

# RISK News

Issue 31

October 2005

## The compensation culture

According to a lot of media reports, Britain is in the grip of a “compensation culture” with thousands of people bringing claims for the most ludicrous of reasons and receiving vast sums of money as a result.

### But is this really the case?

The short answer is ‘no’. Between 2000 and 2005 the overall number of accident claims made fell by 5.3%. In the same period accident claims made against local authorities and public bodies fell by 7.5%. As for Norfolk County Council, accident claims (i.e. liability claims) received during that time have fallen by 28%. Of these only about 1 in 5 actually resulted in a compensation payment being made.

But these are the facts. The perception is unfortunately different. Whether it is a story about a burglar suing a houseowner when he is injured breaking in, or the famously mis-reported case of the woman who spilt McDonalds coffee in her lap and successfully sued them for injuries, they all add to the popular notion.

This in turn leads to people and organisations becoming so risk-averse that activities are cancelled or disproportionate amounts of money are spent to minimise risk.

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A genuine injury, but is anyone actually to blame?

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Produced by the Risk Management section of the Department of Finance



**Norfolk** County Council

## Comment

Welcome to the latest issue of Risk News.

Our lead article considers the current topic of the 'compensation culture' and explains how the popular perception is in fact not supported by reality. This is particularly true as far as NCC is concerned. It is welcome news that the government has now recognised that an over cautious reaction to the fear of being sued is holding back initiatives and inhibiting opportunity taking.

Obviously we should not be reckless in our actions, but with suitable management of the risks involved, new initiatives can be taken on with a high likelihood of a successful outcome.

Included in this issue is a short survey asking for your opinions on Risk News. Please take a couple of moments to complete it so that we make sure we are providing you with what you want.

If you would like to contribute to a future issue of Risk News, or have any other comments, please contact any of the people listed below.

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## Head restraints

**It is estimated that there are roughly 250,000 whiplash injuries each year arising from car crashes, of which 10% result in impairment lasting over one month. Females are two and a half times more likely to be injured than males.**

Research by Thatcham, the vehicle testing centre, indicates nearly three-quarters of these injuries could have been prevented with proper use of the vehicle head restraint.

Head restraints should be adjusted to suit each individual who drives the vehicle.

**The top of the structural part of the restraint (usually a pad) should be at least as high as an imaginary horizontal line passing through the occupant's eyes and along the top of the ears.**

**With the occupant in a comfortable position, the restraint should be adjusted forward so that it is as close as possible to the back of the head. This should be within 3 cms, and ideally touching.**



correct



incorrect

# They didn't, did they?

Here's a true story that will hopefully act as a cautionary tale to any establishment manager who fails to take risk into account.

## *See if you can spot what they did wrong*

A High school was short of space when deciding where to set up its main server and electrical switchgear room. They identified one area though, underground in a room next to the boiler room. They installed all the seven servers they needed to run the school systems in this room, with most pieces of equipment sitting on the floor.

Software and CD drives were kept in boxes on the floor in this area so that everything was conveniently in the one area.

They 'fairly' regularly backed up the servers onto tapes and these were also in this room.

The room was separated from the boiler room by a light wooden door and a short concrete step. Outside the server room was an area where back up PCs and peripherals were stored, also on the floor.

## *Any clues so far??*

All was fine until they got a contractor in to carry out a boiler replacement. When draining the main boiler system on a Friday afternoon, by pumping the water into a sump drain in the boiler room floor, the mains inlet was not isolated, the pump failed and water flooded across the boiler room floor over the whole of a weekend. It was not discovered until the Monday when the boiler room, server room and the storage area were under 8 inches of water.

Not surprisingly most of the equipment was completely ruined, including the servers containing all the school data. And the back ups? – they were corrupted as well by the water and damp conditions. The school had to spend hundreds of hours recreating the lost information.

Very luckily for the school, this happened at the start of the summer holidays (rather than the end) and so they had just enough time to get replacement kit and recreate the lost information before the start of the new term.

