employer Superannuation Contributions	<b>1,024,629</b>	1,031,643
Employer PRSI Contributions	<b>369,332</b>	366,479
	<b>5,412,307</b>	5,406,732
** Other Costs	<b>39,024</b>	187,740
	<b>5,451,331</b>	5,594,472

\* €279,115 of Pension Related Deduction has been deducted and paid over to the Department of Jobs, Enterprise and Innovation in 2014, €287,075 was deducted and paid over in 2013.

\*\* Other Costs includes €39,024 relating to the salary recharged for staff on redeployment.

### Staff Numbers

Average Staff directly employed by the Board	67	67
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### Emoluments of Chief Executive

Patricia Byron

Salary	167,184	173,310
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Included in the above salary figure is €11,008 for a car allowance which was €11,000 in 2013. Performance related payments were discontinued in 2010. The Chief Executive's pension entitlements are in accordance with the terms of the Public Sector Model Scheme.



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## 2 ii) Board Fees and Expenses

	2014 €	2013 €
Board Fees	<b>62,666</b>	59,850
<b>By Board Member</b>		
Dermot Divilly – Chairperson	<b>9,432</b>	0
Joe O’Toole	<b>3,392</b>	11,970
Tom Noonan	<b>3,392</b>	11,970
Jerry Fitzpatrick	<b>3,392</b>	11,970
Martin Naughton	<b>11,970</b>	11,970
John Lynch	<b>11,970</b>	11,970
Margot Slattery	<b>7,980</b>	0
Walter Cullen	<b>7,980</b>	0
Dermot Gorman	<b>3,158</b>	0
	<b>62,666</b>	59,850

The following Board Members were paid no fees during 2014: Breda Power, Fionnuala O’Loughlin, Mick Stewart, Karen O’Leary and Dorothea Dowling due to the application of One Person One Salary principle.

**There were no expenses paid to Board members for 2014.**



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## 3 Claims Processing expenses

	2014 €	2013 €
Outsourced Service Centre Costs	<b>2,497,312</b>	1,930,256
Claim related Medical Fees	<b>6,804,868</b>	5,775,068
Claim related Other Costs	<b>123,320</b>	134,290
Claim related Costs to be Reimbursed	<b>(6,928,188)</b>	(5,909,358)
	<b>2,497,312</b>	1,930,256

\* As part of the process (see Note 1) the Board retains the services of a range of professional practitioners including general practitioners, consultants, and actuaries. The information obtained provides the Statutory Assessors with the information necessary to make an assessment of damages. The level of claim processing costs varies per claim. Due to the average timeline of the process there will be claim processing costs incurred in 2015 relating to consents received in 2014, these costs are not provided in the financial statements. These costs and other claim related costs are reimbursed to the Board by the respondent.

## 4 Expenditure

	2014	2013
	€	€
<b>Accommodation &amp; Establishment Costs</b>		
Rent, Rates and Service Charges	<b>309,305</b>	309,055
Cleaning and Security	<b>56,568</b>	52,736
Light & Heat, Maintenance and Other	<b>87,984</b>	76,290
	<b>453,857</b>	438,081
<b>Recruitment, Training &amp; Education Costs</b>		
	€	€
Training, Education and other costs	<b>46,724</b>	17,587
Advertising, Interviews and other recruitment costs	<b>0</b>	691
	<b>46,724</b>	18,278
<b>Information, Research &amp; Communication Costs</b>		
	€	€
Public Awareness	<b>190,735</b>	164,335
Advertising – Other	<b>129,290</b>	144,515
Leaflets/Brochures & Publications	<b>22,875</b>	26,297
	<b>342,900</b>	335,147
<b>Legal Costs &amp; Professional Fees</b>		
	€	€
Statistical, Internal Audit and other Professional Fees	<b>148,209</b>	141,521
Audit Fees	<b>17,500</b>	14,075
General Legal Advices	<b>89,462</b>	86,771
	<b>255,171</b>	242,367
<b>Judicial Review Costs</b>		
	€	€
Judicial Review Provision (Note 8)	<b>316,778</b>	200,499
Release of Judicial Review Provision	<b>(216,548)</b>	(61,683)
	<b>100,230</b>	138,816



### Section 5

## 4 Expenditure (note continued)

	2014	2013
	€	€
<b>IT Costs</b>		
IT Software Development	<b>55,121</b>	51,183
IT Licence Fees	<b>147,203</b>	127,142
IT Support & Maintenance	<b>153,899</b>	111,279
IT Consumables & Training	<b>8,477</b>	17,153
Managed Print Service	<b>9,406</b>	0
IT Other Costs	<b>9,218</b>	6,744
	<b>383,324</b>	313,501
<b>General Administration</b>		
	€	€
Postage	<b>350,623</b>	298,893
Travel & Subsistence	<b>15,357</b>	4,070
Office Stationery	<b>32,260</b>	36,045
Insurances	<b>13,460</b>	52,318
Sundry Costs	<b>14,164</b>	11,220
Employee Related Expenditure	<b>6,540</b>	3,748
Prompt Payment Interest	<b>3,360</b>	2,842
Provision for Doubtful Debts	<b>28,925</b>	(19,180)
Respondent Fee Write Offs	<b>61,600</b>	94,300
Claim Related Fee Write Offs	<b>25,841</b>	31,990
	<b>552,130</b>	516,246



### Section 5

## 5 Fixed Assets

	Leasehold Improvements	IT Hardware/ Software	Office Equipment	Fixtures & Fittings	Office Furniture	Total
	€	€	€	€	€	€
<b>Cost/Valuation</b>						
As at 1 January	832,665	889,714	56,861	35,961	46,222	1,861,423
Additions	0	154,033	0	0	0	154,033
* Disposals	0	(54,830)	(48,233)	(19,623)	(32,982)	(155,668)
As at 31 December	832,665	988,917	8,628	16,338	13,240	1,859,788
<b>Accumulated Depreciation</b>						
As at 1 January	807,011	584,243	49,959	30,674	43,537	1,515,424
** Charge	25,654	167,190	1,726	2,042	1,653	198,265
Disposals	0	(54,568)	(48,232)	(19,622)	(32,980)	(155,402)
As at 31 December	832,665	696,865	3,453	13,094	12,210	1,558,287
<b>Net Book Value</b>						
<b>As at</b>						
<b>31 December 2014</b>	<b>0</b>	<b>292,052</b>	<b>5,175</b>	<b>3,244</b>	<b>1,030</b>	<b>301,501</b>
As at						
31 December 2013	25,654	305,471	6,902	5,287	2,685	345,999

\* Arising from a review of the Fixed Asset register during the year, assets with a net-book value of nil and cost of €155,668 were removed from the register.

