



Bord Measúnaithe  
Díobhála Pearsanta  
*Personal Injuries  
Assessment Board*

Personal Injuries Assessment Board  
**Annual Report 2016**

We ensure fair  
and transparent  
injury assessment



Who we are...

The Personal Injuries  
Assessment Board  
(PIAB) is Ireland's  
independent  
state body which  
assesses personal  
injury compensation



# Contents

Key Statistics – 2016	2
Chairperson’s Statement	4
Chief Executive’s Review	5
What We Do	8
PIAB at a Glance	9
Operational Review	10
Fairly and accurately assessing compensation	11
Delivering lowest possible administration costs	14
Promoting culture of innovation, excellence and efficiency	15
Advancing superior customer service	16
Contributing positively to claims resolution environment	17
Our People	19
Corporate Governance	20
Financial Statements	25
Appendices	47



## Key Statistics – 2016

Total number  
of applications

**34,056**

Increase in Applications  
over 2015

**+1.5%**

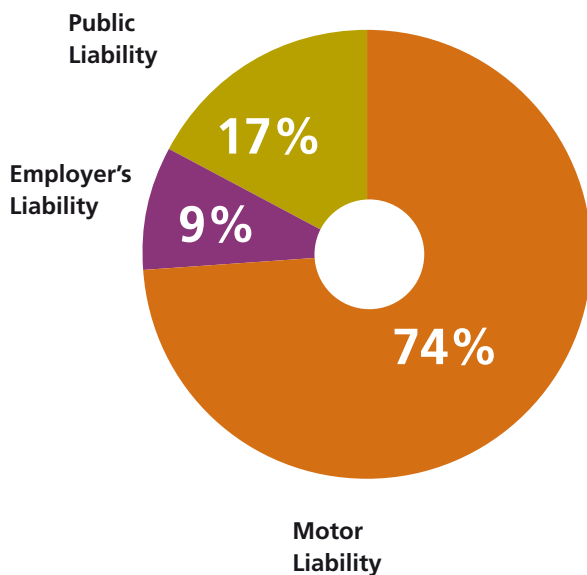
Total number  
of awards

**12,966**

Value of  
Awards

**€3 15.13m**

Awards by  
category



Average  
Award

**€24,305**

Highest  
Award

**€740,968**

## Key Statistics – 2016

Average  
processing time

**7.1 Months**

Delivery  
Costs %

**6.4%**

Medical  
Examinations  
Arranged

**27,910**

Calls to  
Service Centre

**52,570**

Website  
visits

**225,731**



# Chairperson's Statement



Ireland's personal injuries system is vitally important to the State's social and economic development.

This is even more important in a situation where Ireland must maintain and increase its international competitiveness to respond to changing and uncertain macro-economic conditions. This is especially true when motorists and businesses are facing high insurance costs.

We in the Personal Injuries Assessment Board are committed to playing an active and progressive role in responding to those issues. During 2016, we worked very hard on that, and we believe the progress made by the Government and all stakeholders on the issue of insurance costs will bring positive results.

Last year was a busy one marked by continued progress for PIAB. Our highly experienced staff continued to process claims efficiently and promptly. The organisation continued to fund its operations, keeping overall processing costs at historically low levels. PIAB is run in a prudent and efficient manner, with no need for any Exchequer funding. We are an organisation wholly-owned by the State and operate for its benefit and that of our customers.

PIAB's strong financial and operational performance over the past year is a credit to our Chief Executive, Conor O'Brien and the management and staff of the organisation. Their commitment and focus on quality has ensured that all of the key performance indicators and statutory obligations of the organisation have been maintained and that its strategic objectives are on target.

I wish to thank the members of the Board for their wholehearted contribution during the year. I wish to thank Mick Stewart, whose term of office as a Board member concluded during 2016.

A key event during the year was the publication of the revised Book of Quantum. It is the most detailed and comprehensive research to date on the levels of damages being awarded for personal injuries in Ireland as a result of road traffic, workplace and public liability accidents.

It was a PIAB initiative and its launch was welcomed by the President of the High Court, Mr Justice Peter Kelly. It provides updated and detailed information and is based on independent statistical analysis. If used widely, it will help bring about more predictable and consistent personal injuries awards and settlements in Ireland.

PIAB was pleased to actively participate in the Department of Finance Working Group on the Cost of Insurance in 2016, and welcomed its recommendations. We are strongly supportive of the work of the new Personal Injuries Commission and believe that it will have a positive effect on further strengthening the personal injuries compensation framework in Ireland.

I wish to thank the Minister for Jobs, Enterprise and Innovation, Mary Mitchell O'Connor T.D., for her support during the year and also wish to express my gratitude to her officials for their work in relation to PIAB legislation and governance.

I am confident that 2016 will be seen in the future as a watershed year – much as 2003 was, with the advent of the original Personal Injuries Assessment Board Act – for the development and strengthening of a fair and efficient injury compensation system in Ireland.

I am pleased to present the 2016 Personal Injuries Assessment Board Annual Report.

A handwritten signature in black ink, appearing to read 'Dermot Divilly'. The signature is fluid and cursive, with a long, sweeping tail on the final letter.

**Dermot Divilly**  
*Chairperson*

# Chief Executive's Review



2016 was a year of continued delivery for PIAB.

For the 12th successive year, we covered our day-to-day costs. Our operation resulted in major savings in the cost of processing injury claims in Ireland through claims not going into the litigation system.

The mission statement of PIAB is “to facilitate the delivery of compensation in a fair, prompt and transparent manner for the benefit of society overall.”

We continued to deliver on that mission during 2016:

- We managed 34,056 personal injury claims and made 12,966 formal awards;
- We achieved an average claims processing timeframe of 7.1 months – well below the statutory 9 month timeline, and at a cost of 6.4% of accepted awards; and
- We awarded total compensation for accident victims of €315.13 million.

We also delivered on the organisation's statutory obligations and on continuing to progress our strategic objectives. Later in the Annual Report we provide detail on our progress towards those strategic objectives, but I outline below some of the key points during the year.

## Serving our customers

During 2016, PIAB continued to make significant progress on its core responsibility of assessing claims in a timely, efficient, and cost effective manner, and providing its customers and stakeholders with a high quality, reliable service.

- Our customers include *claimants* who have suffered injuries in accidents on the road, in their workplace or in public places. The severity of those injuries can range significantly – from those where treatment results in a return to full health in a short time, to others who suffer extremely serious and life-changing injuries. We in PIAB wish anyone who has suffered an injury a full recovery and good progress with their medical treatment.
- Our customers also include the *respondents* in claims (those people or organisations who the claimant states are liable or responsible for that accident). In the same way as claimants, respondents also need us to provide them with clear information they can use to make decisions in relation to the process, whether they consent to our assessing the claim or not.
- The third key group of customers and stakeholders is *Irish society – motorists and businesses*, and everyone who pays insurance premiums either directly or indirectly. They rely upon PIAB to provide an alternative, non-adversarial system which means people can avoid the time delay and often heavy costs of litigation in injury compensation.

## Major initiatives

Major initiatives within PIAB which took place during 2016 included a Process Review which looked at improvements to the way PIAB handles cases, and which will increase efficiency to the benefit of all of our customers and stakeholders.

This work included detailed analysis of the current processes, Management Information Systems, Information and Computer Technology and changes which could improve our processes from the point of view of users.

# Chief Executive's Review

The project to develop a new web portal commenced in 2016 and will be concluded in 2017 with dedicated web-based systems for claimants, legal and medical professionals, and insurers, to upload and access documents and see live information on the progress of claims.

Users of the web portals will have an overview of respective claims submitted, or correspondence and forms, and will be able to speedily and easily upload and download documents in real time. There will be a reduction in paper document storage and administration, allied with improved efficiency.

## Working Group on Insurance Costs

A very positive and important development during 2016 was the establishment by the Department of Finance of the Cost of Insurance Working Group, chaired by Minister of State Eoghan Murphy T.D., which undertook a review of the factors which are influencing the increased cost of motor insurance. It produced interim findings during 2016 and its final Report was produced early in 2017. PIAB actively participated in the group and its report was supportive of our model.

We welcomed the findings of the report and the actions proposed. The report was supportive of the low cost, efficient and non-adversarial model operated by PIAB.

We were also very pleased to engage with the Joint Oireachtas Committee on Finance, Public Expenditure and Reform, and of the Taoiseach. The Committee conducted detailed hearings on the cost of motor insurance, with a wide range of stakeholders presenting to the Committee, including PIAB. The Committee's report identified many useful areas where actions can be taken in relation to insurance costs. It strongly supported the provision of more transparent information in the area of insurance claims and settlements.

## Book of Quantum

In October, we published the most comprehensive and detailed research to date, on the levels of damages being awarded for personal injuries in Ireland as a result of road traffic, workplace and public liability accidents.

The purpose of the publication is to reflect the prevailing levels of compensation in personal injury claims across the entire market. The figures reflect the reality of prevailing award levels. As such, formally collating and publishing this data should have a stabilising effect on award levels. If adopted by all parties dealing with personal injury claims, the guidelines should ensure the level of damages is more predictable and consistent throughout the injury compensation system.

Its launch was welcomed by Mr Justice Peter Kelly, President of the High Court, who stated: "The new Book of Quantum will provide important data to all of those making awards or agreeing settlements in personal injuries cases."

Work will commence on the production of the next revision of the Book of Quantum during 2017 and it is intended that future revisions will be published every two to three years.

## Stakeholder engagement

Throughout 2016, we engaged closely with a wide range of stakeholders including Insurance Ireland, the Law Society of Ireland, the Bar Council, the Courts Service, IBEC, the Irish Congress of Trade Unions, the Central Bank of Ireland, RGDATA, the Irish Brokers Association, the Road Safety Authority, the Health and Safety Authority, the Consumers' Association of Ireland, the Society of the Irish Motor Industry, the Institute of Actuaries, the Licensed Vintners' Association, the Vintners Federation of Ireland, ISME, AA Ireland, the Irish College of General Practitioners, and the Irish Road Haulage Association. We also had regular meetings with individual insurance companies, and with members of the legal and medical professions. These meetings have made a valuable contribution to the discussion on the cost of insurance and I thank all of those bodies and other stakeholders we met during the year.



## Safety campaigns

In the past, there has been evidence that when economic growth took place, and when unemployment reduced and vehicle traffic grew, there was also an increase in accidents. Along with other stakeholders we believe it is important to de-couple those factors from accident levels. Road Safety Authority and Health and Safety Authority statistics show that there were 187 fatal road collisions in Ireland last year, while 45 people were killed in workplace accidents. Many more of those involved in accidents suffered serious injury.

As well as the cost of rehabilitation and damages, accidents can have life-changing and tragic consequences for individuals, their families and for society. This means that greater safety consciousness is needed in workplaces, on the roads and in public places, by all of us. During 2016, we in PIAB used our social media and web channels to consistently support safety campaigns by the Road Safety Authority and the Health and Safety Authority, as well as An Garda Síochána and the European Traffic Police Network (TISPOL), and we will continue our support in 2017.

## People

We have highly-experienced and committed people with expertise in a wide range of areas which are essential to our operations. It is important to state that, without their hard work and high quality performance, the achievements of the past year would not have been possible. I would like to thank them sincerely for their contribution and commitment.

