Appendix G - Insurance Claims

Row Labels	Sum of Payments	Sum of Outstanding Estimate	Sum of Total Claim
2013	£4,919	£0	£4,919
2014	£30,192	£0	£30,192
2015	£35,051	£0	£35,051
2016	£908,950	£156,160	£1,065,111
2017	£533,984	£2,298	£536,283
2018	£1,019,403	£140,381	£1,159,784
2019	£849,336	£57,957	£907,293
2020	£577,097	£19,652	£596,749
2021	£494,882	£295,976	£790,858
2022	£529,264	£262,009	£791,273
2023	£220,996	£181,677	£402,674
2024	£179,666	£471,957	£651,622
2025	£81,168	£581,468	£662,635
2026	£6,096	£328,283	£334,379
	£5,471,005	**£2,497,818**	**£7,968,823**

This dataset shows the value of public liability / highways claims by year, split between payments already made and outstanding estimated liabilities. The trends would support a discussion around the financial impact of highway claims and the effectiveness of highway maintenance.

Analysis of Trends

Overall Trend

- Total claims amount to £7.97 million between 2013 and 2026.
- Of this:
  - £5.47 million (69%) has already been paid.
  - £2.50 million (31%) remains as outstanding estimated liabilities.

Historic Increase

- Claims were negligible prior to 2016, with annual liabilities below £40,000.
- A very significant increase occurred in 2016, when total claims exceeded £1.06 million.
- Claims remained consistently high between 2016 and 2022, averaging approximately £835,000 per year.

This period likely reflects:

- Higher numbers of historic highway claims reaching settlement;
- Severe winters and deteriorating network condition;
- Increasing compensation values; and/or
- Changes in insurance handling practices.

Recent Improvement- From 2023 onwards, the value of new claims has reduced substantially:

Year	Total Claim
2022	£791k
2023	£403k
2024	£652k
2025	£663k*
2026	£334k*

(*includes substantial outstanding estimates.)

This suggests the value of settled claims has fallen significantly; however, many recent claims remain open and are awaiting resolution.

Outstanding Liabilities: Outstanding estimates increase markedly in recent years:

Year	Outstanding
2022	£262k
2023	£182k
2024	£472k
2025	£581k
2026	£328k

This is expected because:

- Newer claims are less likely to have been settled;
- Estimates are revised as investigations progress.

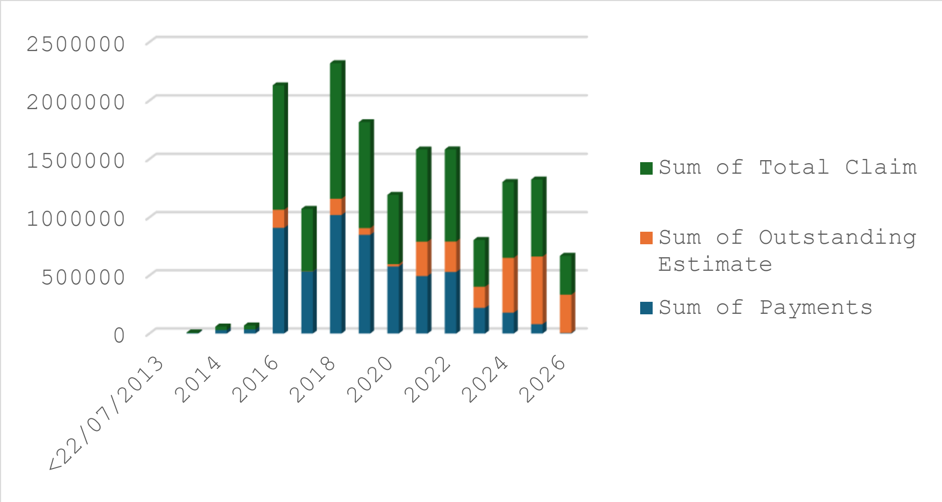
Consequently, the apparent reduction in payments for recent years should not yet be interpreted as a permanent reduction in total liabilities.

