



1 April 2011

Not-for-profit group seeks judicial review against Lord Chancellor

A campaign group which fights for the rights of injured people has taken legal action after the Lord Chancellor failed to review the discount rate.

The not-for-profit Association of Personal Injury Lawyers (APIL) has issued proceedings for a judicial review after the Lord Chancellor, despite stating last year that a review was taking place, failed to complete it and refused to provide a timetable for it.

The discount rate is used to calculate the amount deducted from an injured person's compensation to account for any income he may receive from investing his damages. The discount rate set by the (then) Lord Chancellor in 2001 was based on yields generated by index-linked government stock (ILGS) and was calculated at 2.5 per cent. Since that decision was made, yields on ILGS have gradually declined and over the last three years the average gross yield has been less than one per cent.

APIL president Muiris Lyons said: "We are gravely disappointed that the Government has failed to carry out its review as injured people are continuing to be undercompensated, in some cases, by hundreds of thousands of pounds.

"It has been nine months since we first brought this issue to the attention of the Lord Chancellor and we find it unacceptable that no meaningful progress has been made since then.

"This decision is not something we have taken lightly, but we feel that we are left with little alternative other than to seek a judicial review on behalf of the injured people we represent.

"Our only hope is that the Lord Chancellor now takes swift action and that injury victims are provided with access to the full and fair compensation they deserve."

-Ends-



Note to editors:

- APIL (Association of Personal Injury Lawyers) has been advised in these proceedings by leading counsel Philip Havers QC and by Hodge Jones & Allen LLP, acting for the association on a pro bono basis.
- APIL is a not-for-profit organisation, whose members are dedicated to campaigning for improvements in the law to help people who are injured or become ill through no fault of their own.
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- Visit the association's website at www.apil.org.uk.