## Conclusion

I thank the Chairperson of PIAB and the other members of the Board for their support and input during the year.

I wish to also express my thanks to Minister Mary Mitchell O'Connor T.D. and to the staff in her Department for their support and assistance during the year.

PIAB will continue its work of assessing claims quickly, efficiently and fairly during the coming years. We are highly supportive of the work of the Department of Finance Working Group on the Cost of Insurance and of the Personal Injuries Commission (PIC) and have a close involvement in their work. We believe that, as the recommendations of the Working Group are implemented and in particular with the advent of the PIC, progress will be made which will benefit policy holders, businesses and consumers.



**Conor O'Brien**  
*Chief Executive*

## What We Do

We facilitate a **fair and transparent** personal injuries assessment process in which claims are resolved at a **low delivery cost** and in a **timely and non-adversarial** manner.

We **engage with all parties and stakeholders** in the claims resolution process in a straight-forward and efficient way.

Our model is a positive one **for society as a whole** as it delivers compensation more quickly, with lower costs and predictable outcomes.



## PIAB at a Glance

PIAB is Ireland's independent State body which assesses personal injuries compensation in a timely and cost-efficient manner.

PIAB assesses compensation in respect of personal injuries suffered by people in motor accidents, work place accidents and public liability accidents.

All personal injury claims must come through PIAB, unless settled early between claimants and insurers/respondents.

PIAB has assessed more than 100,000 cases since it was set up in 2004 and over 60 per cent of claimants have accepted its assessments.

The average time to assess in 2016 was 7.1 months and the average delivery cost was 6.4% of awards.

Claims may be resolved by: direct settlement between the parties, a PIAB assessment, or litigation. Court decisions ultimately determine overall damages levels and the PIAB model preserves the constitutional right of access to the courts.

Insurers/respondents are charged a €600 fee per case for the PIAB service and claimants are charged €45. Upon consent to assess from the respondent, most PIAB cases are handled within 7 months. In comparison, cases will incur significantly higher processing costs if they proceed to litigation and can take significantly longer to reach a conclusion.

Claimants can deal with PIAB directly or choose to engage the services of a solicitor to deal with us on their behalf – however, they generally must bear any associated legal costs.

We publish transparent information, the most comprehensive available in relation to personal injury claims in Ireland, including the Book of Quantum.

By publishing this data transparently, and because its model results in more predictable costs of claims, PIAB contributes to a more efficient personal injuries compensation system in Ireland.

## Operational Review

### PIAB Strategic Objectives:

- To assess fairly and accurately the amount of compensation entitlement in personal injury claims within the remit of the Personal Injuries Assessment Board in a timely manner.
- To promote the lowest possible administration costs associated with the resolution of personal injury claims.
- To promote a culture of innovation and excellence, fostering an efficient, flexible organisation with motivated and skilled staff and maximising the positive impact of technology.
- To promote and advance a superior customer service, focussed on making information about our services accessible to all, supported by a transparent and accessible claims assessment process and a cost-effective organisation.
- To continue to contribute positively to the changing personal injury claims resolution environment in Ireland through greater use of the Board's non-adversarial model.

# Fairly and accurately assessing compensation

All personal injury claims (with exceptions set out in the *Personal Injuries Assessment Board Act 2003*) must be submitted to PIAB, unless they are settled early between claimants and insurers/respondents. Claimants can deal directly with PIAB or they may ask a third party, including solicitors, to submit their claim on their behalf. Claimants generally must bear any legal costs.

PIAB assesses compensation payable for personal injuries sustained as a result of a motor, workplace or public liability accident. All such cases must be submitted to PIAB unless resolved at an earlier stage between the parties. Where the respondent (the party against whom the claim is made) consents to an assessment being made by PIAB, the assessment is completed promptly – within an average of seven months in 2016. In 2016 the total number of applications to PIAB was 34,056 showing an increase of 1.5% on the 2015 figure of 33,561. Motor claims volumes reduced from 19,812 in 2015 to 19,633 in 2016. There was an increase in Public Liability claims volumes (from 8,906 in 2015 to 9,182 last year) and an increase in Employers' Liability claims volumes (from 4,843 in 2015 to 5,241 in 2016). Where both parties accept the assessment, the matter is resolved without recourse to litigation, resulting in legally enforceable awards on a par with the Courts. In 2016, PIAB made 12,966 awards for compensation with a value of €315.13 million.

A PIAB award is the financial compensation payable to an individual who suffers a personal injury. It includes two types of damages. These are General Damages for pain and suffering caused by the injury, and Special Damages for financial loss – both to date and into the future e.g. loss of wages, cost of medical care etc. Awards data in this report relates to the total value of an award and does not differentiate between General and Special Damages.

General Damages are assessed using The Book of Quantum, a guide to compensation levels in Ireland (available at [www.injuriesboard.ie](http://www.injuriesboard.ie)) to which the Courts are also required to have regard under the *Civil Liability & Courts Act 2004*. During the year a revised Book of Quantum was published.

## Awards volumes and values

Set up in 2004, PIAB made its first awards in 2005. Table 1.1 sets out the number and value of awards made each year since 2006.

	<b>No. of Awards</b>	<b>Value of Awards</b>
2016	12,966	€315.13m
2015	11,734	€268.45m
2014	12,420	€281.21m
2013	10,656	€243.46m
2012	10,136	€217.94m
2011	9,833	€209.83m
2010	8,380	€186.63m
2009	8,643	€200.22m
2008	8,845	€217.16m
2007	8,208	€181.04m
2006	5,573	€115.28m
<b>Total</b>	<b>107,394</b>	<b>€2,436.35m</b>

	<b>%</b>	<b>Volume</b>	<b>Average value</b>
Motor Liability	74%	9,564	€22,454
Employers' Liability	9%	1,158	€35,159
Public Liability	17%	2,244	€26,592

# Fairly and accurately assessing compensation

## Value of Awards by Category

	2016	2015
Motor Liability	€22,454	€21,470
Employers' Liability	€35,159	€31,267
Public Liability	€26,592	€25,213
Overall average	<b>€24,305</b>	€22,878

Figure 1.2 shows the average value of awards by each of the categories in 2016 i.e. Motor Liability, Employer's Liability and Public Liability. The average award was €24,305. The volume of cases in each claim category can vary year to year reflecting changes in the economic environment and the flow of new claims. Changes in volume of claims, category and severity each year can cause a variation in the average award. The average award in 2016 increased over the previous year's figure.

During 2016, and in line with earlier years, average awards in the Employer's Liability category were higher than in the other categories reflecting the often more serious and complex nature of the injuries sustained in workplace accidents.

## Range of Awards

The highest award in 2016 was €740,968.

Over half of all PIAB awards in 2016 were under €20,000 (6,886 cases).

The large majority (88%) of personal injury awards in 2016 were under €38,000 in award value.

114 claims saw awards of over €100,000, as shown in Table 1.2.

Table 1.2 Breakdown of Total No. of Awards in 2016 (by Value and Claim Category)

Average Value Category (€'s)	Motor Liability	Employer's Liability	Public Liability	Total
<20k	5,502	419	965	<b>6,886</b>
20-38k	3,197	449	868	<b>4,514</b>
38-100k	801	262	389	<b>1,452</b>
>100k	64	28	22	<b>114</b>
<b>All</b>	<b>9,564</b>	<b>1,158</b>	<b>2,244</b>	<b>12,966</b>

Table 1.3

DUBLIN	2016 Average Award
<b>Motor Liability</b>	€20,631
<b>Employer's Liability</b>	€31,384
<b>Public Liability</b>	€24,048
REST OF LEINSTER	2016 Average Award
<b>Motor Liability</b>	€23,937
<b>Employer's Liability</b>	€38,446
<b>Public Liability</b>	€29,311
CONNAUGHT/ ULSTER	2016 Average Award
<b>Motor Liability</b>	€25,024
<b>Employer's Liability</b>	€37,882
<b>Public Liability</b>	€29,574
MUNSTER	2016 Average Award
<b>Motor Liability</b>	€22,069
<b>Employer's Liability</b>	€34,219
<b>Public Liability</b>	€26,678

# Fairly and accurately assessing compensation

## Average Award by Region/Category

Table 1.3 and tables in the appendices of this report show the breakdown of the average award by category on a regional basis. Employer's Liability awards are typically of higher value due to the nature of the injuries sustained in workplace accidents. Regional variations are reflected in the particular nature of the accidents involved. A detailed analysis of awards by region and county can be found in the Appendix.

## Assessment Timeline

PIAB is obliged, under its 2003 Act, to assess claims within 9 months of a respondent's (those responding to claims – mostly insurers on behalf of policyholders) consent to the assessment process. There are exceptional circumstances in which the 9 month time limit can be extended. The 2016 results for PIAB show that average time from Date of Consent to Date of Award was 7.1 months.

# Delivering lowest possible administration costs

Once again, in 2016, the organisation operated at nil cost to the Exchequer. It does not draw down funds and in addition contributes significantly to the economy in terms of tax, through purchase of goods and services through public procurement. PIAB's income is derived from the fees it charges, primarily on respondents (or their insurers) with a modest application fee levied on claimants. The current fees are €600 for respondents and €45 for claimants, and are set by legislation.

## Efficiency Focus

There was a continued focus in 2016 on securing value for money in the supplies and services procured by PIAB. Competitive tendering and Central Government contracts were used in order to achieve savings and efficiencies.

## Cost Savings

In 2016, PIAB delivered the current level of compensation at a delivery cost of 6.4%. Our delivery costs are not based on a percentage of the amount of the award but are predominantly fixed fees. This is a reduction on the previous year's figure which was 6.5%.

The more cases that can be processed through PIAB's low cost model the greater the impact on overall claims costs which are a contributing factor to insurance premium levels. This was acknowledged in the Department of Finance Cost of Insurance Working Group Report as referred to earlier.

In 2016, 7,071 awards were accepted by customers of PIAB (claimants and respondents), as shown in Table 2.1 below.

## Review of Energy Usage in 2016

As a public sector agency, we are fully committed to playing our part in the achievement of energy efficiency (reduction) targets, currently 33% across the public sector, by 2020. In this regard, we appointed an Energy Management Team who developed an Energy Policy, which was adopted in 2011.

## Energy Usage 2016

In 2016, PIAB consumed 209,950 KWh of energy, consisting solely of electricity use. This represents a 1,700KWh increase on usage in 2015.

## Actions Undertaken in 2016

We completed a tendering process in conjunction with the OPW for a building refurbishment project to include replacing and upgrading the Air Conditioning and lighting systems. These new upgraded systems will offer savings in terms of energy efficiency.

We maintained previous actions including:

- On-going staff awareness programme relating to energy conservation

## Actions Planned for 2017

In 2017, we intend to complete the Building Refurbishment project by;

- Implementing, replacing and upgrading of the Air Conditioning system.
- Replacing and upgrading the lighting system
- Conducting ongoing staff awareness programmes relating to energy conservation.