\*\* Arising from the exercise of the break clause option in the Lease Agreement the useful life of the Leasehold Improvements assets has been revised to reflect the reduced lease term of 10 years – see note 11 for further explanation.

## 6 Debtors

	2014	2013
	€	€
<b>Amounts falling due within one year</b>		
Fees Receivable		
Respondent Fees	<b>812,550</b>	605,150
Claim Related Fees	<b>653,178</b>	544,013
Provision for Doubtful Debts	<b>(149,214)</b>	(120,289)
Interest Receivable	<b>6,678</b>	22,884
Prepayments	<b>205,855</b>	105,015
Other Debtors	<b>8,273</b>	21,630
	<b>1,537,320</b>	1,178,403

The pension cost of two InjuriesBoard.ie pensioners is discharged by the InjuriesBoard.ie and reimbursed by the Department of Jobs, Enterprise and Innovation. The cost in 2014 of €152,619 was reimbursed in full by the Department of Jobs, Enterprise and Innovation prior to year end.



### Section 5

## 7 Creditors

	2014	2013
	€	€
<b>Amounts falling due within one year</b>		
Trade Creditors	<b>442,462</b>	105,347
Accruals	<b>585,984</b>	620,876
Taxes & Social Welfare	<b>250,145</b>	224,322
Pension Liability – repayable to DJEI	<b>116,651</b>	258,635
Other Creditors	<b>46,690</b>	55,757
	<b>1,441,932</b>	1,264,937

## 8 Provision for Liabilities – Judicial Review

	2014	2013
	€	€
Opening Balance	<b>890,914</b>	896,915
Additional Provision (Note 4)	<b>316,778</b>	200,499
Utilised During Year	<b>(332,233)</b>	(206,500)
Closing Balance	<b>875,459</b>	890,914

Provisions represent a prudent estimate of liabilities that may arise to third parties, in respect of legal actions notified prior to year end. Due to the nature of its operations the Board is involved in various legal actions, principally the judicial review of sections of the Personal Injuries Assessment Board Act 2003. The provisions are based upon an assessment of the probable costs of defending known actions to the extent that such costs can be reliably estimated. The assumptions made in assessing the appropriate level of provision include the likely outcome of the actions, future trend of legal costs (both our own and third party) and the estimated date the action will be heard. The Board is satisfied that it has made the best estimate of the appropriate provision in the financial statements for the likely outcome, the provision may be subject to revision from time to time as more information becomes available.





9 i) Reconciliation of Surplus for Year to Net Cash Flow from Operating Activities

	2014	2013
	€	€
Surplus for Year	<b>1,318,884</b>	1,443,904
Bank Interest	<b>(121,896)</b>	(212,061)
Disposal of fixed asset	<b>264</b>	245
<b>Non Cash Items</b>		
Capital Account Transfer	<b>(7,667)</b>	(222,333)
Depreciation Charge		
– Tangible Fixed Assets	<b>198,265</b>	567,999
(Increase)/Decrease in Debtors	<b>(358,915)</b>	345,054
Increase/(Decrease) in Creditors	<b>176,995</b>	104,719
Increase/(Decrease) in Provision for Liabilities	<b>(15,455)</b>	(6,001)
<b>Net Cash Flow from Operating Activities</b>	<b>1,190,475</b>	2,021,526



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9 ii) (Decrease)/Increase in Cash

	2014	2013
	€	€
<b>Reconciliation of (Decrease)/Increase in Cash to Cash at Bank</b>		
Movement in Cash for the Year	<b>1,158,338</b>	2,225,337
Cash at Bank at 1 January	<b>15,998,736</b>	13,773,399
Cash at Bank at 31 December	<b>17,157,074</b>	15,998,736

10 Contingent Liability

**Legal Actions**

As stated in Note 8 the Board is, from time to time, party to various legal actions. Based on a number of factors, the Board believes that it is probable that further actions will be notified during 2015.

## 11 Financial Commitments

### Operating leases

The Board occupies two floors at Grain House, Exchange Hall, Belgard Square North, Tallaght, Dublin 24. The premises are leased by the Office of Public Works (OPW) and the lease costs of €188,554 per annum are borne by the Board under an oral tenancy. The Board operated under a twenty year lease term commencing 2004 which provided for a break option notice which was exercised by the OPW in April 2014 with a view to obtaining a rent reduction.

The Board served a Notice of Intention to claim relief on both the Landlord and OPW identifying the Board's right to a new lease which was subsequently withdrawn by the Board at the request of the OPW. Negotiations between the OPW and the new owner of the premises did not give rise to a new lease or a reduced rent and the Board continues to operate under the original lease.

	2014	2013
	€	€
Due within one year	0	62,851
Due after one year and before five years	0	0
After five years	188,554	0
	<b>188,554</b>	62,851



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## 12 Capital Account

	2014	2013
	€	€
Balance at 1 January	7,667	230,000
Amortisation in line with asset depreciation	(7,667)	(222,333)
Balance at 31 December	0	7,667

The capital account represents assets transferred from Department of Jobs, Enterprise and Innovation prior to the set-up of the Board. The assets are amortised on the same basis as depreciation of the related Leasehold Improvement fixed assets.

### 13 Accounting Treatment for Retirement Benefits

The Board operates a defined benefit pension scheme for its employees. The scheme structure is based on the Public Service Model. The employee scheme was approved by the Minister of Enterprise, Trade and Employment and the Minister for Finance in 2008. The Spouse and Children’s scheme was approved in 2009.