The insurance cost of the incident could be as much as £40,000.

### **Key points:**

- Don't store anything, never mind electrical items, in or near a boiler room
- If in an area of possible flooding, store everything on pallets or tables
- Always keep back ups in a separate part of the building from the servers/computers or better still, off site
- Supervise contractors

# The compensation culture

. . . continued from page 1

When it gets to the stage where teachers refuse to go on school trips for fear of being sued, something is seriously awry.

The government has now recognised that things are getting out of proportion and is planning to try to reverse this trend.

A new Compensation Bill is planned that will limit the work of 'claim farmers'. These are companies that actively seek out potential claimants, encourage them to make claims and then sell the cases to solicitors. The government also intends to clarify the law on negligence to provide assurance to those who fear litigation, and speed up settlement times for genuine cases.

Without risk there is little opportunity or creativity. What Norfolk is trying to do through its Risk Management strategy is to encourage risks to be controlled and managed as part of the business planning and monitoring activities.

This will allow opportunities to be taken and objectives achieved with more certainty.

## Volunteers

Norfolk County Council recognises the significant and valuable role that volunteers have in creating and implementing our services. In fact many of our operations rely on volunteers, at least partially, to provide the services to users. Whether they are parents or other people helping out with school activities, people offering their services as drivers or some other type of activity, they all help to carry out the Council's business.

As part of our recognition of the role of volunteers, NCC is in the process of drafting a policy about volunteers, setting out the principles and objectives with regard to the use of volunteers.

## Insurance cover

Any volunteer is insured under our public liability policy and our employers liability policy in the same way as a paid employee. This is as long as they, as the individual, are authorised to be carrying out the activity and the activity itself is authorised.

Where a volunteer is acting for another organisation, such as the Friends of a school, or a voluntary / charitable group, our insurances will not cover them – this will be the responsibility of their group.

## Managing the risks

In general, normal health and safety risk assessments will apply equally to volunteers and employees but levels of experience and supervision may be different, meaning that training needs might vary.

Volunteers are not subject to NCC disciplinary procedures, nor do they have access to our grievance procedures. Any issues relevant to these areas should be dealt with by the relevant supervisor, if necessary after taking advice from their Human Resources contact.

If a volunteer will be working in a sensitive area, or is likely to have one-to-one contact with children, young people or vulnerable adults, background checks and vetting should be carried out.

# Council fraud

**Local authorities are facing an increase in fraudulent insurance claims, according to recent research by Zurich Municipal.**

The research found that fraud against local authorities is already an issue for 63% of them. Of these 25% believe that more than 20% of their claims were fraudulent and over a third of councils expect the problem to get worse.

In Norfolk County Council the situation is very different.

We manage all the Council's insurance claims and our insurance claims investigators do investigate all injury claims received as a matter of course, taking

witness statements and gathering evidence as appropriate.

Only after negligence has been proved, and the extent of injuries confirmed, is any compensation paid.

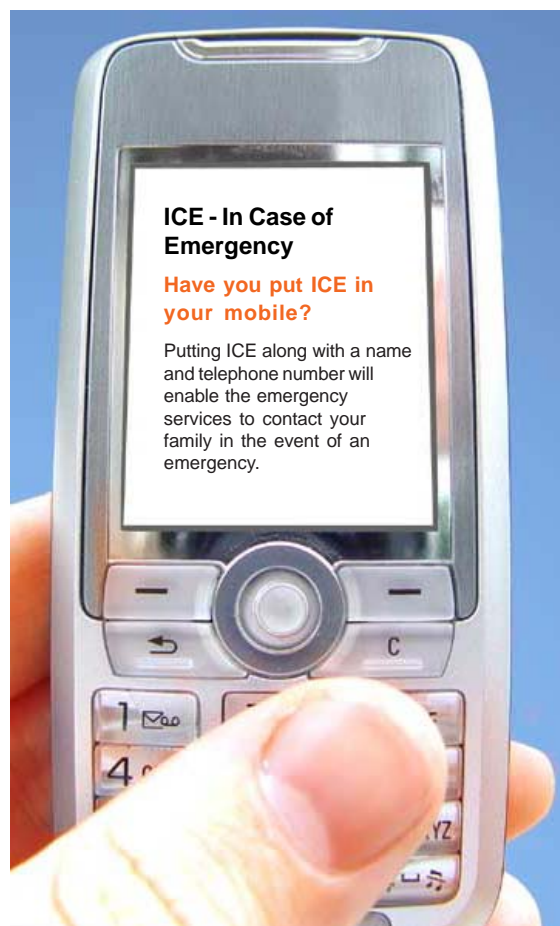
Although we cannot say that there have been no successful fraudulent claims against us, our strict procedures and processes of investigation are likely to identify false or inflated claims and ensure they are not paid.

