

Title/Subject: Clinical Negligence and Other Risks Indemnity Scheme (CNORIS)
Meeting: Integration Joint Board
Date: 4 December 2015
Submitted By: Interim Chief Officer
Action: For Decision

1. INTRODUCTION

- 1.1 The purpose of this report is to seek approval to apply for the IJB to become a member of the Clinical Negligence and Other Risks Indemnity Scheme (CNORIS).

2. RECOMMENDATION

The Integration Joint Board

- 2.1 Note the contents of this report;
2.2 Agree to apply to Scottish Ministers to join the CNORIS.

3. BACKGROUND

3.1 CNORIS

- 3.1.1 The CNORIS is a risk transfer and financing scheme, which was established in 1999 for NHS organisations in Scotland to provide a cost-effective approach to 'insuring' the NHS against claims made against it. The decision to establish was taken against a background of rising costs for providing traditional insurance cover for medical practitioners.
- 3.1.2 NHS National Services Scotland is the scheme manager and its primary objective is to provide effective risk pooling and claims management arrangements for Scotland's NHS Boards and Special Health Boards.
- 3.1.3 The basic objectives of the Scheme are to:
- provide advice on clinical and non-clinical scheme coverage to all parts of the NHS in Scotland
 - support scheme members in an advisory capacity in order to reduce their risks

- indemnify its members against losses which qualify for scheme cover;
- allocate equitable contributions amongst our members to fund their qualifying losses
- provide members with scheme financial updates throughout the year to help with end-of-year budgeting; and
- help manage risk by providing members with clinical and non-clinical loss analysis throughout the year.

3.1.4 The Scottish Government Health and Social Care Directorate (SGHSCD) funds all large losses (i.e. those that breach CNORIS scheme deductibles, which is the equivalent of the policy excess in insurance terms) during each financial year.

3.1.5 At the end of the financial year, CNORIS collects funds from members to pay back the deficit accrued in-year by SGHSCD. In order to share the cost fairly between members, clinical and non-clinical risk profiles are created which determine relative risks for each organisation. The total annual deficit is then shared between members according to their proportion of the overall risk.

3.2 LEGISLATION

3.2.1 Part 2 of the Public Bodies (Joint Working) (Scotland) Act provides for the extension of CNORIS under Section 85B of the National Health Service (Scotland) Act 1978 (schemes for meeting liabilities of health service bodies) to local authorities and integration joint boards.

3.2.2 IJBs can apply to Scottish Ministers to become a member. This includes cover with respect to health and social care functions in so far as the IJB is concerned.

3.2.3 Local authorities can apply separately with respect to the operational management of social care functions. Separate risk profiles and costing arrangements will be developed.

3.3 COVER PROVIDED

3.3.1 CNORIS provides a wide range of covers, similar to traditional insurance packages, for each of its members. These include, amongst others, the core Clinical Negligence cover, but also Employers Liability and Public / Product Liability. Appendix 1 contains further details of the cover available.

3.4 REASON COVER IS REQUIRED

3.4.1 Operational delivery of services remains with the Health Board and Council following delegation to the Health Board. However, there is a low risk that a claim could be made against the IJB in respect of decisions made in the course of its business.

- 3.4.2 Membership of CNORIS would also provide cover in respect of any claim made against the IJB itself in terms of Officers and Officials Indemnity.

4.0 CONCLUSIONS

- 4.1 Although the risk of claims being made directly against the IJB is low, it would be prudent to have some cover should claims arise. The Council has mature insurance arrangements. Discussions with its insurance advisors indicate that there will not be any cost effective coverage available for IJB in the insurance market. The payment noted as paragraph 5 is thought to be reasonable in the circumstances.

5.0 RESOURCE IMPLICATIONS

- 5.1 The initial annual cost for IJBs to join is £3,000. This is based on an initial assessment of the likely risk during year 1 and on the arrangements for a comparator organisation already within CNORIS. It should be noted, however, that there is a requirement to join for a minimum of 4 years.

Impact on IJB Outcomes, Priorities and Outcomes

A statement regarding how the subject links with / contributes to the local integration outcomes and principles and also links with any national or local policy.

Legal & Risk Implications

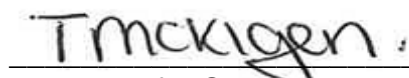
Although operational service delivery remains with the Health Board and Council there is a low risk that a claim is made against the IJB.

Consultation

Not carried out.

Equalities Assessment

Not carried out.



Approved for Submission by:

**Author – Tracey McKigen, Interim Chief Officer of Health and Social Care,
Falkirk Council**

Date: 23rd November 2015

List of Background Papers: Appendix 1

Appendix 1

Clinical Negligence and Other Risks Indemnity Scheme



CNORIS

Confirmation of Cover 2015/16

The following organisations are covered by the Clinical Negligence and Other Risks Indemnity Scheme (CNORIS) for all Health Services in Scotland and for Health and Social care services covered by Integration schemes.

NHS Ayrshire & Arran

East Ayrshire Integrated Joint Board

North Ayrshire Integrated Joint Board

South Ayrshire Integrated Joint Board

NHS Borders

NHS Dumfries & Galloway

NHS Education

NHS Fife

NHS Forth Valley

NHS Grampian

NHS Greater Glasgow & Clyde

NHS Health Scotland

NHS Highland

NHS Lanarkshire

NHS Lothian

Mental Welfare Commission for Scotland

National Services Scotland

National Waiting Times Centre

NHS Orkney

NHS Quality Improvement Scotland

Scottish Ambulance Service

NHS Shetland

The State Hospital

NHS Tayside

NHS Western Isles

NHS 24

A handwritten signature in cursive script, reading 'Deirdre Evans'.

Mrs Deirdre Evans
CNORIS Scheme Director
NHS National Services Scotland
May 2015

Version: 2.0 (May 2015)
Author: NHS National Services Scotland

Purpose of this Guidance Note

There will be occasions when CNORIS scheme members are required to confirm the extent of cover available to them under the Clinical Negligence and Other Risks Indemnity Scheme (CNORIS). This guidance note sets out the cover for the listed Members, and can be provided to external organisations as Members see fit. This guidance is effective from 1 April 2015 until 31 March 2016 inclusive.

Introduction

In my capacity as CNORIS Scheme Director, I can confirm that with effect from 1 April 2015, the bodies listed herein are admitted Members of CNORIS, which has been created by authority of the Scottish Ministers.

CNORIS is subject to scheme rules and governed by the National Health Service (Clinical Negligence and Other Risks Indemnity Scheme) (Scotland) Amendment Regulations 2015.

Cover

General:

CNORIS provides indemnity to Member organisations in relation to Employer's Liability, Public / Product Liability and Professional Indemnity type risks (inter alia). The level of cover provided is at least £5m Public Liability, £10m Employers Liability, and £1m Professional Indemnity. The Scheme will provide "Indemnity to Principal" where required. CNORIS also provides cover in relation to Clinical Negligence.

Work Experience and Student Placements:

CNORIS provides indemnity to Member organisations in relation to their legal liability associated with work experience recruits of whatever age acting on behalf of the Member organisations. CNORIS will similarly provide indemnity to member organisations in relation to their legal liability associated with students working with the Member organisation on placement from an educational establishment.

Volunteers:

CNORIS provides indemnity in relation to legal liability of Member organisations associated with volunteers of whatever age acting directly on behalf of the Member organisation. For the avoidance of doubt, no cover is provided in relation to voluntary organisations.

Further Information

For further information please contact

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