The scheme has a number of specific characteristics:

- ▶ The Board makes an agreed contribution to the Department of Jobs, Enterprise and Innovation.
- ▶ The contribution comprises of an employee element along with an employer element. Employees who are fully insured for PRSI purposes contribute at the rate of 3.5% of net remuneration plus 3.0% of remuneration. The employer contribution in 2014 was 25% of gross pay, 30% for staff on PRSI Class B and D.
- ▶ There is a commitment from the Department of Jobs, Enterprise and Innovation with the agreement of the Department of Finance, that the Exchequer will meet the cost of benefits as they fall due.

#### Actuarial Valuation

The Board commissioned an actuarial valuation of accrued liabilities at the balance sheet date, and the cost of benefits (service cost) accrued during the year. This valuation, which was based on the Projected Unit method, is premised on the following assumptions:

#### Assumed Annual Rate

	2014	2013	2012
Discount rate	<b>2.20%</b>	3.90%	4.00%
Inflation assumption (Consumers Prices Index)	<b>1.80%</b>	2.00%	2.00%
Salary increases	<b>3.05%</b>	3.25%	3.25%
State pension increases	<b>2.30%</b>	2.50%	2.50%
Pensions in payment increases	<b>2.55%</b>	2.75%	2.75%

In addition, the following demographic assumptions have been made as at 31 December 2014.

#### Life expectancy at age 65

Male currently aged 40	<b>25.0 years</b>
Male currently aged 65	<b>22.1 years</b>
Female currently aged 40	<b>26.0 years</b>
Female currently aged 65	<b>23.6 years</b>

Based on the above, the present value of liabilities at the balance sheet date is €22,877,000 [2013: €14,439,000], and the service cost (calculated on the foregoing assumptions) for the year is €886,000 [2013: €922,000].



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## 13 Accounting Treatment for Retirement Benefits (note continued)

### Analysis of total pension costs charged to expenditure

	2014	2013
Total employer contribution	1,024,629	1,031,643
Current service cost	886,000	922,000
Interest cost	577,000	566,000
Past service cost	0	0
Adjustment to Deferred Exchequer Pension Funding	(1,463,000)	(1,488,000)
<b>Total charged to Income &amp; Expenditure Account</b>	<b>1,024,629</b>	<b>1,031,643</b>

\* The Current Service Cost includes employee contributions totalling €190,000 in 2014 and €190,000 in 2013.

### Movement in net pension liability

	2014	2013
Net Pension Liability at 1 January	14,439,000	13,717,000
Current Service Cost	886,000	922,000
Interest Cost	577,000	566,000
Past service cost	0	0
Experience (gains)/losses on scheme liabilities	(285,000)	(1,066,000)
Change in assumptions	7,413,000	355,000
Benefits paid during the year	(153,000)	(55,000)
<b>Net Pension Liability at 31 December</b>	<b>22,877,000</b>	<b>14,439,000</b>

### History of scheme liabilities and experience (gains)/losses

	2014	2013
Change in assumptions underlying the present	7,413,000	355,000
Value of the pension scheme liabilities	(32.40%)	(2.40%)
Experience (gains)/losses on liabilities	(285,000)	(1,066,000)
% of liabilities at year end	(1.2%)	(7.4%)
<b>Scheme liability</b>	<b>22,887,000</b>	<b>14,439,000</b>



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## 14 Board Members Interests

In accordance with the Code of Practice for the Governance of State Bodies, the Board has in place Codes of Business Conduct for Board Members and employees. These codes include guidance in relation to the disclosure of interests by Board members and these procedures have been adhered to by the Board during the year covered by these financial statements. There are no transactions in the period in which the members had an interest.

## 15 Personal Injuries Assessment Board Act 2003

The Department of Jobs Enterprise and Innovation are currently completing a legislative review of the Personal Injuries Assessment Board Act 2003 and the Personal Injuries Assessment Board (Amendment) Act 2007.

## 16 Approval of Financial Statements

The Financial Statements were approved by the Board on the 27th April 2015.



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# Appendices

Appendix 1 – The Injuries Board Process

Appendix 2 – The Organisation

Appendix 3 – Geographical Analysis of Claims

# Appendix 1

## The Injuries Board Process

In accordance with the Personal Injuries Assessment Board Act 2003, all personal injury claims, with the exception of a small number of categories of claims, must be made through the Injuries Board, unless settled directly between the parties.

The table below summarises the stages involved in the Injuries Board's claims process.

Stage	Description
Stage 1	Claimant notifies the Injuries Board of claim via the Injuries Board's Service Centre or online via <a href="http://www.injuriesboard.ie">www.injuriesboard.ie</a> .  The Service Centre can be contacted by telephone Monday to Friday, 8am to 8pm on LoCall 1890829121 or by post to P.O. Box 8, Clonakilty, County Cork.
Stage 2	An Injuries Board representative assists the claimant with their application.
Stage 3	Claimant submits their application and Medical Assessment Form.
Stage 4	The Injuries Board informs respondent of claim.
Stage 5	Respondent consents to the Injuries Board assessment.*
Stage 6	An assessment is made and both claimant and respondent are informed of the amount of the award.
Stage 7	Both parties accept the award and the Injuries Board issues an 'Order to Pay' directing the respondent to pay the amount of the award to the claimant.
Stage 8	Claimant receives payment and matter is closed.

\* If the respondent does not consent to the assessment or if either party reject the assessment, the Injuries Board will issue an 'Authorisation' to the claimant which allows them to pursue their action through the Courts, if they so wish. A Board authorisation is required if a claim is to proceed to the Courts/litigation.





# Appendix 2

## The Organisation

### Organisational Structure

This following section outlines the organisational structure of the Injuries Board. The Injuries Board is led by a Board of Directors (detailed below).

The Board is appointed by the Minister for Jobs, Enterprise and Innovation and consists of a Chairperson, and 10 ordinary members, including the Chief Executive. The Board is responsible for formulating the Injuries Board's policies and the execution of other fiduciary duties.