**Table 2.1 Total Number and Value of PIAB Accepted Awards**

	2016	2015	2014	2013	2012
No. of Accepted Awards	7,071	6,716	7,519	6,476	6,124
Total Value of Accepted Awards	€168.68m	€151.35m	€165.97m	€142.57m	€127.62m
Total PIAB Delivery Costs	€10.72m	€9.84m	€11.17m	€10.76m	€11.47m



# Promoting culture of innovation, excellence and efficiency

## Information & Communications Technology

Information and Communications Technology is a key enabler for PIAB. Our strategy is to continue investing in ICT to support the work of the organisation, the needs of our customers and to increase efficiency.

The organisation understands the need to continually review this area. We maintain awareness of current developments in the relevant ICT areas including data management, data processing, security and data protection, by continually investing in this area.

As a public service organisation, we are supportive of government strategy in the area of e-government and e-commerce, and where possible we are committed to utilising technology to allow people to use our services via online platforms and digital self-service systems.

## Investment

Our investments in the ICT area include upgrading and replacing hardware and software, along with the use of specialist services to augment our in-house expertise in a cost-efficient and effective way. It also involves providing training and briefing across the organisation in relevant information technology topics. We aim to achieve not just compliance but also to match best practice in the implementation of information technology.

## Web Portals

In 2016 we completed a tendering process for the provision of the Development, Implementation and Support of a web portal solution. The contract was awarded to Webfactory. A web portal solution will offer online self service functionality to our customers and stakeholder groups including claimants, respondents, legal and medical community. This project which significantly advanced in 2016 will be rolled out in 2017.

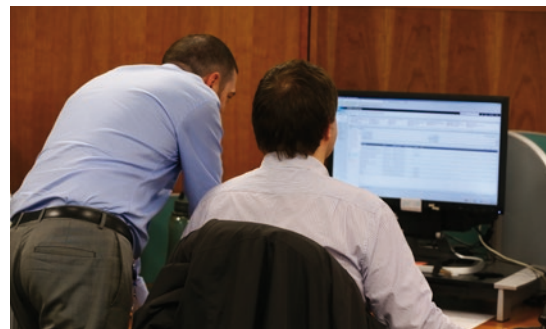
## IT Infrastructure

We started a key project to move our IT infrastructure to a fully managed service model during 2016. This is expected to be completed during 2017.

PIAB invested further in IT security and systems monitoring during the year. We engaged the services of a specialist IT company who assisted PIAB in completing a review of this area and a number of initiatives were completed.

## Process Review

In 2016 we completed a tendering process for the provision of a business process review. We utilised a Framework Agreement established by the Office of Government Procurement. The contract was awarded to PWC. The purpose of the review was to carry out a detailed analysis of the current PIAB processes from an operational and technical perspective to include the use of technology and to identify efficiencies and cost savings that have the potential to improve the process and procedures for the delivery of the Boards statutory obligations under the Personal Injuries Assessment Board legislation. The initial review and report was completed in 2016 with feasibility study and implementation of agreed recommendations scheduled to commence in 2017.



## Facilities

The Board occupies two floors at Grain House, Exchange Hall, Belgard Square North, Tallaght, Dublin 24. The premises are leased by the Office of Public Works (OPW) and the lease costs are borne by the Board under an oral tenancy agreement. During the year we engaged with the OPW in relation to the procurement of a contractor to complete a general refurbishment of the Board's premises including the upgrading and replacement of the Air Conditioning system. To facilitate these refurbishment works the Board entered a short term lease at Broomhill Business Centre, Tallaght, Dublin 24. The procurement exercise was completed by OPW late 2016 with the appointment of a successful contractor. The work is scheduled to be completed in 2017.

# Advancing superior customer service



The Board's model is a user-friendly administrative and paper-based system with no oral hearings or adversarial processes and we make many supports available to claimants wishing to handle their claim themselves.

Customer service is a key priority for PIAB. Our engagement is delivered through personnel in the front line Service Centre in Clonakilty, Co. Cork, and through activities completed by the Assessment Centre teams in Dublin. PIAB's Service Centre provides:

- Detailed information and assistance to potential claimants and respondents in progressing claims;
- Detailed guidance and assistance to claimants completing applications; and
- Availability to speak to personnel on Lo-call number 1890 829 121 from 8am to 8pm Monday to Friday.

The Service Centre also deals with other Agents e.g. Solicitors, Insurance Companies, Doctors and Specialists.

In 2016, we continued to provide a transparent and accessible claims assessment process through the Service Centre.

During the year, the Service Centre handled 52,570 telephone calls, 278,134 items of post, and 97,897 emails. In addition, the Service Centre received and processed 10,500 faxes. 27,910 medical appointments with members of our independent medical panel were arranged by the Service Centre in 2016 to support timely assessments.

The Service Centre assists claimants with particular needs, e.g. linguistic or other requirements. Feedback from customers who contacted our helpline is very positive with high satisfaction levels recorded in surveys.

In addition to claims made on behalf of claimants by their representatives, there were 1,805 claims made directly by claimants in 2016.

## Website

PIAB's website [www.injuriesboard.ie](http://www.injuriesboard.ie) is a primary focus for engagement and information sharing with our customers. The site provides customer focussed elements including online options to submit claims directly. Changes to the website to make the information it carries more accessible were carried out during 2016 and a further update of the site will take place in 2017.



In 2016 there were 225,731 visits to the PIAB website.

As we move to increased use of the website and of web portals to make claims, there are already a significant number of people using our site to make applications. 858 people made online claims using our website during 2016.

We annually survey a sample of customers dealing with PIAB and those surveys have shown consistently positive results. We also carry out public market research to ascertain levels of awareness of PIAB and the services it provides.

# Contributing positively to the claims resolution environment

Before PIAB was established, a claimant who had suffered a personal injury had no alternative but to pursue their claim through the litigation system.

PIAB's non-adversarial model delivers settlements to claimants in a time which is much quicker and at a cost which is far lower than other methods. Total PIAB delivery costs during 2016 were €10.71 million. This shows very significant savings, when compared to costs which would have resulted in litigation system for those cases, had they been pursued.



## Claims and Policy Insights

In fulfilling our remit to deliver compensation awards, we gather substantial data on injuries and the circumstances of accidents in a wide variety of settings. Access to this anonymised data provides an important insight into the types of injuries people sustain and the nature of the accidents in which they are involved.

This statistical information can be particularly useful to those responsible for risk management and accident prevention, including other State Agencies. Such insights can also be of value to the general public by enabling PIAB to highlight risks as well as emerging insights on rehabilitation measures and policies. We continue to examine whether we can harness claims data to better prevent or reduce the impact of accidents, i.e. accident frequency and or severity.

It is our objective in PIAB to continue to contribute positively to the changing personal injury claims resolution environment in Ireland through greater use of the Board's non-adversarial model.

We do this by providing information transparently to policymakers which assists their work. We also do this by providing factual information and explanatory material to people who have experienced an accident and who have the option of using our model.

PIAB believes that there is a need for transparent data on cases settled outside the PIAB or court process, in order to provide the full picture of claims data. PIAB welcomes that recommendation from the Cost of Insurance Working Group on this issue.

## Stakeholders

We also provide information to a wide range of stakeholders from the business, legal and insurance sector and consumer areas, and to academic specialists in the injuries compensation and insurance areas. We attend and participate actively in conferences and seminars and provide our insight on areas where improvements can be made. During 2016, we had a stand at the National Ploughing Championships where PIAB staff provided information to those in attendance. We also attended meetings of medical organisations and insurance sector groups.

During 2016, we provided briefing to organisations in the grocery sector, to large industrial concerns, SMEs, and organisations in the motor and hospitality trade, and health and safety area. We also presented at events including the Irish Brokers Association's Annual General Conference, meetings of the Health and Safety Committee of IBEC and of the Health and Safety Authority.

We engaged very positively with the judiciary, who have an independent role in relation to judgements in personal injury cases.

We participated actively in the Department of Finance Working Group on the Cost of Insurance during 2016 and are supporting the Personal Injuries Commission strongly during 2017.

# Contributing positively to the claims resolution environment



*Mr Justice Peter Kelly, President of the High Court, with Conor O'Brien, PIAB Chief Executive, at the launch of the revised Book of Quantum.*

## Book of Quantum

The revised Book comprised research compiled and published by independent experts. In publishing it, PIAB was fulfilling its role under the PIAB Act 2003 and was providing updated information to the public and to all those who assess, settle or make awards in relation to personal injury claims. The revised Book is the most comprehensive data published to date on this area. The data was gathered from the Courts Service, insurance companies, the State Claims Agency and PIAB.

The Book does not increase or decrease award levels; it presents the data in a transparent way. If used widely, it will help to bring more consistency and transparency to the settlement of claims. Consistency in awards will enable insurers to accurately reflect and reserve for their future liabilities which together with the savings on litigation costs will benefit all consumers.

We were very pleased when the Government established the Working Group on Insurance Costs, led by Minister of State Eoghan Murphy T.D. and we actively participated as a member of the group and provided briefing and information to support its work.

We welcomed the interim report of the Working Group as well as its final report published early in 2017.



## General Guidelines as to the amounts that may be awarded or assessed in Personal Injury Claims

Book of Quantum

Commissioned and published in accordance with the Personal Injuries Assessment Board Act 2003. Published in Dublin, 2016.

# Our People



PIAB has a multi-disciplined and skilled resource of 80 permanent staff, covering a broad spectrum of technical, legal, financial, health and safety, human resources and other professional resources.

The organisation has an open professional management style in which two-way communication is actively encouraged. The prevailing culture is one of teamwork and one in which we embrace and encourage different perspectives and diversity.

PIAB recruited 16 new colleagues in 2016, who brought additional varied experience and expertise. As well as our staff based in our offices in Tallaght, Dublin, we have a Service Centre in Clonakilty, Co. Cork.

## Expertise

PIAB is a knowledge-intensive organisation and its success is determined by the expertise, professionalism and drive of its people. We believe in providing an environment where our people can engage, develop their skills, and draw on the support they need to competently and consistently complete their individual and organisational objectives.

We place a high emphasis on mentoring, coaching, staff training and development. Training which took place during the year included induction for new staff and courses in teamworking and performance reviewing. We organised technical training for our staff by medical specialists in orthopaedic trauma and hand injuries and from experts in Accident and Emergency clinics. This was to enhance the ability of staff in specialist claims assessment.

The Board has an Assisted Education Scheme (AES). The aim of the AES is to ease the burden of course fees and to facilitate studying and examination attendance for the relevant courses.

## Partnership

The PIAB's Joint Consultative Committee reviewed and agreed a number of key issues during the year including the Board's Protected Disclosures Policy which provides a framework where staff can raise concerns regarding potential wrongdoing, in the knowledge that they can avail of significant employment protections. Our Partnership Group, composed of members of staff and management, considers and promotes initiatives which make PIAB a better place to work.

We are fortunate to have an active Staff Social Club which organises regular events, encouraging a friendly and co-operative atmosphere. We continue to focus on employee health, safety and wellbeing and fund an Employee Assistance Programme. The scheme is voluntary and free to all employees.

## Safety

PIAB has an active Health and Safety Committee, and has a qualified and competent Health and Safety Officer who facilitates ergonomic assessments, pregnancy risk assessments, evacuation drills and ensures that PIAB provides a safe work place for all staff.

