
xserve



respect > commitment > teamwork

UNC FGO Workgroup 30.6.16

Liability Funding

Categories of Liability

- Discussion Paper identified 4 Categories
 - A. Provision of DSC Services
 - B. Other DSC provisions
 - C. Liabilities in tort in connection with provision of DSC Services
 - D. Liabilities unconnected with the DSC
- DSC Workgroup agreed that only Categories B and D would apply
- DSC Workgroup has asked Charging Workgroup to consider how Liabilities under Categories B and D would be funded

Funding Principles and Proposal

- Principles

- Liabilities would not normally be associated with the provision of any individual Service Line
- Liabilities would not normally be included in CDSP Budget
- The CDSP does not build up a 'fighting fund' to finance the settlement of potential future liabilities

- Proposal

- Liabilities are recovered as and when the CDSP is required to make payment
- Liabilities are recovered from all users of CDSP Services in proportion to constituencies' funding of all services (excluding change) for the CDSP Budget Year in which the CDSP settles the liability

Central services provided outside of DSC

- Would contracts for central services delivered outside of the DSC contain liability provisions? (e.g. IX services to Traders, and non-Code services to non-Code parties)
- Should the same principles be applied to these contracts as to the DSC, including a contribution to the funding of Category D liabilities?