## Have you got ICE in your mobile?

A recent idea from the East Anglian Ambulance NHS Trust has gained some good publicity following the terrorist attacks in London.

The idea is that you store the word "ICE" in your mobile phone address book, and against it you enter the name and number of the person you would like to be contacted "In Case of Emergency".

In an emergency, ambulance and hospital staff, or the police, will be able to make contact with your next of kin, or other emergency contact to inform them what has happened and where you are. If you have more than one contact, put in ICE1, ICE2, etc.





# Fuel for thought

**With petrol prices rising above the £1 a litre mark, many drivers will want to squeeze more miles out of the expensive fuel. And the way you drive your car can influence its economic performance.**



## Driving style

Drive smoothly, this will enable you to reduce fuel consumption by more than 10% in urban areas. Fuel is consumed far more quickly during hard acceleration so if you ease away when the lights go green, you stand to improve your mileage significantly.

Look further down the road and back off the accelerator if the traffic lights in the distance are red. Glide until you get the green and then accelerate moderately. This not only saves fuel but also your brake pads.

Changing the gears up early and driving in the highest practical gear can reduce fuel consumption by up to 25%.

Select your lane and stick with it. Studies have shown that changing lanes doesn't result in a significantly reduced travel time.

This will avoid constant surging as you speed into the open lanes. It will lower your fuel consumption as well as your blood pressure!

Avoid short journeys, especially in town as these use up more fuel.

## Use of accessories

When safe to do so, switch off accessories that are not necessary (e.g. rear screen demister, seat heaters). Use of air conditioning can increase your fuel consumption by up to 10%.

Check the boot and see if you're carrying around a lot of extra weight. By taking out the sacks of concrete and sets of golf clubs you will notice an improvement in your fuel economy.

If not needed, remove items such as roof racks. This will cut down wind resistance and save on fuel.

## Maintain your car

Have your car serviced at regular intervals.

Make sure the tyres are inflated to the correct pressure - under-inflated tyres can increase fuel consumption by up to 8%.

## Extra savings

Drive in off-peak hours - Sitting in traffic isn't much fun for either you or your car. Try adjusting your schedule to avoid the traffic jams. You'll save time and quite a lot of fuel.

Wouldn't you rather be doing something for yourself than burning fuel sitting in traffic?

# Safer travel to school

## And the best ways to reduce your fuel usage?

**Don't drive!** - Most people could walk or ride a bike a lot more than they do now. So look for local errands that can easily be done under your own steam.



A short walk might even be faster because you don't have to spend time finding a parking space and it will save fuel.

If practical, use the Park and Ride schemes to reduce in-town driving.



Three of the colour-coded buses in the NCC Park&Ride fleet

**Car sharing** - This will reduce the number of journeys for each vehicle and is environmentally friendly.

The Passenger Transport Unit (PTU) organises the transport of many thousands of school pupils between home and school, including pupils with special needs. These pupils can require different types of assistance and can present safety risks not always found with other pupils. To minimise the risks involved, the PTU is planning two new initiatives.