# Corporate Governance

## Organisation

The Personal Injuries Assessment Board (PIAB) is a non-commercial State body. Its functions and duties are set out in the *Personal Injuries Assessment Board Acts 2003 & 2007*. The Board is appointed by the Minister for Jobs, Enterprise and Innovation and consists of a Chairperson, and 9 ordinary (non-executive) members and the Chief Executive. The Board is responsible for formulating PIAB's policies and the execution of other fiduciary duties. It is collectively responsible for leading and directing the organisation's activities. While the Board may delegate particular functions to management the exercise of the power of delegation does not absolve the Board from the duty to supervise the discharge of the delegated function.

The Board fulfils key functions as set out below which includes providing leadership and direction of the organisation within a framework of prudent and effective controls which enables risk to be assessed and managed.

## How the Board operates – Role of the Board

The Board meets on a regular basis. As required Executive staff and others e.g. various experts etc., attend at Board meetings for the purposes of discussing relevant matters. During 2016 the Board met without Executive Members present, on two occasions, to discuss any matters that were deemed relevant.

The Board may delegate some of its powers as it sees fit to either a Board Committee or to the Chairperson or to the Chief Executive Officer, subject to compliance with any relevant legislation particularly the *Personal Injuries Assessment Board Acts 2003 and 2007*. Executive management are responsible for the day to day running of the organisation including claims handling and preparation and carrying out assessments. The Board has a formal schedule of matters specifically reserved to it for decision. These include:

- Ensuring that the Board operates within the limits of its statutory authority and/or any delegated authority agreed with the Minister;
- Discharging the principal functions of the Board as set out in the PIAB Acts;

- Discharging the Board's other legislative functions;
- Ensuring that high standards of corporate governance are observed at all times;
- Ensuring the maintenance of a sound system of internal controls including financial, operational, compliance, strategic and reputational controls, and risk management processes and policies;
- Monitoring the effectiveness of the Board's risk management processes and systems to ensure the effective identification, monitoring and control of risks;
- Undertaking an annual assessment of the effectiveness of internal control and risk management processes;
- Agreement of the purchasing procedures of the Board, including the delegated levels of authority;
- Approval of major purchases/contracts;
- Approval of any significant changes in accounting policies or practices;
- Approval of Annual Reports & Financial Statements;
- Approval and monitoring of the Annual Budget;
- Approval of the Strategic Audit Plan;
- Appointment, remuneration and assessment of performance of the Chief Executive Officer subject to any Ministerial approval required;
- Approval of the Board's Strategic Plan for submission to the Minister;
- Approval of the delegation of responsibilities to the Chief Executive Officer;
- Overseeing the discharge by the executive management of the day to day business of the Board;
- Undertaking an annual review of its own performance;
- Appointing the Chairperson and Members of Board Committees and approval/review of the terms of reference of these committees; and
- Approval of the Code of Business Conduct for Board Members.

The Board is responsible for preparing the annual report and financial statements and they consider the 2016 financial statements to be a true and fair view of the organisation's financial performance and its financial position at the end of the year.

# Corporate Governance

During the year the Board approved an Annual budget and on an on-going basis evaluated performance against budget – this was achieved by regular budget updates provided by the Executive for the consideration of the Board at its regular meetings.

As outlined in the Statement of Internal Control contained within the Financial Statements which form part of this Annual Report, the Board carried out a review of the effectiveness of internal controls within the organisation during the year. This review was informed by the work of the internal auditor, the Audit Committee which oversees the work of the internal auditor, and the organisation's Executive which has responsibility for the development and maintenance of the control framework. The Board concluded that they are satisfied as to the effectiveness of the system of internal controls in place in the organisation.

During the year the Board carried out an assessment of the organisation's principal risks, including a description of the risk and associated measures or strategies to control and mitigate these risks. Board Members concluded that they were satisfied as to the risk management framework and associated processes in place.

During the year we implemented Risk Management procedures as outlined in our Risk Management Framework. This comprehensive framework is fully integrated with our Quality Assurance Programme and Business Planning cycle.

During the year, the Board undertook a self-evaluation of its own performance. The findings of the review were generally positive with some suggestions clustered around a small number of themes which will be followed up on e.g. on-going review of Board performance, scheduling of Board items and briefing material for Members.

## Full List of Board Members

Name	Position	Attendance Record
Dermot Divilly	Non-Executive Chairperson	8 out of 8
John Lynch	Vice Chairperson and Business Consultant	8 out of 8
Conor O'Brien	Chief Executive	8 out of 8
Walter Cullen	Irish Congress of Trade Unions (ICTU) nominee	7 out of 8
Dermot Gorman	Insurance Ireland nominee	7 out of 8
Martin Naughton	Irish Congress of Trade Unions (ICTU) nominee	6 out of 8
Karen O'Leary	Competition and Consumer Protection Commission	6 out of 8
Fionnuala O'Loughlin	Consultant Psychiatrist	7 out of 8
Breda Power	Department of Jobs, Enterprise & Innovation	8 out of 8
Margot Slattery	Irish Business & Employers Confederation (IBEC) nominee	3 out of 8
Mick Stewart	Central Bank of Ireland nominee	7 out of 8
Stephen Watkins	Secretary to the Board	

# Corporate Governance

Mick Stewart's tenure as Board Member ceased on the 31st of December 2016. Tim O'Hanrahan replaced him as the Central Bank of Ireland nominee as and from the 1st of January 2017.

Details of fees paid to Board Members are set out in the Financial Statements. As in previous years, no expenses were paid to Board Members.

## Committee Membership during the year

### Audit Committee

John Lynch (Chairperson)

Walter Cullen

Dermot Gorman

Breda Power

Mick Stewart

In addition to full Board meetings there were four meetings of the Board's Audit Committee during 2016.

## Executive Management Team

Chief Executive Conor O'Brien is a member of the Board. He also leads the Executive Management Team which includes:

- Maurice Priestley – Director of Operations
- Helen Moran – Director of Business Support Services
- Stephen Watkins – Director of Corporate Services
- Bernadette King – Director of Finance

The Chief Executive is responsible for the day-to-day management of PIAB's operations supported by directors, managers, assessors and support staff.

## Risk Management

During the year we implemented Risk Management procedures as outlined in our Risk Management Framework. This comprehensive framework is fully integrated with our Quality Assurance Programme and Business Planning cycle.

## Internal Audit

The Internal Audit function is a key element in informing the governing Board on the effectiveness of the system of internal controls. The internal auditors operate in accordance with the *Code of Practice for the Governance of State Bodies*. Internal Auditor reports were prepared in 2016 covering a wide range of areas: Financial, Operational and Organisational. These reports were brought before the Audit Committee and there were no significant issues identified.

## Corporate Governance

PIAB operates in accordance with the provisions of its 2003 Act, as amended in 2007. PIAB operates under the aegis of the Minister for Jobs, Enterprise and Innovation.

In addition to the terms of our governing legislation, we are also required to comply with a wide range of other statutory (National and EU) and administrative requirements. In particular, we have put in place procedures to ensure compliance with the following specific requirements:

### Code of Practice for the Governance of State Bodies

PIAB has developed and implemented procedures to ensure that it fully complies with the new Code which was introduced in August 2016 and formally adopted by the Board. Annually, the Board's Chairperson formally confirms to the Minister for Jobs, Enterprise and Innovation PIAB's compliance with the Code. As part of the requirements of the Code an agreed Service Level Agreement has been developed with our parent Department.



# Corporate Governance

## **Ethics in Public Office Act, 1995**

PIAB comes within the scope of the Ethics in Public Office Act, 1995 and has adopted procedures to comply with the Act. Accordingly, where required, Board Members and staff holding designated positions have completed statements of interest in compliance with the provisions of the Act. Furthermore, procedures are in place for the on-going disclosure of interests by Board Members which is a question asked at the outset of every Board meeting. Staff at management level are also subject to this legislation.

## **Safety, Health and Welfare at Work Act 2005**

In accordance with the Safety, Health and Welfare at Work Act 2005, PIAB has implemented procedures to comply with the provisions of the Act. We have adopted a safety statement that encompasses all of the aspects of staff welfare.

## **Employment Equality Acts, 1998 and 2004**

PIAB is committed to a policy of equal opportunity and adopts a positive approach to equality in the organisation. PIAB is committed to developing a balanced work/life environment. It currently operates flexi time for graded staff with requirements in relation to the minimum and maximum number of hours to be worked. Following receipt of sanction to recruit additional staff to bring staffing to 80 the Partnership Committee discussed enhanced working options.

## **Data Protection Acts, 1988 and 2003**

PIAB is a registered data controller under the Data Protection Acts. We operate in accordance with a formal Data Protection Policy as agreed with the Office of the Data Protection Commissioner. This places us at the forefront of implementing data protection procedures, thus protecting the individual's fundamental right to privacy and exercising control over how personal information may be made available under the Data Protection Acts.

## **Freedom of Information Legislation**

PIAB was brought under the remit of Freedom of Information (FOI) legislation during 2015. The organisation has received a number of requests both case related and more general since then. We published our Section 8 publication scheme as required by the FOI Act on our website during the year.

## **Official Languages Act 2003**

PIAB comes under the remit of the Official Languages Act 2003 which provides a statutory framework for the delivery of services through the Irish Language. In accordance with Section 10 of the Act, this Annual Report is published simultaneously in Irish and English.

## **Protected Disclosures**

PIAB has a Protected Disclosures Policy which provides a framework where staff can raise concerns regarding potential wrongdoings that have come to their attention while working in the organisation in the knowledge that they can avail of significant employment protections. It was introduced during 2016 and was reviewed and agreed by the PIAB Joint Consultative Committee, composed of employee representatives and management. The policy was distributed to all staff and was published on our intranet site on 7th September 2016. During 2016, no protected disclosures were made.

## **Procurement**

Competitive tendering is the normal procedure utilised by PIAB in the procurement process. Tenders issued have had due regard to the value thresholds for the application of procurement rules. PIAB confirms compliance with procurement procedures in respect of competitive tendering. This includes adherence to both national guidelines and the relevant EU Directives, which have the force of law in all Member States. We continually review and update our procurement policies and procedures and also provide training to relevant personnel in this important technical area.

# Corporate Governance

	2016	2015
Total Number of Invoices paid	26,055	23,773
Total Value of Payments	€17,285,116	€16,357,968
Total Number of Invoices paid in excess of 30 days	109	82
Total Prompt Payment Interest	€2,666	€2,579

During 2016, we provided training to staff engaged in procurement and templates of forms were developed and internally distributed.

## Prompt Payment of Accounts

PIAB acknowledges its responsibility for ensuring compliance in all material respects with the provisions of the European Communities (Late Payment in Commercial Transactions) Regulations, 2012 (SI.580 of 2012), which provides that penalty interest will become payable if payments for commercial transactions are not met within 30 days, unless otherwise specified in a contract or agreement. It is our policy to ensure that all invoices are tracked and paid promptly before their due date for interest and charges purposes. Procedures are in place to provide reasonable assurances against non-compliance with the Act and Regulations.

PIAB is committed to meeting its obligations under the 15 day Government decision, which came into effect on 1 July, 2011. This provision ensures that payments to suppliers in respect of all valid invoices received will be made within 15 calendar days and that we publish on our website the total number and value of payments made quarterly. In the year to 31 December 2016, 76% of payments had been made within 15 days and 99.6% within 30 days.