### Full List of Board Members

Name	Position	Attendance Record
Dermot Divilly (appointed from 16th July 2014)	Non-Executive Chairperson	4 out of 4
John Lynch	Vice Chairperson and Business Consultant	9 out of 10
Patricia Byron	Chief Executive	10 out of 10
Walter Cullen (appointed from 30th April 2014)	Irish Congress of Trade Unions (ICTU) nominee	4 out of 6
Dermot Gorman (appointed from 26th September 2014)	Insurance Ireland nominee	2 out of 2
Martin Naughton	Irish Congress of Trade Unions (ICTU) nominee	8 out of 10
Karen O'Leary (*membership lapsed 31st October - 16th December 2014)	Competition and Consumer Protection Commission	7 out of 9
Fionnuala O'Loughlin	Consultant Psychiatrist	9 out of 10
Breda Power	Department of Jobs, Enterprise & Innovation	8 out of 10
Margot Slattery (appointed from 30th April 2014)	Irish Business & Employers Federation (IBEC) nominee	4 out of 6
Mick Stewart (appointed from 1st January 2014)	Central Bank of Ireland	9 out of 10
<i>Stephen Watkins</i>	<i>Secretary to the Board</i>	

### Former Members

Dorothea Dowling (ceased 12th April 2014)	Non-Executive Chairperson	4 out of 4
Joe O'Toole (ceased 12th April 2014)	Vice Chairperson and Irish Congress of Trade Unions (ICTU) nominee	3 out of 4
Jerry Fitzpatrick (ceased 12th April 2014)	Insurance Ireland nominee	4 out of 4
Tom Noonan (ceased 12th April 2014)	Irish Business & Employers Federation (IBEC) nominee	4 out of 4

\* Karen O'Leary's membership lapsed on the 31st of October 2014 when the National Consumer Agency was merged with the new Competition and Consumer Protection Commission. She was subsequently nominated by that body to be a Member of the Board in December 2014.



#### Appendices

Details of fees paid to Board Members are set out in the Financial Statements. As in previous years, no expenses were paid to Board Members.

In addition to full Board meetings there were four meetings of the Board's Audit Committee, and three meetings of the Board's Performance Review Committee during 2014. During the earlier part of the year the Finance Committee and the Premises Committee were stood down, their functions being taken over directly by the Board.

## Committee Membership at year-end

### Audit

Mick Stewart (Chairperson)  
John Lynch  
Karen O'Leary

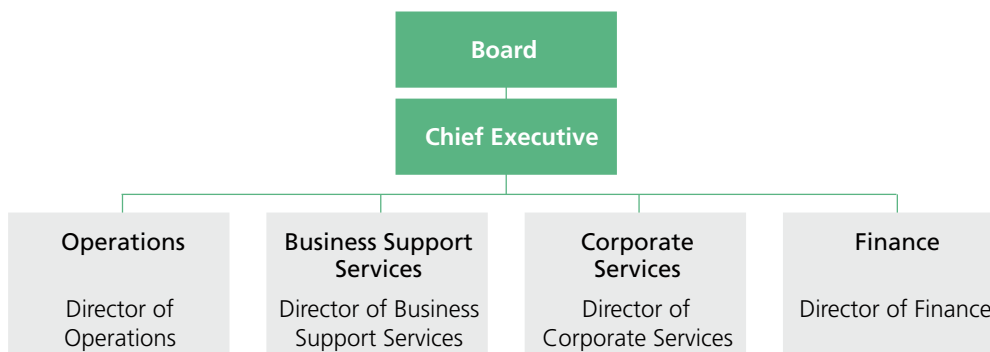
### Performance Review

Martin Naughton (Chairperson)  
Dermot Divilly  
John Lynch  
Fionnuala O'Loughlin



Appendices

## Organisational Structure



## Executive Management Team

Chief Executive Patricia Byron is a member of the Board. She also leads the Executive Management Team which includes:

- ▶ Maurice Priestley – Director of Operations
- ▶ Helen Moran – Director of Business Support Services
- ▶ Stephen Watkins – Director of Corporate Services
- ▶ Bernadette King – Director of Finance

The Chief Executive is responsible for the day-to-day management of the Injuries Board's operations supported by Directors, Managers, Assessors and Support Staff. At the end of 2014 the Injuries Board employed 67 staff in Tallaght, Dublin 24.

In addition, the Injuries Board uses an outsourced Service Centre.

### Functions of the Personal Injuries Assessment Board

The Personal Injuries Assessment Board is obliged to make assessments on the same basis, and by reference to the same principles, as govern the measure of damages in the law of tort by the Courts. The Injuries Board process is based on the provision of information, records or other documents. No oral hearings are conducted by the Board as this is a documents only process focused on the medical facts rather than representation of the facts in an adversarial environment. The Injuries Board is also charged with the following statutory functions:

- ▶ To prepare and publish a document (which shall be known as the “Book of Quantum”) containing general guidelines as to the amounts that may be awarded or assessed in respect of specified types of injury;
- ▶ To cause a cost-benefit analysis to be made of the legal procedures and the associated processes (including those provided for by the Act) that are currently employed in the State for the purpose of awarding compensation for personal injuries;
- ▶ To collect and analyse data in relation to amounts awarded on foot of, or agreed in settlement of, civil actions to which the Act applies and;
- ▶ To perform any additional functions conferred on the Board under Section 55 of the Act.