The Unit is running training sessions for Passenger Assistants (escorts) over the next year. The courses are designed to increase the skills of the passenger assistants, make them aware of their duties and responsibilities, give confidence and ultimately provide a safer journey to school for pupils with special needs.

Some sessions have already taken place during the May half term and summer holidays and feedback has been very positive.

In addition a specific course for taxi drivers will run from September to December this year. Drivers will receive training to enable them to deal with situations around safer transport for children with special needs. The course workbook will be recognised as evidence should the driver wish to progress to an NVQ.

The PTU Network Team is also undertaking risk assessments for pupils who are transported to special schools. The aim is to minimise the risk of incidents during the journey and provide a safer journey to school.

If you have any concerns or would like support or advice on safety related transport issues please call Dee Jackson, Safe Travel Manager on 01603 638167.

# Arson awareness seminar

As part of Norfolk Fire Service's remit to help protect the community, the Western Area of the county is planning an arson awareness seminar for early November this year. This will be free to attend.

The intention is to:

- **Raise awareness of arson within the community and especially how it can affect schools**
- **To give an insight, particularly to Head Teachers, into the Firesetter Education Scheme**
- **To introduce the role of the Local Risk Manager within the Fire Service**
- **To put the level of incidents in Norfolk into context**

The seminar will be a two hour evening session and is aimed at Head Teachers, Chairs of Governors and Chairs of Premises committees. Anyone wishing to attend or needing further information should contact Craig Campbell, Local Risk Manager, Western Area Fire Service on 01553 669840 or email [craig.campbell@fire.norfolk.gov.uk](mailto:craig.campbell@fire.norfolk.gov.uk).

## Jaguar Mailing (Franking Labels) — **Warning**

*As recently reported by Adult Social Services*

Jaguar Mailing are a company based in Liverpool that employ dubious selling tactics to persuade receptionists and front desk staff to take an order of overpriced franking labels. They then make it very expensive to return the labels when the error has been realised.

If they contact you, do not place any orders.

Franking machine labels should only be ordered from Neopost, the business that has the ESPO contract.

## Plea to schools

Our Claims Management section deals with several hundred property related insurance claims each year relating to damage or loss at schools. While most schools help us to deal with the claims promptly, there are some that cause delays.

Sometimes suppliers invoices are not passed onto us to pay for many weeks, meaning the supplier does not get paid. This also means that NCC's performance in paying suppliers on time is affected.

Other schools will pay the supplier directly but not pass the paperwork to us, meaning the school's cashflow is affected. Also, despite authorisation from us, some schools will not immediately replace the item, meaning our claims records have to be kept open, sometimes for many months.

Please help us to provide a prompt and efficient claims handling service.





# Reader survey

To enable us to provide you with the information and assistance that you need to manage your risks, it is important that **Risk News** continues to meet your requirements. We therefore wish to find out what you think about it.

We need your views to help us improve future issues and to provide you with a publication that you want. Please tick the relevant boxes and return the survey in the internal mail.

1 = very poor, 2 = poor, 3 = good, 4 = very good

How do you rate:-

1

2

3

4

(please tick)

the layout and style of the publication?

☐☐☐☐

the readability and length of the articles?

☐☐☐☐

the interest of the subjects mentioned?

☐☐☐☐

the usefulness/relevance of the items?

☐☐☐☐

How well has **Risk News** increased your understanding of risk management and made you more risk aware?

☐☐☐☐

If you would like any additional copies of **Risk News**, please indicate the number required

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**Risk News** is published in paper and electronic form. Do you wish to continue receiving a paper version?

Yes / No

Please use this box for any other comments, such as other improvements or additional articles you would like to see in future

**Please make the effort to return this survey.** You can, of course, remain anonymous if you wish. However, if you want extra copies, we do need to know where to send them.