## Taxation

PIAB confirms compliance with tax laws. Procedures are in place to ensure that PIAB is exemplary in its compliance with its obligation under taxation laws and that all tax liabilities are paid on or before the relevant due dates.

## Strategic Planning

PIAB operates in accordance with its Strategic Plan for the period 2014-2019. This plan sets out our key Strategic Objectives over the coming years along with the key actions to be undertaken to achieve these objectives. At operational level, staff objectives and annual business plans continue to be aligned with PIAB's strategic objectives.

# Financial Statements

for the year ended 31 December 2016

<b>Contents</b>	<b>Page</b>
General Information	26
Statement of Responsibilities of the Board	27
Statement on Internal Control	28
Report of the Comptroller and Auditor General	30
Statement of Income and Expenditure and Retained Revenue Reserves	31
Statement of Comprehensive Income	32
Statement of Financial Position	33
Statement of Cash Flows	34
Notes to the Financial Statements	35

# Financial Statements

for the year ended 31 December 2016

General Information		
<b>Members of the Board</b>	Dermot Divilly (Chairperson) Conor O'Brien (CEO) Walter Cullen Dermot Gorman John Lynch Martin Naughton Tim O'Hanrahan Karen O'Leary Fionnuala O'Loughlin Breda Power Margot Slattery Mick Stewart	Commenced 1st January 2017           Membership ceased on 31st December 2016
<b>Office</b>	Grain House Exchange Hall Belgard Square North Tallaght Dublin 24	
<b>Auditor</b>	Comptroller and Auditor General 3A Mayor Street Upper Dublin 1	
<b>Bankers</b>	Bank of Ireland 4 – 6 Priorsgate Main Street Tallaght Dublin 24	
<b>Solicitors</b>	Arthur Cox & Co. Ten Earlsfort Terrace, Dublin 2.	
<b>Website</b>	www.injuriesboard.ie	

# Financial Statements

for the year ended 31 December 2016

## Statement of Responsibilities of the Board

Section 77 of the Personal Injuries Assessment Board Act 2003, requires the Board to prepare annual financial statements in the format and manner specified by the Minister for Jobs, Enterprise and Innovation.

In preparing these financial statements, the Board is required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume the Board will continue in operation; and
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in financial statements.

The Board is responsible for keeping adequate accounting records which disclose, with reasonable accuracy at any time, the financial position of the Board and which enable it to ensure that the financial statements comply with Section 77 of the Act. The Board is also responsible for safeguarding the assets and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

On Behalf of the Board



**John Lynch**  
25th May 2017

On Behalf of the Board



**Dermot Gorman**  
25th May 2017

# Financial Statements

for the year ended 31 December 2016

## Statement on Internal Control

### Responsibility for system of internal control

On behalf of the Board of Directors of the Personal Injuries Assessment Board (PIAB), I acknowledge our responsibility for ensuring that an effective system of internal control is maintained and operated.

The system can only provide reasonable and not absolute assurance that assets are safeguarded, transactions authorised and properly recorded, and that material errors or irregularities are either prevented or would be detected in a timely manner.

### Key Control Procedures

The Board of PIAB has taken steps to ensure an appropriate control environment is in place by

- clearly defining management responsibilities;
- formalising a clear separation between the Board's and the Executive's functions and powers;
- setting regular reporting requirements concerning financial, operational and related matters;
- establishing an Audit and Risk Committee with defined Charter and terms of reference;
- engaging an external firm of accountants to act as providers of an internal audit service to the PIAB;
- publishing Codes of Conduct for both Directors and employees of the PIAB; and
- seeking to maintain a strong culture of accountability across the organisation.

PIAB adheres to all the requirements of the 2016 Revised Code of Practice for the Governance of State Bodies ('the Code') insofar as it is appropriate for a non-commercial State body and is also in compliance with current procurement rules and guidelines.

The Board has also established processes to identify and evaluate business risks by:

- appointing a Chief Risk Officer;
- overseeing the implementation of the risk management framework including reviewing the risk register at least annually;
- setting a Risk Appetite Statement and reviewing management reporting on risk at each Board meeting;
- identifying the nature, extent and possible implications of the risks facing PIAB, including the extent and categories which it regards as acceptable;
- assessing the likelihood of identified risks occurring;
- assessing the Board's ability to manage and mitigate identified risks; and
- having regard to costs of operating particular controls relative to the benefit obtained.

An annual review of the effectiveness of internal control was conducted during the year with the Board carrying out an assessment of the organisation's principal risks, including a description of the risk and associated measures or strategies to control and mitigate these risks. Board members concluded that they were satisfied as to the risk management framework and associated processes in place.

# Financial Statements

for the year ended 31 December 2016

The system of internal control is based on a framework of regular management information, policies and procedures including to the extent practicable having regard to the scale of PIAB, segregation of duties and a system of delegation and accountability. In particular it includes:

- A comprehensive budgeting system with an annual budget which is reviewed and agreed by the Board;
- reviews by the Board of monthly and annual financial reports which measure financial performance against budgets and forecasts;
- a comprehensive monthly financial and operational reporting system;
- setting and reporting on targets to measure financial and operational performance; and
- regular internal audit reviews on financial, operational and compliance controls and procedures.

The Board appointed Deloitte to act as internal auditors and to report to the Audit and Risk Committee. The Audit and Risk Committee, which is comprised of non-executive directors, includes persons possessing knowledge of accounting, internal control and risk management matters. The Audit and Risk Committee is further charged with reviewing the Statement on System of Internal Controls and ensuring that the Board is kept informed of the matters that it has considered.

The internal Audit function operates in accordance with an approved Internal Audit Charter, which is consistent with the provisions set out in the Code. A three-year internal audit work plan has been determined in consultation with the Audit and Risk Committee and is reviewed annually and revised as and when required. The current internal audit work plan takes account of areas of potential risk identified by the organisation having regard to its strategic objectives and risk management framework. The internal auditor provides the Audit and Risk Committee with regular reports on assignments carried out. These reports highlight deficiencies or weaknesses, if any, in the system of internal control and the recommended corrective measures to be taken where necessary.

## Annual review of Controls

I confirm that in respect of the year ended 31st December 2016, the Board conducted a review of the effectiveness of the system of internal control and that the Board's review was informed by the work of the internal auditor, the Comptroller and Auditor General, the Audit and Risk committee, which oversees the work of the internal auditor, and the PIAB's executive which has responsibility for the development and maintenance of the control framework.

Signed on Behalf of the Board



**Dermot Divilly**

*Chairperson*

*25th May 2017.*



## Comptroller and Auditor General

### Report for presentation to the Houses of the Oireachtas

#### Personal Injuries Assessment Board

I have audited the financial statements of the Personal Injuries Assessment Board for the year ended 31 December 2016 under the Personal Injuries Assessment Board Act 2003. The financial statements comprise the statement of income and expenditure and retained revenue reserves, the statement of comprehensive income, the statement of financial position, the statement of cash flows and the related notes. The financial statements have been prepared in the form prescribed under Section 77 of the 2003 Act, and in accordance with generally accepted accounting practice.

#### Responsibilities of the Members of the Board

The Board is responsible for the preparation of the financial statements, for ensuring that they give a true and fair view and for ensuring the regularity of transactions.

#### Responsibilities of the Comptroller and Auditor General

My responsibility is to audit the financial statements and to report on them in accordance with applicable law.

My audit is conducted by reference to the special considerations which attach to State bodies in relation to their management and operation.

My audit is carried out in accordance with the International Standards on Auditing (UK and Ireland) and in compliance with the Auditing Practices Board's Ethical Standards for Auditors.

#### Scope of audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements, sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of

- whether the accounting policies are appropriate to the Board's circumstances, and have been consistently applied and adequately disclosed
- the reasonableness of significant accounting estimates made in the preparation of the financial statements, and
- the overall presentation of the financial statements.

I also seek to obtain evidence about the regularity of financial transactions in the course of audit.

In addition, I read the Board's annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by me in the course of performing the audit. If I become aware of any apparent material misstatements or inconsistencies, I consider the implications for my report.

#### Opinion on the financial statements

In my opinion, the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the Board as at 31 December 2016 and of its income and expenditure for 2016; and
- have been properly prepared in accordance with generally accepted accounting practice.

In my opinion, the accounting records of the Board were sufficient to permit the financial statements to be readily and properly audited. The financial statements are in agreement with the accounting records.

#### Matters on which I report by exception

I report by exception if I have not received all the information and explanations I required for my audit, or if I find

- any material instance where money has not been applied for the purposes intended or where the transactions did not conform to the authorities governing them, or
- the information given in the Board's annual report is not consistent with the related financial statements or with the knowledge acquired by me in the course of performing the audit, or
- the statement on internal control does not reflect the Board's compliance with the Code of Practice for the Governance of State Bodies, or
- there are other material matters relating to the manner in which public business has been conducted.

I have nothing to report in regard to those matters upon which reporting is by exception.



Patricia Sheehan  
For and on behalf of the  
Comptroller and Auditor General

31 May 2017



# Statement of Income and Expenditure and Retained Revenue Reserves

For the Financial Year Ended 31 December 2016

	NOTES	2016 €	2015 €
<b>Income</b>			
Fee Income	2	12,607,068	11,756,463
Other Income		4,026	11,045
<b>Total Income</b>		<b>12,611,094</b>	<b>11,767,508</b>
<b>Expenditure</b>			
Salaries, Pensions and Related Expenses	3	5,835,233	5,475,132
Claims Processing Expenses	4	2,569,699	2,696,845
Board Members Fees	3	80,370	80,370
Accommodation & Building Costs	5	513,025	424,587
Recruitment, Training & Education Costs	5	39,635	64,795
Information, Research & Communication Costs	5	298,412	332,084
Legal Costs & Professional Fees	5	422,786	299,183
Judicial Review Costs	5	150,000	1,682
IT Costs	5	460,963	362,559
Telecommunication Costs		98,230	68,865
General Administration Costs	5	602,662	616,421
Depreciation		120,865	188,616
<b>Total Expenditure</b>		<b>11,191,880</b>	<b>10,611,139</b>
<b>SURPLUS OF INCOME OVER ADMINISTRATION EXPENSES</b>		<b>1,419,214</b>	<b>1,156,369</b>
<b>Interest Receivable</b>		<b>26,562</b>	<b>45,834</b>
<b>SURPLUS FOR THE YEAR</b>		<b>1,445,776</b>	<b>1,202,203</b>
<b>Balance at 1 January</b>		<b>17,880,707</b>	<b>16,678,504</b>
<b>BALANCE AT END OF YEAR</b>		<b>19,326,483</b>	<b>17,880,707</b>

All income and expenditure for the year relates to continuing activities at the statement of financial position date. The Statement of Income and Expenditure and Retained Revenue Reserves includes all gains and losses recognised in the year.

The Statement of Cash Flows and notes 1 to 15 form part of these financial statements.

