

File Estimating Procedure

No Formal Claim and value falls below £25,000

Research has indicated that there is much higher likelihood of a formal claim being pursued on a medium to large claim than there is following a less serious accident. As such, we are taking a different approach to estimating no formal claims which we would ordinarily estimate below £25,000 (inclusive of costs and fees).

We will place a fixed estimate through the life of the claim until closure or a formal claim is made. If a formal claim is made, we will estimate the claim on a full liability basis. The fixed estimates are as follows: -

- **EL Injury £1,599**
- **PL Injury £1,399**

No Formal Claim and the accident falls outside of our reporting criteria (See point 2 above)

If the accident falls outside of our reporting procedure, we will estimate the claim at £999 until closure or a formal claim is made. If a formal claim is made, the estimate will be reviewed accordingly.

No Formal Claim and value is above £25,000

Our policy is to hold an accurate file estimate against any incident reported to us where a formal claim has been made or in absence of a formal claim we value that claim at £25,000 or more. The estimate will be reduced periodically in absence of a formal claim. Until we are in receipt of sufficient information to accurately estimate the claim, we will place the following 'Day One' estimates: -

- **EL Injury £13,999**
- **PL Injury £3,999**

Our estimate reduction policy is as follows: -

- 90% of the original estimate 6 months after notification.
- 75% of the original estimate 9 months after notification
- 50% of the original estimate 12 months after notification
- The estimate should be retained at this level until the claim is closed in line with AXA file closure guidelines (see below)

NB. For all cases where the file estimate, or incurred estimate, is or has been £100,000 or more, agreement to reduce the estimate in line with the above must be obtained from the local estimating committee. This means that for these cases, on a case by case basis, a more cautious approach can be adopted if warranted.

Formal Claim received

Our policy is to hold an accurate file estimate against any incident reported to us where a formal claim has been made irrespective of our position on liability. Until we are in receipt of sufficient information to accurately estimate the claim, we will place the following 'Day One' estimates: -

- **EL Injury £13,999**
- **PL Injury £3,999**