Name \_\_\_\_\_  
Title \_\_\_\_\_  
Location \_\_\_\_\_  
Telephone no \_\_\_\_\_

Thank you



fold here

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to:-

JO HANSON  
RISK AND INSURANCE SECTION  
DEPARTMENT OF FINANCE  
COUNTY HALL  
NORWICH

# Are you ready to go to WAR?

**Much as many of you might gladly pack up your troubles in your old kit bags, dig out your Vera Lynn Greatest Hits LP (is there such a thing?) and take off, that's not the type of WAR we mean.....**

If you arrived for work tomorrow and found that there had been a problem with the pipes and the floor was under 18 inches of water (for example), where would you relocate so that you could continue to deliver a service?

The WAR we are referring to stands for Work Area Recovery location.

This should be identified by each team and documented in their business continuity plan. All NCC teams should have these plans in place, in order to ensure that we can continue to deliver a service in an incident that affects our ability to function. The continuance of critical service delivery is now a statutory duty under the Civil Contingencies Act of 2004.

Often, Work Area Recovery can be achieved very simply. A mutual aid agreement with NCC offices located in other areas might be the answer.

Once this approach has been decided, it is tempting to pick a location and leave it at

that. Take care however, to make sure there is a written agreement in place as part of the plan. If not, we could find that a dozen teams have had the same idea and all turn up at the same location after an incident, or that the relocation area had no idea that they have been identified as a recovery premises and are not prepared, or suitable.

It is also important to involve NPS in the process. A section on WAR is included in each Continuity Plan.

The Business Continuity Team at County Hall hold details of all WAR locations

already identified, and can produce an overall picture of teams' pre-identified recovery locations.

They also work on areas of corporate recovery – for example they are working on a plan to cover some PCs in the North Wing of County Hall on a generator so the ability to use them is not lost in a power failure. These machines could then

be used by critical services.

If your team does not have a continuity plan in place and you would like to develop one, please ring 01603 224404. Remember - there is only so long that the Council can afford to be without you. Identify your WAR!



If you need this newsletter in large print, audio, Braille, alternative format or in a different language, please contact the Helpline on 01603 223488 (minicom 223833) and we will do our best to help.



# Risky business

## Beware the ices of November

As if having to put the central heating on, the weather getting more miserable and Slade playing over the tannoy in the shops was not enough, it now seems early November is the riskiest time of the year.

- Burglaries increase by 25% above normal on November 5 as a lot of people are not in their houses and there is a lot of noise distractions to assist a thief.
- Early November sees an increase in road accidents as people are not used to driving home from work in the dark and so misjudge distance and speed. This is particularly true in the week after the clocks go back.
- Drink driving is more common than at any other time of the year.
- Road conditions start to deteriorate.



and this is before any injuries from fireworks!

## Driving for business

**Do you ever claim the business mileage allowance for driving your own vehicle while at work? Then read on.**

If you drive your own personal vehicle on NCC business you should check that you are properly insured to do so. The normal Social, Domestic and Pleasure category of motor insurance will usually exclude driving on your employers business. To be insured to do this, your insurance policy needs to have 'business cover' included and this can normally be added for no or very little extra premium.

The risk of not having business cover is that if you were to have a fault accident while driving on NCC business, your insurer might be entitled to refuse to pay for the damage to your vehicle.

If you do not already have this extra cover, you should contact your own insurer and get it added to your policy.

## Fuel tank thefts

As the price of diesel and heating oil seems to be increasing almost on a daily basis, the value of the fuel kept in outdoor tanks on our premises is also rising. This may increase the temptation for certain individuals out there to try to steal it.



Fuel tanks can be protected against theft of contents by fitting specialist locks to the outlet pipes or the outlet valves, normally for less than £75. If you believe your premises may be particularly vulnerable, either through remoteness or previous experience, this may prove a valuable investment.



**Insurance cover** - Fuel tank contents are **only** insured at schools and those premises where the department has opted to buy contents all risk cover. Most of our premises do not have this cover.

## And finally . . .

***If crooks were intelligent they really would be dangerous!***

A 26 year old man in Ontario planned to steal a shiny new car. Unfortunately for him, the car he picked was an unmarked police car and when he broke in, there were two policemen inside it!