On Behalf of the Board

On Behalf of the Board



**John Lynch**  
25th May 2017



**Dermot Gorman**  
25th May 2017

# Statement of Comprehensive Income

For The Year Ended 31 December 2016

	NOTES	2016 €	2015 €
Surplus for the year		<b>1,445,776</b>	1,202,203
Experience gains on retirement benefit obligations	12	<b>117,000</b>	234,000
Change in assumptions underlying the present value of retirement benefit obligations	12	<b>(4,516,000)</b>	3,132,000
Adjustment to Deferred retirement benefits funding		<b>4,399,000</b>	(3,366,000)
<b>Comprehensive Income for the year</b>		<b>1,445,776</b>	1,202,203

The Statement of Cash Flows and notes 1 to 15 form part of these financial statements.

On Behalf of the Board

On Behalf of the Board



**John Lynch**  
25th May 2017



**Dermot Gorman**  
25th May 2017

# Statement of Financial Position

As At 31 December 2016

	NOTES	2016 €	2016 €	2015 €	2015 €
<b>Non Current Assets</b>					
Tangible Fixed Assets	6		297,609		324,777
<b>Current Assets</b>					
Receivables	7	1,872,811		2,046,763	
Cash at bank and in hand		2,300,859		932,147	
Short Term Deposits		17,321,950		16,534,709	
<b>Total Current Assets</b>		<b>21,495,620</b>		<b>19,513,619</b>	
<b>Payables: amounts falling due within one year</b>					
Payables: Amounts falling due within one year	8	1,701,838		1,229,482	
<b>Net Current Assets</b>			<b>19,793,782</b>		18,284,137
<b>Total Assets less Current Liabilities</b>			<b>20,091,391</b>		18,608,914
<b>Creditors: amounts falling due after one year</b>					
Provision for liabilities and charges	9		764,908		728,207
<b>Retirement Benefits</b>					
Retirement Benefit Obligations	12		(27,317,000)		(21,209,000)
Deferred Retirement Benefit Funding Asset	12		27,317,000		21,209,000
<b>Net Assets after Retirement Benefits</b>			<b>19,326,483</b>		17,880,707
<b>Financed By:</b>					
Statement of Income & Expenditure and Retained Revenue Reserves			19,326,483		17,880,707
<b>Total Financed by:</b>			<b>19,326,483</b>		17,880,707

The Statement of Cash Flows and notes 1 to 15 form part of these financial statements.

On Behalf of the Board

On Behalf of the Board



**John Lynch**  
25th May 2017



**Dermot Gorman**  
25th May 2017

## Statement of Cash Flows

For The Year Ended 31 December 2016

	NOTES	2016 €	2015 €
<b>Net Cash Flow from Operating Activities</b>			
Surplus for the Financial Year		<b>1,445,776</b>	1,202,203
Adjustments for:			
Depreciation		<b>120,865</b>	188,616
Bank Interest Received		<b>(26,562)</b>	(45,834)
(Increase)/Decrease in Receivables		<b>173,952</b>	(509,442)
Increase/(Decrease) in Payables		<b>472,356</b>	(212,450)
Increase/(Decrease) in Provision for Liabilities		<b>36,701</b>	(147,252)
<b>Cash from Operations</b>		<b>2,223,088</b>	<b>475,841</b>
<b>Cash Flows from Investing Activities</b>			
Purchase of Tangible Fixed Assets	6	<b>(93,697)</b>	(211,893)
<b>Net Cash outflow from Investing Activities</b>		<b>(93,697)</b>	<b>(211,893)</b>
<b>Cash Flows from Financing Activities</b>			
Interest Received		<b>26,562</b>	45,834
<b>Net Cash inflow from Financing Activities</b>		<b>26,562</b>	<b>45,834</b>
<b>Net Increase in Cash and Cash Equivalents</b>		<b>2,155,953</b>	<b>309,782</b>
Cash and Cash Equivalents at 1 January		<b>17,466,856</b>	<b>17,157,074</b>
<b>Cash and Cash Equivalents at 31 December</b>		<b>19,622,809</b>	<b>17,466,856</b>

# Notes to the Financial Statements

for the Financial Year ended 31 December 2016

## 1 Statement of Accounting Policies

The basis of accounting and significant accounting policies adopted by Personal Injuries Assessment Board are set out below. They have all been applied consistently throughout the year and for the preceding year.

### General Information

PIAB was set up under the *Personal Injuries Assessment Board Act 2003*, with a head office at Grain House, Exchange Hall, Belgard Square North, Tallaght, Dublin 24.

PIAB's primary functions are set out in Part 3 of the Personal Injuries Assessment Board Act 2003 – To assess fairly and accurately the amount of compensation entitlement in personal injury claims within the remit of PIAB in a timely manner.

PIAB is a Public Benefit Entity.

### Statement of Compliance

The financial statements of the company for the year ended 31 December 2016 have been prepared in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) issued by the Financial Reporting Council.

### Basis of Preparation

The financial statements have been prepared under the accrual method of accounting, the historical cost convention, in accordance with generally accepted accounting practice and are in the format agreed with the Minister for Jobs, Enterprise and Innovation. The unit of currency in which the financial statements are denominated is the Euro.

### Fee Income

Fee Income consists of Claimant and Respondent Fees. Claimant fees are recognised on a cash receipts basis. Respondent Fees are recognised on consent to the Board's assessment process.

### Tangible Fixed Assets

Tangible Fixed Assets are stated at cost or valuation less accumulated depreciation. Depreciation is provided on a straight line basis at rates which are estimated to reduce the assets to their realisable values by the end of their expected useful lives as follows:

Leasehold Improvements	<b>Remaining years of the lease</b>	Straight Line
IT Hardware/Software	<b>25%</b>	Straight Line
Office Equipment	<b>20%</b>	Straight Line
Fixtures & Fittings	<b>12.5%</b>	Straight Line
Office Furniture	<b>12.5%</b>	Straight Line

### Taxation

The Board is exempt from Income Tax and Corporation Tax under Section 220 of the *Taxes Consolidation Act 1997*. This exemption does not apply to deposit interest. Where interest receivable is subject to tax (e.g. DIRT) the net receivable amount is credited to the Income and Expenditure account.

# Notes to the Financial Statements

for the Financial Year ended 31 December 2016

## Operating Lease

Rental expenditure under operating leases is recognised in the Statement of Income and Expenditure and Retained Revenue Reserves over the life of the lease. Any lease incentives received are recognised over the life of the lease.

## Receivables

Known bad debts are written off and specific provision is made for any amount the collection of which is considered doubtful.

## Employee Benefits

### Short Term Benefits

Short term benefits such as holiday pay are recognised as an expense in the year, and benefits that are accrued at year-end are included in the Payables figure in the Statement of Financial Position.

## Critical Accounting Judgements and Estimates

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements have had the most significant effect on amounts recognised in the financial statements.

## Impairment of Tangible Fixed Assets

Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost to sell and value in use.

## Depreciation and Residual Values

The Board have reviewed the asset lives and associated residual values of all fixed asset classes, and in particular, the useful economic life and residual values of IT Hardware/Software, and have concluded that asset lives and residual values are appropriate.

## Provisions

The Board makes provisions for legal and constructive obligations, which it knows to be outstanding at the period end date. These provisions are generally made based on historical or other pertinent information, adjusted for recent trends where relevant. However, they are estimates of the financial costs of events that may not occur for some years. As a result of this and the level of uncertainty attaching to the final outcomes, the actual outcome may differ significantly from that estimated.

## Retirement Benefit Obligation

The assumptions underlying the actuarial valuations for which the amounts recognised in the financial statements are determined (including discount rates, rates of increase in future compensation levels, mortality rates and healthcare cost trend rates) are updated annually based on current economic conditions, and for any relevant changes to the terms and conditions of the pension and post-retirement plans.

# Notes to the Financial Statements

for the Financial Year ended 31 December 2016

The assumptions can be affected by:

- (i) the discount rate, changes in the rate of return on high-quality corporate bonds
- (ii) future compensation levels, future labour market conditions
- (iii) health care cost trend rates, the rate of medical cost inflation in the relevant regions.

## Retirement Benefits

### Nature of Scheme

The Board operates a defined benefit pension scheme for its employees. The scheme structure is based on the Public Service Model. The employee scheme was approved by the Minister of Enterprise, Trade and Employment and the Minister for Finance in 2008. The Spouse and Children's scheme was approved in 2009.

### Scheme Characteristics

The scheme has a number of specific characteristics:

- The Board makes an agreed contribution to the Department of Jobs, Enterprise and Innovation.
- The contribution comprises of an employee element along with an employer element.
- The employer contribution in 2016 was 25% of gross pay on PRSI Class A, 30% for staff on PRSI Class B and D.
- There is a commitment from the Department of Jobs, Enterprise and Innovation with the agreement of the Department of Finance, that the Exchequer will meet the cost of benefits as they fall due.

In substance, the Board considers that the obligation to pay retirement benefit remains with Personal Injuries Assessment Board (PIAB), but that the Exchequer has committed to providing PIAB with sufficient funds to settle any such obligations on PIAB's behalf as they fall due, provided PIAB pays over employees' and the employer's contributions at rates specified. Accordingly, the financial statements recognise both a Retirement Benefit Obligation and a Deferred Exchequer Retirement Benefit Funding receivable.

The Board also operates the Single Public Services Pension Scheme (Single Scheme), which is the defined benefit scheme for pensionable public servants appointed on or after 1 January 2013. Single Scheme members' contributions are paid over to the Department of Public Expenditure and Reform.

### Scheme Liabilities

Model Scheme liabilities represented by the present value of future payments earned by PIAB staff to date are measured on an actuarial basis using the projected unit method. Pension costs reflect benefits earned by PIAB staff in the period and are shown net of employee pension contributions, which are retained by the Department. The amount to be included in the financial statements for the Deferred Exchequer Retirement Benefit Asset amount is estimated at an amount equal to the estimate of the obligation for the pension scheme liabilities.

### Scheme Actuarial Gains or Losses

Actuarial gains or losses arising from changes in actuarial assumptions and from experience surpluses and deficits are recognised in the Statement of Comprehensive Income for the year in which they occur and a corresponding adjustment is recognised to the balance for Deferred Exchequer Retirement Benefit Asset.

Pension costs in the Statement of Income and Expenditure and Retained Revenue Reserves comprise the employer's contribution in respect of the year.

# Notes to the Financial Statements

for the Financial Year ended 31 December 2016

## 2 Fee Income

	2016 €	2015 €
Claimant Fee Income	1,510,166	1,474,841
Respondent Fee Income*	11,096,902	10,281,622
	<b>12,607,068</b>	11,756,463

\* The respondent fee income is in respect of the Board dealing with an application (as outlined in the PIAB Act).

The respondent fee is recognised on consent to the PIAB process. The average time taken to complete the assessment of a claim in 2016 is 7.1 months.

## 3(i) Salaries, Pensions and Related Expenses

	2016 €	2015 €
Salaries*	4,327,719	4,051,341
Overtime	1,815	3,956
Employer Superannuation Contributions**	1,091,628	1,031,422
Employer PRSI Contributions	399,784	372,364
	<b>5,820,946</b>	5,459,083
Holiday Pay Accrual	14,287	16,049
	<b>5,835,233</b>	5,475,132

\* Salary costs include a termination payment of €30,000.

\*\* €231,768 of Pension Related Deduction has been deducted and paid over to the Department of Jobs, Enterprise and Innovation in 2016, €273,121 was deducted and paid over in 2015.

