



PIAB Media Release

- **Latest Central Bank report shows that only 4% of employer and public liability claims are settled through the courts despite over 60% of these claims entering litigation**
- **Claimants receive similar awards from PIAB, but these are resolved with far lower costs and much quicker by PIAB**

Wednesday 14 July 2021 – The Personal Injuries Assessment Board (PIAB) has welcomed the publication of the first National Claims Information Database report on Public Liability (PL) and Employers Liability (EL) Insurance.

The report by the Central Bank of Ireland covers personal injuries claims relating to injuries in public places and workplaces. These claims are the ones which most directly affect businesses in sectors such as leisure, hospitality and childcare, as well as community and sporting organisations.

The report shows that in recent years in terms of this area insurers have had an operating loss, and some 63% of total income received has been used to cover claims and expenses related to claims.

This means the benefits and savings provided through the PIAB service are critical to improving costs in this area. The report shows:

- In the combined PL and EL category that for the vast majority of claims the average legal costs for claims resolved by PIAB were €1,000 as opposed to legal costs in litigated claims of €21,000, driving up significantly the overall cost of claims, despite average compensation awards being similar
- From the time an accident was reported, a claim resolved through PIAB took 1.8 years, while a claim resolved through litigation took 4.5 years
- The Average compensation award for claims less than €150k in PIAB for Employer Liability Claims was €31,250, while in Litigation it was €35,642. In respect of Public Liability claims, the average PIAB award was €26,760, while in litigation it was €25,088

PIAB's Chief Executive, Rosalind Carroll, commented: *"This is the first report of its kind on employer and public liability insurance and is critical to us understanding how to address some of the issues in this area. It shows like with motor claims, the significant cost difference between the different channels used to resolve injury claims."*

"Small businesses, especially those involved in childcare, leisure or hospitality along with community and sports organisations, are facing major problems with the price and availability of insurance cover. This report shows that many of the costs of litigation, as well as the time delays, could be avoided."

"In the area of both public liability and employer liability PIAB has seen respondents far less likely to consent to PIAB assessing a claim. Typically, when consent is not provided it is because the issue of liability may be in question, yet today's valuable data provided by the Central Bank shows only 4% of cases are actually being heard in court and the large majority are being settled for similar values to PIAB, but with much higher associated costs. This data is important in terms of supporting both claimants and respondents to make informed decisions, that ensure fair awards but with lesser costs, so that the services we need as a society are not impacted."

"PIAB will be using this data to improve our services and is working with Minister Troy and Department officials to enhance the services we offer to reduce further the need for unnecessary litigation."

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