#### Appendices

# Appendix 3

## Geographical Analysis of Claims

**Table 6.1 Breakdown of Awards by Location  
(Based on Address of Claimant) 2014 vs. 2013**

	<b>2014</b>	<b>2014</b>	<b>2013</b>	<b>2013</b>
	<b>No. of Awards</b>	<b>% of Awards</b>	<b>No. of Awards</b>	<b>% of Awards</b>
Republic of Ireland	<b>12,128</b>	<b>97.6%</b>	10,404	97.6%
Northern Ireland	<b>194</b>	<b>1.6%</b>	168	1.6%
UK (other than Northern Ireland)	<b>69</b>	<b>0.6%</b>	65	0.6%
Rest of World	<b>29</b>	<b>0.2%</b>	19	0.2%
<b>TOTALS</b>	<b>12,420</b>	<b>100.0%</b>	<b>10,656</b>	<b>100.0%</b>

**Table 6.2 Breakdown of Award Categories by Location  
(Based on Address of Claimant) 2013 vs. 2014**

	<b>2013</b>	<b>2013</b>	<b>2013</b>	<b>2013</b>	<b>2014</b>	<b>2014</b>	<b>2014</b>	<b>2014</b>
	<b>ML</b>	<b>EL</b>	<b>PL</b>	<b>Total</b>	<b>ML</b>	<b>EL</b>	<b>PL</b>	<b>Total</b>
Republic of Ireland	7,861	813	1,730	10,404	<b>9,080</b>	<b>927</b>	<b>2,121</b>	<b>12,128</b>
Northern Ireland	143	8	17	168	<b>167</b>	<b>6</b>	<b>21</b>	<b>194</b>
UK (other than Northern Ireland)	48	2	15	65	<b>61</b>	<b>3</b>	<b>5</b>	<b>69</b>
Rest of World	10	3	6	19	<b>20</b>	<b>5</b>	<b>4</b>	<b>29</b>
<b>TOTALS</b>	<b>8,062</b>	<b>826</b>	<b>1,768</b>	<b>10,656</b>	<b>9,328</b>	<b>941</b>	<b>2,151</b>	<b>12,420</b>



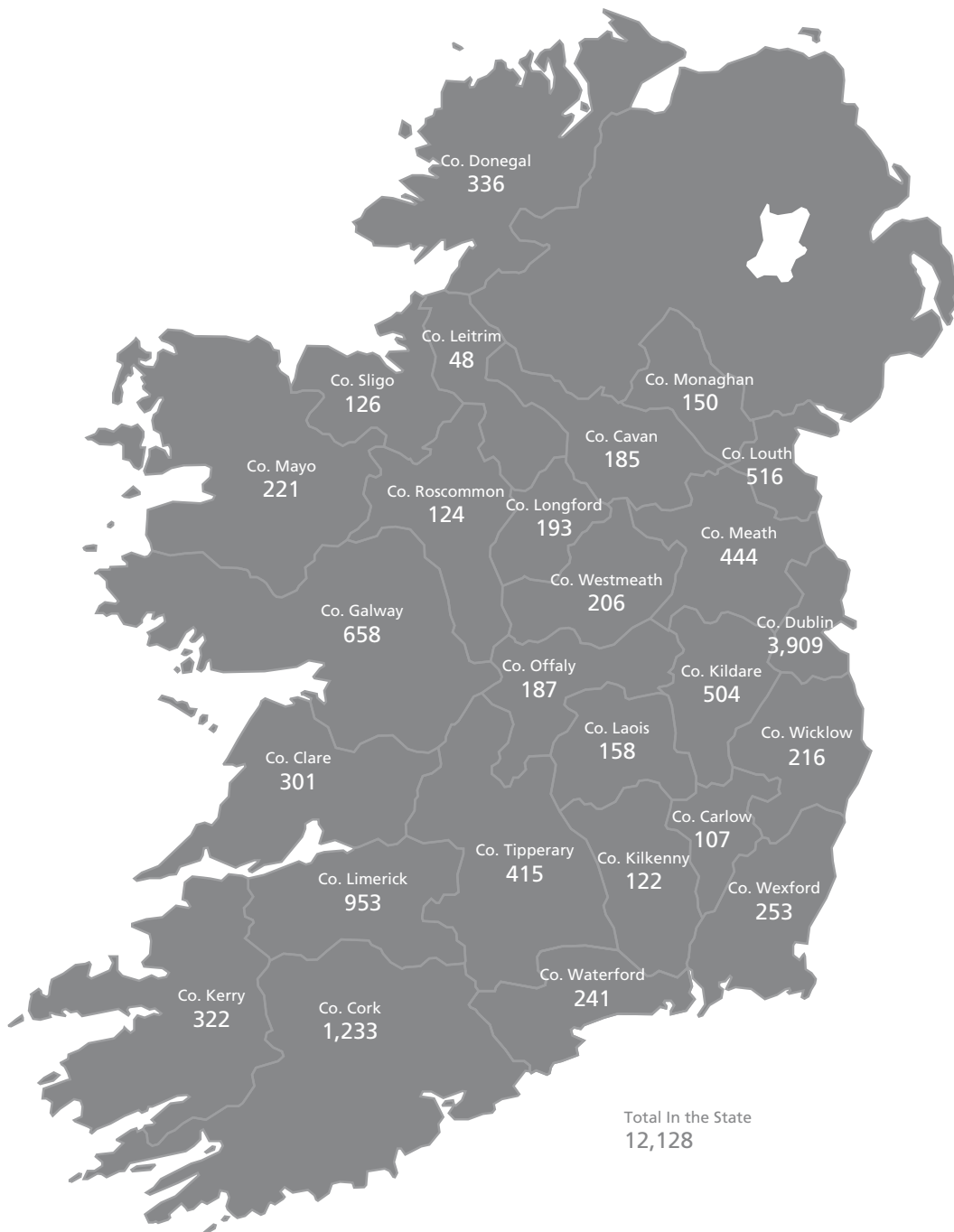
Appendices

**Table 6.3 Provincial Breakdown of Number of Awards  
(Based on Address of Claimant) 2013 vs. 2014**

	<b>2013</b>	<b>2013</b>	<b>2013</b>	<b>2013</b>	<b>2014</b>	<b>2014</b>	<b>2014</b>	<b>2014</b>
	<b>ML</b>	<b>EL</b>	<b>PL</b>	<b>Total</b>	<b>ML</b>	<b>EL</b>	<b>PL</b>	<b>Total</b>
Dublin	2,448	281	657	3,386	<b>2,807</b>	<b>323</b>	<b>779</b>	<b>3,909</b>
Rest of Leinster	1,856	223	338	2,417	<b>2,155</b>	<b>247</b>	<b>504</b>	<b>2,906</b>
Connaught-Ulster*	1,297	77	228	1,602	<b>1,492</b>	<b>111</b>	<b>245</b>	<b>1,848</b>
Munster	2,260	232	507	2,999	<b>2,626</b>	<b>246</b>	<b>593</b>	<b>3,465</b>
Outside the State	201	13	38	252	<b>248</b>	<b>14</b>	<b>30</b>	<b>292</b>