## Staff Numbers

	2016	2015
Average Staff directly employed by the Board	77.8	65.0
Whole time equivalent staff as at December 2016	76.7	63.2

## Emoluments of Chief Executive

	2016	2015
Conor O'Brien (current Chief Executive started 1st October 2015)	143,040	36,153
Patricia Byron (previous CEO resigned 31st March 2015)	0	47,413
Maurice Priestley (acting Chief Executive 1st April – 30th September 2015)	0	8,790
<b>Salary</b>	<b>143,040</b>	92,356

Performance related payments were discontinued in 2010.

The Chief Executive Conor O'Brien commenced 1st October 2015 with a basic salary of €143,535 and his pension entitlements are in accordance with the terms of the Single Public Service Pension Scheme (see Note 12).



# Notes to the Financial Statements

for the Financial Year ended 31 December 2016

## Key Management

	2016	2015
<b>Aggregate Salary &amp; Short Term Benefits</b>	<b>410,057</b>	432,924

The pension entitlements of key management are in accordance with the terms of the Public Service Model Pension Scheme (see Note 12).

## Employees – by number of staff in the following salary bands

In accordance with the provisions of Circular 13/2014 the following staff numbers relate to employees whose gross salary paid in the year fell within the appropriate band:

Salary Range	2016	2015
<b>From – To</b>		
60,000-70,000	3	3
70,000-80,000	13	9
80,000-90,000	6	9
90,000-100,000	5	3
100,000-110,000	2	2
110,000-120,000	0	2
120,000-130,001	0	0
130,000 +	1	0
	<b>30</b>	28

## Employer Pension Contribution

	2016 €	2015 €
Single Public Service Pension Scheme	<b>128,414</b>	13,895
Model Scheme	<b>969,176</b>	1,017,527
	<b>1,097,590</b>	1,031,422

## 3(ii) Board Fees and Expenses

	2016 €	2015 €
<b>Board Members Fees</b>	<b>80,370</b>	80,370
<b>By Board Member</b>		
Dermot Divilly – Chairperson	20,520	20,520
Walter Cullen	11,970	11,970
Dermot Gorman	11,970	11,970
John Lynch	11,970	11,970
Martin Naughton	11,970	11,970
Margot Slattery	11,970	11,970
	<b>80,370</b>	80,370

# Notes to the Financial Statements

for the Financial Year ended 31 December 2016

The following Board Members were paid no fees during 2016: Breda Power, Fionnuala O'Loughlin, Mick Stewart, Karen O'Leary and Conor O'Brien due to the application of One Person One salary principle.

There were no Board related expenses paid during the year.

## 4 Claims Processing Expenses

	2016 €	2015 €
Outsourced Service Centre Costs	2,569,699	2,696,845
Claim related Medical Fees	8,033,708	6,911,626
Claim related Other Costs	172,536	116,483
Claim related Costs to be Reimbursed	(8,206,244)	(7,028,109)
	2,569,699	2,696,845

\* As part of the process (see Note 2) the Board retains the services of a range of professional practitioners including general practitioners, consultants, and actuaries. The information obtained provides the Statutory Assessors with the information necessary to make an assessment of damages. The level of claim processing costs varies per claim. Due to the average timeline of the process there will be claim processing costs incurred in 2017 relating to consents received in 2016, these costs are not provided in the financial statements. These costs and other claim related costs are reimbursed to the Board by the respondent.

## 5 Expenditure

### Accommodation & Building Costs

	2016 €	2015 €
Rent, Rates and Service Charges	328,207	309,724
Cleaning and Security	59,639	52,823
Light & Heat, Maintenance and Other	65,228	62,040
Decanting Costs (Note 11)	59,951	0
	513,025	424,587

### Recruitment, Training & Education Costs

	2016 €	2015 €
Training, Education and other costs	31,138	14,252
HR Consultancy	2,355	7,851
Advertising, Interviews and other recruitment costs	6,142	42,692
	39,635	64,795

# Notes to the Financial Statements

for the Financial Year ended 31 December 2016

## Information, Research & Communication Costs

	2016 €	2015 €
Public Awareness	166,004	154,077
Advertising – Other	43,076	78,852
PR and Communications Consultancy	75,088	77,862
Leaflets / Brochures & Publications	14,244	21,293
	<b>298,412</b>	332,084

## Legal Costs & Professional Fees

	2016 €	2015 €
Statistical and other Professional Fees	100,976	94,691
Operational Review Fees	125,982	0
Procurement Support Fees	31,911	0
IT Consultancy Fees	58,784	31,577
Finance Consultancy Fees	4,244	6,888
Internal Audit Fees	26,180	15,817
Audit Fees	13,500	16,500
General Legal Advices	61,209	133,710
	<b>422,786</b>	299,183

## Judicial Review Costs

	2016 €	2015 €
Judicial Review Provision (Note 9)	150,000	200,000
Release of Judicial Review Provision	0	(198,318)
	<b>150,000</b>	1,682

## IT Costs

	2016 €	2015 €
IT Software Development	1,653	38,440
IT Licence Fees	173,517	172,619
IT Support & Maintenance	207,554	126,330
IT Consumables & Training	2,245	0
Managed Print Service	24,481	22,351
IT Other Costs	3,881	2,819
IT Security	47,632	0
	<b>460,963</b>	362,559

# Notes to the Financial Statements

for the Financial Year ended 31 December 2016

## General Administration Costs

	2016 €	2015 €
Postage	402,325	376,268
Travel & Subsistence – National	12,711	13,557
Travel & Subsistence – International	754	443
Office Stationery	31,236	35,687
Insurances	48,089	57,890
Sundry Costs	15,968	14,329
Employee Related Expenditure	6,736	7,037
Prompt Payment Interest	2,666	2,579
(Decrease)/Increase in Provision for Doubtful Debts	(22,171)	55,982
Respondent Fee Write Offs	46,000	31,850
Claim Related Fee Write Offs	58,348	20,799
	<b>602,662</b>	<b>616,421</b>

\* Employment related expenditure includes €4,581 contribution to Board's Staff Social Club, €1,450 for a Team Building event and €705 for other staff related expenditure.

## 6 Tangible Fixed Assets

	Leasehold Improvements €	IT Hardware/ Software €	Office Equipment €	Fixtures & Fittings €	Office Furniture €	Total €
<b>Cost/Valuation</b>						
As at 1 January	832,665	1,147,280	43,126	16,338	1,975	2,041,384
Additions	0	91,808	0	0	1,889	93,697
Disposals	0	(33,514)	0	0	0	(33,514)
<b>As at 31 December</b>	<b>832,665</b>	<b>1,205,574</b>	<b>43,126</b>	<b>16,338</b>	<b>3,864</b>	<b>2,101,567</b>
<b>Accumulated Depreciation</b>						
As at 1 January	832,665	858,057	10,928	13,765	1,192	1,716,607
Charge	0	111,262	8,625	672	306	120,865
Disposals	0	(33,514)	0	0	0	(33,514)
<b>As at 31 December</b>	<b>832,665</b>	<b>935,805</b>	<b>19,553</b>	<b>14,437</b>	<b>1,498</b>	<b>1,803,958</b>
<b>Net Book Value</b>						
<b>As at 31 December 2016</b>	<b>0</b>	<b>269,769</b>	<b>23,573</b>	<b>1,901</b>	<b>2,366</b>	<b>297,609</b>
As at 31 December 2015	0	289,223	32,198	2,573	783	324,777

# Notes to the Financial Statements

for the Financial Year ended 31 December 2016

## 7 Receivables

### Amounts falling due within one year

	2016 €	2015 €
<b>Fees Receivable</b>		
Respondent Fees	<b>900,600</b>	1,203,650
Claim Related Fees	<b>979,511</b>	852,739
Provision for Doubtful Debts	<b>(183,024)</b>	(205,196)
Interest Receivable	<b>6,937</b>	18,085
Prepayments	<b>159,070</b>	165,540
Other Debtors	<b>9,717</b>	11,945
	<b>1,872,811</b>	2,046,763

The pension cost of three PIAB pensioners is discharged by PIAB and reimbursed by the Department of Jobs, Enterprise and Innovation. The cost in 2016 of €83,371 was reimbursed in full by the Department of Jobs, Enterprise and Innovation prior to year end.

## 8 Payables

### Amounts falling due within one year

	2016 €	2015 €
Trade Creditors	<b>213,786</b>	157,381
Accruals	<b>928,884</b>	535,135
Taxes & Social Welfare	<b>329,448</b>	326,760
Retirement Benefits	<b>182,019</b>	167,009
Other Creditors	<b>47,701</b>	43,197
	<b>1,701,838</b>	1,229,482

## 9 Provision for Liabilities – Judicial Review

	2016 €	2015 €
Opening Balance	<b>728,207</b>	875,459
Additional Provision (Note 5)	<b>150,000</b>	200,000
Utilised In Year	<b>(113,299)</b>	(148,934)
Write Back of Provision	<b>0</b>	(198,318)
Closing Balance	<b>764,908</b>	728,207

Provisions represent a prudent estimate of liabilities that may arise to third parties, in respect of legal actions notified prior to year end. Due to the nature of its operations the Board is involved in various legal actions, principally the judicial review of sections of the Personal Injuries Assessment Board Act 2003.

# Notes to the Financial Statements

for the Financial Year ended 31 December 2016

The provisions are based upon an assessment of the probable costs of defending known actions to the extent that such costs can be reliably estimated. The assumptions made in assessing the appropriate level of provision include the likely outcome of the actions, future trend of legal costs (both our own and third party) and the estimated date the action will be heard. The Board is satisfied that it has made the best estimate of the appropriate provision in the financial statements for the likely outcome, the provision may be subject to revision from time to time as more information becomes available.

## 10 Contingent Liability

### Legal Actions

As stated in Note 9 the Board is, from time to time, party to various legal actions. The Board makes full provision for expected legal costs associated with cases notified to it (Note 9). It is probable that a number of additional cases will be notified to the board in the future in relation to decisions made prior to 31 December 2016. It is not possible to estimate the potential financial effect of such claims.

## 11 Financial Commitments

### Operating leases

The Board occupies two floors at Grain House, Exchange Hall, Belgard Square North, Tallaght, Dublin 24. The premises are leased by the Office of Public Works (OPW) and the lease costs of €188,554 per annum are borne by the Board under an oral tenancy. The Board operates under a twenty year lease term commencing April 2004.

Due to refurbishment works to be undertaken in 2017 the Board entered a short term lease at Broomhill Business Centre, Tallaght, Dublin 24, expiring May 2017. The cost of this lease was €20,000.

	2016 €	2015 €
Payable within one year	198,554	188,554
Payable within two to five years	754,216	754,216
Payable after five years	439,959	628,513
	1,392,729	1,571,283

Operating lease payments recognised as an expense were €200,554 (2015: €188,554)

## 12 Accounting Treatment for Retirement Benefits

The Board operates a defined benefit pension scheme for its employees. The scheme structure is based on the Public Service Model. The employee scheme was approved by the Minister of Enterprise, Trade and Employment and the Minister for Finance in 2008. The Spouse and Children's scheme was approved in 2009.