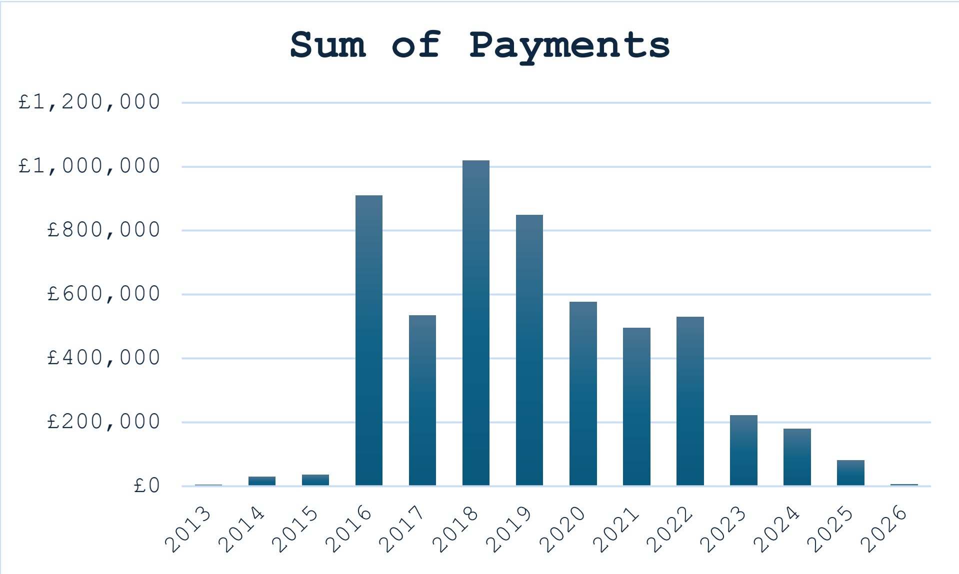
Long-Term Position

The data suggests three distinct periods:

- **2013–2015:** Very low claims.
- **2016–2022:** Sustained period of high claims averaging around **£0.8–1.2 million** annually.
- **2023 onwards:** Lower levels of claim costs, although a significant proportion remains outstanding.

If the recent reduction continues once outstanding claims are settled, it may indicate that increased investment in highway maintenance, improved inspection regimes and more proactive repairs are beginning to reduce the Council's financial exposure.





Benchmarking

Very little published benchmarking exists specifically for highway liability claims between London Boroughs. Most boroughs publish how to make a claim rather than the value or number of claims they receive. The most useful benchmarking sources are actually industry datasets rather than individual borough reports. The main sources are:

1. APSE Performance Networks

APSE operates a national highways benchmarking service covering over 170 authorities. It includes indicators such as:

- highway claims repudiation rates;
- inspection compliance;
- carriageway and footway condition;
- reactive maintenance performance;

- customer satisfaction; and
- cost and productivity measures.

Most of the detailed data is only available to participating councils.

2. ALARM/CIPFA Insurance Benchmarking

- Historically there was a CIPFA Insurance Benchmarking Club which included many London Boroughs.
- However, participation reduced and the exercise largely ceased because too few authorities submitted comparable data. A recent Royal Borough of Kensington & Chelsea report notes efforts to re-establish this benchmarking through ALARM.

3. Individual Transparency Publications

- A handful of councils publish annual highway claims datasets (for example Surrey County Council and Doncaster), but London boroughs generally do not publish comparable statistics.

Key Messages

- Approximately £8 million of highway-related claims have arisen since 2013.
- Around 69% has already been paid, with 31% still outstanding.
- Claim values peaked between 2016 and 2018, exceeding £1 million in some years.
- Payments have reduced significantly since 2023, although many recent claims remain unresolved.
- It is too early to conclude that liabilities have permanently reduced until outstanding claims are settled.
- Continued investment in planned highway maintenance should help reduce future claim frequencies and associated compensation costs over the longer term.