\* ROI Counties

Figure 3.1 Number of Awards per County



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Figure 3.2 % of Awards per County

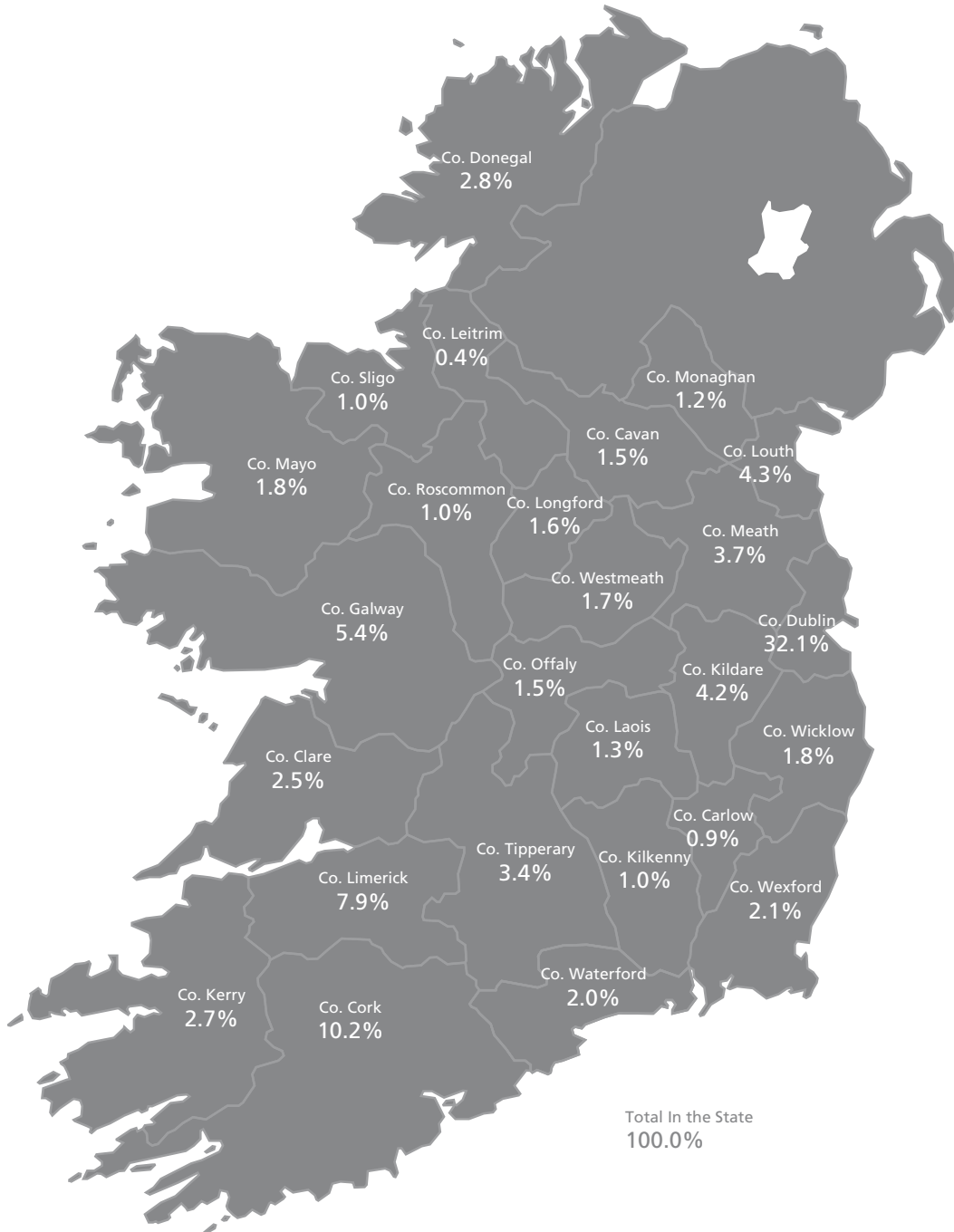
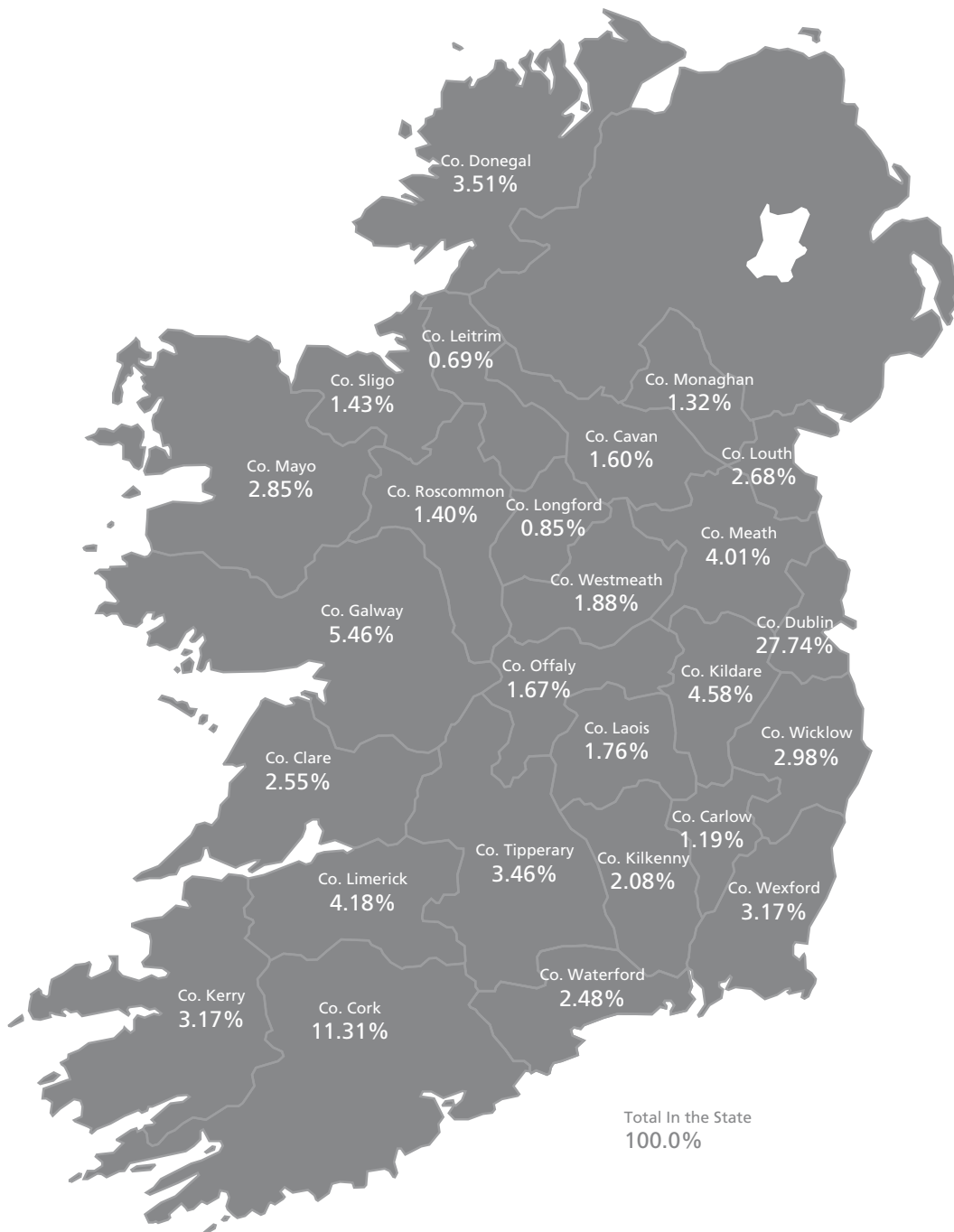


