



Re: Victory for drivers as 'cash for crash' racket is outlawed (*Daily Mail* 9 September 2011)

The Office of Fair Trading (OFT) in its call for evidence on motor insurance, must look for the real data behind all the spin in order to provide an impartial view about the reasons for rocketing premiums.

The growing practice of the insurance industry effectively generating claims against itself by pursuing crash victims, often within hours of an injury, to offer compensation when they may not have considered making a claim, is an issue which must be explored in full. The aim of this practice is often, of course, to cut the legal cost of claims, but it can lead to some cases being under-settled.

It must also be remembered that the notion that we have a 'compensation culture' has been dismissed as a myth by opinion-formers. Even Lord Young recently wrote in his report *Common Sense, Common Safety*, that it is "perception rather than reality".

Instead of banning referral fees, the Government needs to introduce real solutions to tackle the real problems in the system. Why not put a stop to unsolicited texts and cold calls from organisations such as claims management companies? Why not impose an outright ban on the passing on of injured people's private details without their express consent?

The Legal Aid, Sentencing and Punishment of Offenders Bill will have little effect on straightforward, road traffic accident cases which make up 75 per cent of all personal injury claims, as they are subject to a new electronic system in which legal costs have been fixed. Instead it will only serve to prevent people with complex or catastrophic claims from having a full and fair access to justice.

Yours sincerely,

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