The scheme has a number of specific characteristics:

- The Board makes an agreed contribution to the Department of Jobs, Enterprise and Innovation.
- The contribution comprises of an employee element along with an employer element. Employees who are fully insured for PRSI purposes contribute at the rate of 3.5% of net remuneration plus 3.0% of remuneration. The employer contribution in 2016 was 25% of gross pay, 30% for staff on PRSI Class B and D.
- There is a commitment from the Department of Jobs, Enterprise and Innovation with the agreement of the Department of Finance, that the Exchequer will meet the cost of benefits as they fall due.

# Notes to the Financial Statements

for the Financial Year ended 31 December 2016

## Actuarial Valuation

The Board commissioned an actuarial valuation of accrued liabilities at the balance sheet date, and the cost of benefits (service cost) accrued during the year. This valuation, which was based on the Projected Unit method, is premised on the following assumptions:

### Assumed Annual Rate

	2016	2015	2014
Discount rate	2.00%	2.70%	2.20%
Inflation assumption	1.80%	1.80%	1.80%
Salary increases	3.05%	3.05%	3.05%
State pension increases	2.30%	2.30%	2.30%
Pensions in payment increases	2.55%	2.55%	2.55%

In addition, the following demographic assumptions have been made as at 31 December 2016.

Life expectancy at age 65	
Male currently aged 45	24.8 years
Male currently aged 65	22.4 years
Female currently aged 45	26.1 years
Female currently aged 65	23.9 years

Based on the above, the present value of liabilities at the balance sheet date is €27,317,000 [2015: €21,209,000], and the service cost (calculated on the foregoing assumptions) for the year is €1,220,000 [2015: €1,386,000].

### Analysis of total retirement benefit costs charged to expenditure

	2016 €	2015 €
Total employer contribution	1,097,590	1,031,422
Current service cost	1,220,000	1,386,000
Interest cost	572,000	516,000
Past service cost	0	0
Adjustment to Deferred Exchequer Pension Funding	(1,792,000)	(1,902,000)
Total charged to Income and Expenditure Account	1,097,590	1,031,422

\* The Current Service Cost includes employee contributions totalling €199,783 in 2016 and €228,379 in 2015.

# Notes to the Financial Statements

for the Financial Year ended 31 December 2016

## Movement in net retirement benefit liability

	2016 €	2015 €
Net Retirement Benefit Liability at 1 January	21,209,000	22,877,000
Current Service Cost	1,220,000	1,386,000
Interest Cost	572,000	516,000
Past service cost	0	0
Experience gains on scheme liabilities	(117,000)	(234,000)
Change in assumptions	4,516,000	(3,132,000)
Benefits paid during the year	(83,000)	(204,000)
Net Pension Liability at 31 December	27,317,000	21,209,000

## History of scheme liabilities and experience (gains)/losses

	2016 €	2015 €
Change in assumptions underlying the present value of the pension scheme liabilities	4,516,000	(3,132,000)
% of liabilities at year end	16.50%	14.80%
Experience (gains)/losses on liabilities	(117,000)	(234,000)
% of liabilities at year end	(0.4%)	(1.1%)
<b>Scheme liability</b>	<b>27,317,000</b>	<b>21,209,000</b>

## 13 Related Party Disclosures

Please refer to Note 3 for a breakdown of the remuneration and benefits paid to key management. In accordance with the Revised 2016 Code of Practice for the Governance of State Bodies, the Board has in place Codes of Business Conduct for Board Members and employees. These codes include guidance in relation to the disclosure of interests by Board members and these procedures have been adhered to by the Board during the year covered by these financial statements. There are no transactions in the period in which the members had an interest.

## 14 Personal Injuries Assessment Board Act 2003

The Department of Jobs Enterprise and Innovation are currently completing a legislative review of the Personal Injuries Assessment Board Act 2003 and the Personal Injuries Assessment Board (Amendment) Act 2007.

## 15 Approval of Financial Statements

The Financial Statements were approved by the Board on 25th May 2017.



# Appendix

## Geographical Analysis of Claims

	2016	2016	2015	2015	2014	2014
	No. of Awards	% of Awards	No. of Awards	% of Awards	No. of Awards	% of Awards
Republic of Ireland	12,658	97.6%	11,440	97.6%	12,128	97.6%
Northern Ireland	199	1.5%	168	1.4%	194	1.6%
UK (other than Northern Ireland)	74	0.6%	88	0.7%	69	0.6%
Rest of World	35	0.3%	38	0.3%	29	0.2%
<b>TOTALS</b>	<b>12,966</b>	<b>100.0%</b>	<b>11,734</b>	<b>100.0%</b>	<b>12,420</b>	<b>100.0%</b>

	2016	2016	2016	2016	2015	2015	2015	2015
	ML	EL	PL	Total	ML	EL	PL	Total
Republic of Ireland	9,318	1,139	2,201	12,658	8,569	905	1,966	11,440
Northern Ireland	174	7	18	199	146	6	16	168
UK (other than Northern Ireland)	53	1	20	74	74	4	10	88
Rest of World	19	11	5	35	26	9	3	38
<b>TOTALS</b>	<b>9,564</b>	<b>1,158</b>	<b>2,244</b>	<b>12,966</b>	<b>8,815</b>	<b>924</b>	<b>1,995</b>	<b>11,734</b>

	2016	2016	2016	2016	2015	2015	2015	2015
	ML	EL	PL	Total	ML	EL	PL	Total
Dublin	3,066	395	826	4,287	2,758	306	722	3,786
Rest of Leinster	2,288	331	501	3,120	2,098	262	393	2,753
Connaught-Ulster*	1,456	135	260	1,851	1,336	101	240	1,677
Munster	2,508	278	614	3,400	2,377	236	611	3,224
Outside the State	246	19	43	308	246	19	29	294

\* ROI Counties

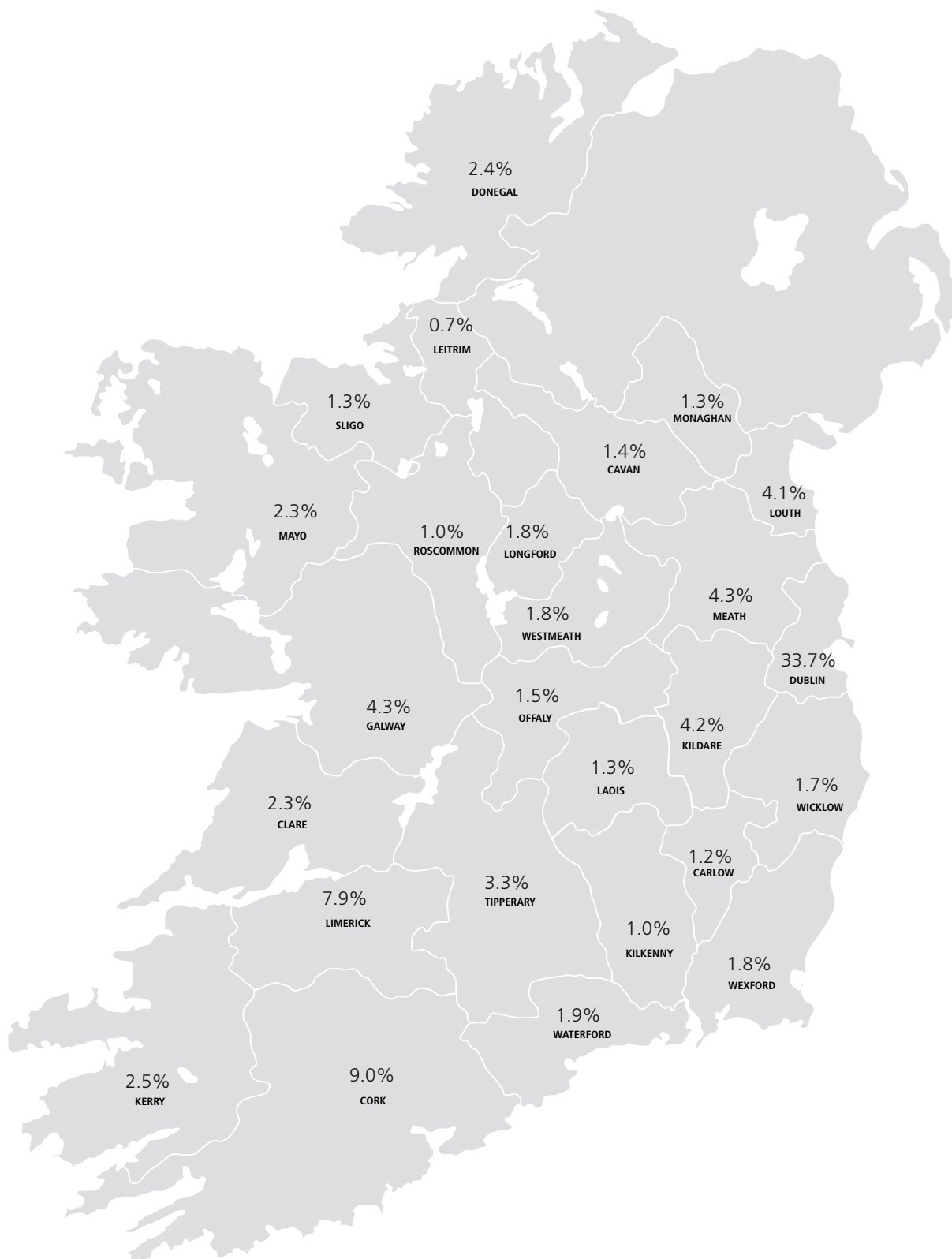
# Appendix

Figure 3.1 Number of Awards per County



# Appendix

Figure 3.2 % of Awards per County



# Appendix

## Overall Awards 2016

Figure 3.5 Highest No. of Overall Awards by County (based on address of claimant)

Dublin	4,287
Cork	1,142
Limerick	999
Galway	540

Figure 3.6 Lowest No. of Overall Awards by County (based on address of Claimant)

Leitrim	84
Roscommon	124
Kilkenny	128
Carlow	153

## Motor Liability Awards 2016

Figure 3.7 Highest No. of ML Awards by County (based on address of Claimant)

Dublin	3,066
Cork	849
Limerick	749
Galway	441

Figure 3.8 Lowest No. of ML Awards by County (based on address of Claimant)

Leitrim	68
Kilkenny	94
Roscommon	94
Carlow	103

## Employer's Liability Awards 2016

Figure 3.9 Highest No. of EL Awards by County (based on address of Claimant)

Dublin	395
Cork	89
Kildare	68
Limerick	68

Figure 3.10 Lowest No. of EL Awards by County (based on address of Claimant)

Leitrim	4
Longford	8
Roscommon	8
Sligo	10

## Public Liability Awards 2016

Figure 3.11 Highest No. of PL Awards by County (based on address of Claimant)

Dublin	826
Cork	204
Limerick	182
Kildare	88

Figure 3.12 Lowest No. of PL Awards by County (based on address of Claimant)

Leitrim	12
Monaghan	18
Cavan	20
Laois	20







## **Personal Injuries Assessment Board**

P.O. Box 8  
Clonakilty,  
Co. Cork.

[www.injuriesboard.ie](http://www.injuriesboard.ie)

Tel: 1890 829121

NI & Britain: 08708768121