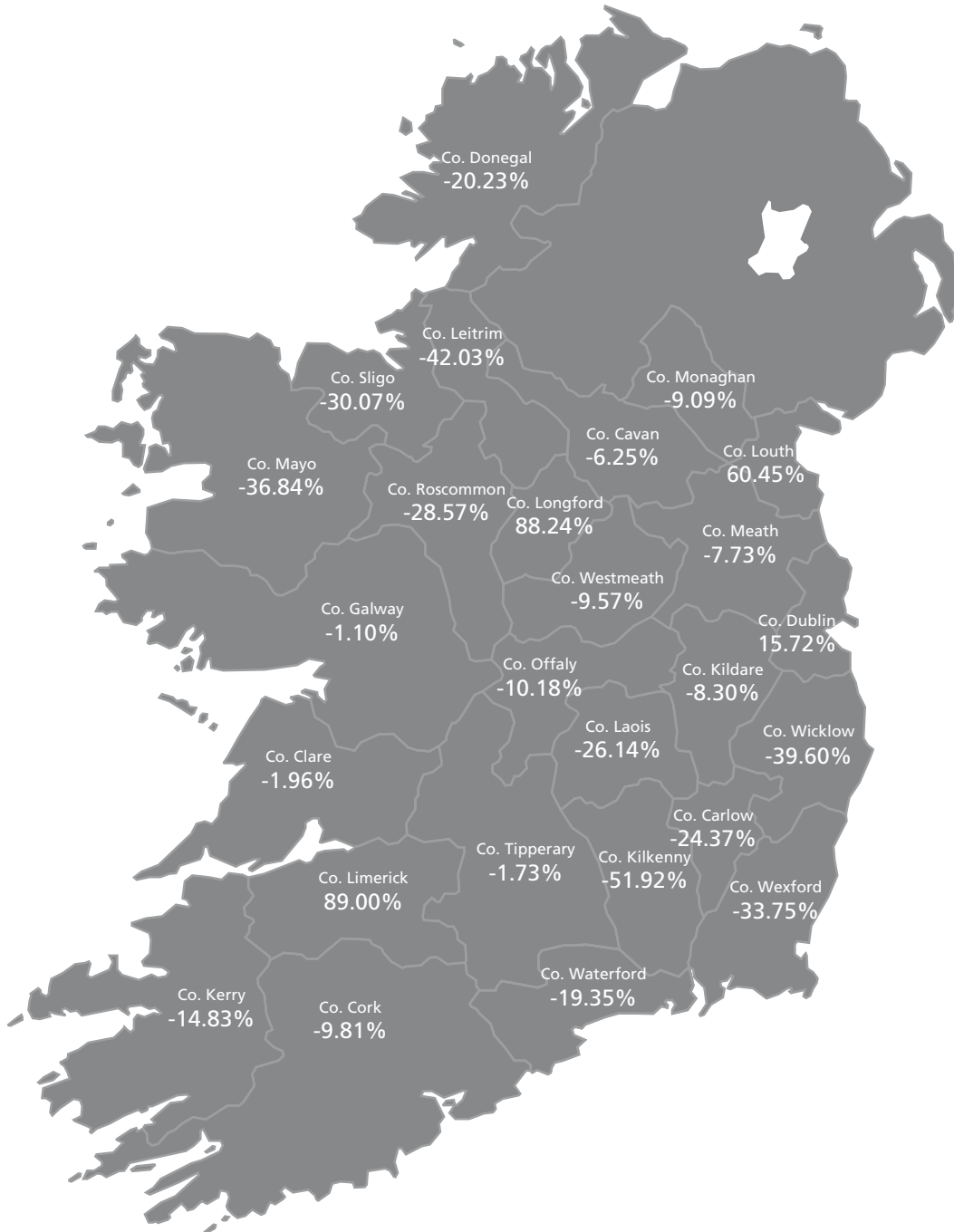
Figure 3.3 % of Total Pop per County\*



\* Based on Central Statistics Office 2011 Census Results



**Figure 3.4 % Variance of Awards vs. Population per County\***



\* Based on Central Statistics Office 2011 Census Results



**Table 6.4 Top 5 Counties by Awards as per Head of Population 2014**

	<b>% of Awards per County</b>	<b>% of Total Population in County</b>	<b>Variance to National Average</b>
Limerick	7.9%	4.18%	89.00%
Longford	1.6%	0.85%	88.24%
Louth	4.3%	2.68%	60.45%
Dublin	32.1%	27.74%	15.72%
Galway	5.4%	5.46%	-1.10%

