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INJURED PEOPLE WARNED AGAINST INSURERS' "CARE AND COMPENSATION" PROMISE

Lawyers today fired a broadside at the insurance industry for making "empty promises" to injured people.

The criticism came following comments from the Association of British Insurers (ABI) which responded to a report from the Northern Ireland Law Society which highlights bad behaviour among insurers who approach injured people direct to settle compensation claims.

Denise Kitchener, chief executive of the Association of Personal Injury Lawyers (APIL) said she was appalled by the ABI's assertion that insurers "want to help innocent victims...get the care and compensation they need.."

"It is a ludicrous comment to make," she said. "Insurers do not work for innocent victims – their first duty is to their shareholders."

"The Law Society's report is very welcome, not only because it demonstrates the problems injured people face when insurers approach them direct, but it also adds weight to the nationwide campaign which APIL, alongside others, has been running for some years. Hopefully the Financial Services Authority will now sit up and take notice and start taking this problem seriously."

According to Denise, the ABI has been publicly "clutching at straws" in attempts to defend what she describes as unethical and underhand practices.

"We have been saying for years that the practice known as 'third party capture' must be regulated, because we hear time after time about injured people being approached direct by insurers who offer them paltry amounts of compensation, and subject them to shoddy treatment. Many are pressurised to settle a claim without seeking independent legal advice," she said.

"The ABI consistently quotes its old research and maintains people get a better deal without lawyers – but we know for a fact this research is flawed and cannot be relied on. The researchers themselves actually say the data should be treated with caution – it's simply not reliable and certainly does not excuse or justify the way many injured people are being treated by insurers."



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Note to editors:

The Law Society's report can be found here:

<http://www.lawsoc-ni.org/download/Third%20Party%20Capture%202009.pdf>

A copy of the ABI press statement can be found here:

http://www.abi.org.uk/Media/Releases/2009/09/Insurers_committed_to_giving_road_accident_claimants_the_best_deal_says_ABI.aspx

For more information, please contact Lorraine Gwinnutt, t:0115 9388707, or Lisa Wardle, t:0115 9388715.