

Integration Joint Board

Report By: Chief Officer, Finance & Resources
Contact: John Dearden, Head of Business Administration
Tel: 0141 287 0934

Liability Arrangements - Clinical and other risks indemnity scheme (CNORIS)

Purpose of Report:	To advise the Board of the Clinical and others risks indemnity scheme - a risk transfer and financing scheme originally established for the NHS in Scotland which has now been extended to allow IJBs and local authorities to join.
---------------------------	--

Recommendations:	That the IJB seek membership of the CNORIS Scheme in relation to risks/liabilities of the Joint Board.
-------------------------	--

Implications for IJB:

Financial:	The scheme allows for a pooling of risk among member authorities. For IJBs the level of risk is low with the initial year costs estimated at £3,000 pro rata in 2015/16 depending on when the IJB was created.
-------------------	--

Personnel:	Provides indemnity cover in respect of members and officers of the IJB.
-------------------	---

Legal:	Arrangements are set out in The National Health Service (Clinical Negligence and Other Risks Indemnity Scheme) (Scotland) Regulations 2000 (as amended).
---------------	--

Economic Impact:	None
-------------------------	------

Sustainability:	None
------------------------	------

Sustainable Procurement and Article 19:	None
Equalities:	None
Implications for Glasgow City Council:	The Health Board is already a member of the Scheme and has agreed to meet the cost of IJB membership in the first year.
Implications for NHS Greater Glasgow & Clyde:	The Council would not be covered unless it makes separate application to join the Scheme

1.0 BACKGROUND

- 1.1 The objective of the Clinical and other Risk Indemnity Scheme (CNORIS) is to provide cost-effective risk pooling and claims management arrangements for those providing health and social care services across Scotland. The Scottish Government Health and Social Care Directorate (SGHSCD) fund all large losses (i.e. those which breach CNORIS scheme deductibles) during each financial year. At the end of the financial year, funds are collected from Members to pay back the deficit accrued in-year by SGHSCD.
- 1.2 In order to share the cost fairly between Members, clinical and non-clinical risk profiles are created which determine relative risks for each Member organisation. The total annual deficit is then shared between Members according to their proportion of the overall risk. In eliminating the need to forecast losses, or to reserve funds within the scheme, Members contribute to losses only during the period in which they have settled, enabling the service to retain funds for investment in health and social care for the longest possible period.

2.0 LEVEL OF INDEMNITY

- 2.1 The level of indemnity cover provided by CNORIS to Member organisations relates to Employer's Liability, Public / Product Liability and Professional Indemnity type risks. The level of cover provided is at least £5m Public Liability, £10m Employers' Liability and £1m Professional Indemnity. There is a £25,000 excess. CNORIS also provides cover in relation to Clinical Negligence. However, there are a number of exclusions, where CNORIS does not provide cover, such as for travel, property insurance, personal accidents and income generating activities. Most of these will not be relevant to the IJB, and the Council and the Health Board remain liable for claims relating to operational delivery.
- 2.2 The risks associated with Integration Joint Boards (IJBs) membership of CNORIS is considered low and an annual contribution of £3,000, payable each financial year; has been set. Notification of the contribution is confirmed in December for the following year. The contribution level has been assessed at this level due to the limited risks anticipated in relation to the statutory status of IJBs and CNORIS cover being provided mainly in

relation to indemnity for IJB Board members and officials i.e. Chief Officer. If other risks need to be covered subsequently, this figure would increase.

3.0 FINANCIAL IMPLICATIONS

- 3.1 The CNORIS Scheme provides a cost effective way of providing indemnity cover for the IJB should any significant claims be made against the Board. It has an established basis and is underwritten by the Scottish Government. On this basis it is recommended that the IJB make application to join the scheme.