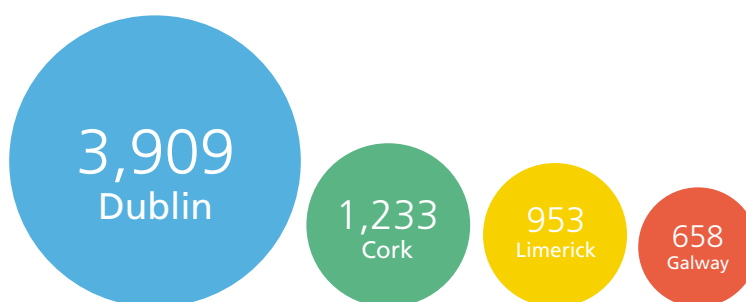
**Table 6.5 Bottom 5 Counties by Awards as per Head of Population 2013**

	<b>% of Awards per County</b>	<b>% of Total Population in County</b>	<b>Variance to National Average</b>
Kilkenny	1.0%	2.08%	-51.92%
Leitrim	0.4%	0.69%	-42.03%
Wicklow	1.8%	2.98%	-39.60%
Mayo	1.8%	2.85%	-36.84%
Wexford	2.1%	3.17%	-33.75%



Overall Awards 2014

**Figure 3.5 Highest No. of Overall Awards by County 2014 (Based on Address of Claimant)**

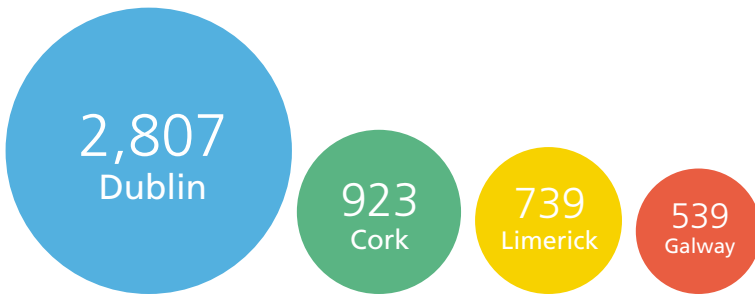


**Figure 3.6 Lowest No. of Overall Awards by County 2014 (Based on Address of Claimant)**

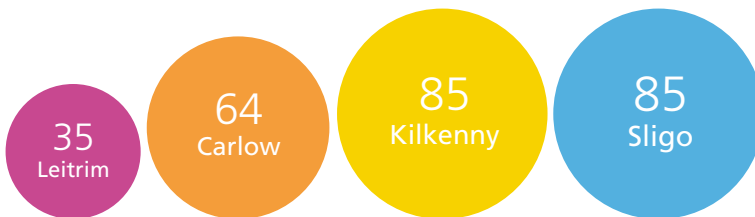


## Motor Liability Awards 2014

**Figure 3.7** Highest No. of ML Awards by County 2014  
(Based on Address of Claimant)



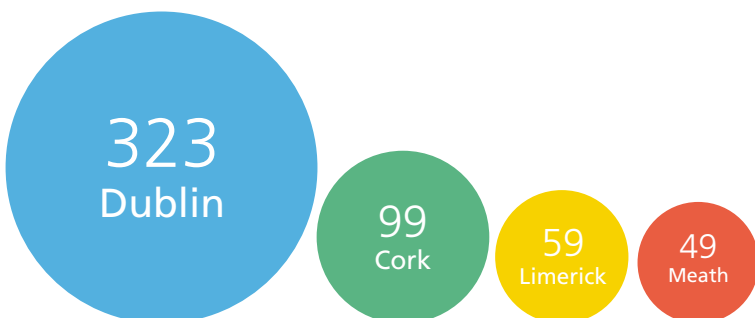
**Figure 3.8** Lowest No. of ML Awards by County 2014  
(Based on Address of Claimant)



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## Employer's Liability Awards 2014

**Figure 3.9** Highest No. of EL Awards by County 2014  
(Based on Address of Claimant)

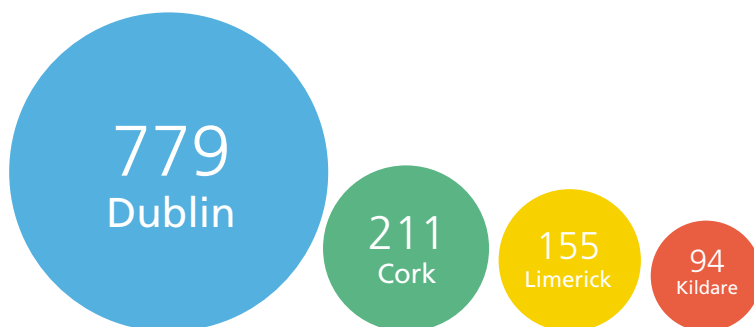


**Figure 3.10** Lowest No. of EL Awards by County 2014  
(Based on Address of Claimant)



### Public Liability Awards 2014

**Figure 3.11** Highest No. of PL Awards by County 2014  
(Based on Address of Claimant)



**Figure 3.12** Lowest No. of PL Awards by County 2014  
(Based on Address of Claimant)



Appendices





Service Centre Open:  
Monday to Friday, 8am to 8pm

Lo-Call RoI 1890 829 121  
From NI and UK 0870 876 8121

P.O. Box 8  
Clonakilty  
Co. Cork

**[www.injuriesboard.ie](http://www.injuriesboard.ie)**