



NEWS RELEASE

Justice denied under Government proposals - new research findings

Independent research published today (Wednesday, 25 May) highlights the importance of 'no win, no fee' agreements to the general public, and throws a direct challenge to the Government's proposed legislation to reduce access to justice by dramatically restricting 'no win, no fee' agreements.

The research, commissioned by the Access to Justice Action Group (AJAG) and the Association of Personal Injury Lawyers (APIL) calculates that almost three million people have used this method to make a legal claim in the last five years. The vast majority of those are people suffering from personal injury.

Proposed restrictions to 'no win no fee' will mean the facility will cease to be an option for many claimants, and the research reveals that, due to their income, most won't be able to fund their claims any other way: more than half of respondents had an income below £25,000 per year and 82 per cent below £40,000. Eighty per cent of those who used 'no win no fee' expressed satisfaction with the current system, and the research shows that most cases were not substantial in value.

"This research proves, as we have previously stated, that the present system is vitally important for those seeking access to justice for injuries suffered as the result of the fault of another," said Denise Kitchener, chief executive of APIL.

"Under the Government proposals for 'no win, no fee' a huge number of people will lose their right to the compensation to which they are entitled, and which they need and deserve, as they will not be able to afford the legal help they need to bring a claim."

AJAG co-ordinator Andrew Dismore said: "The Government must think again and not give in to the special pleading of the fat cat multinational insurance companies, who are the sole beneficiaries of their plans."

"They will save millions of pounds at the expense of ordinary people who have been hurt on the roads or at work. The Government's plans are draconian and will end access to justice for the less well off. The system we have now works well and has huge satisfaction rates from those who use it."

Over the next few weeks, campaign groups will redouble efforts to bring to the attention of parliamentarians the serious impact of these proposals on their constituents and to show how those who can now find a solicitor to fight their cases will be forced to rely on MPs' advice surgeries to fill the access to justice gap.

And the impact of the proposals will not only be felt by personal injury victims, as 'no win, no fee' is not only used by those suffering injuries on the roads or in unsafe workplaces. It is also really important to those with, for example, serious consumer problems, small business disputes, those challenging the decisions of local councils through judicial review (especially at a time of cuts) and even those in the developing world with claims for environmental pollution.

Summary of key findings:

- Almost three million people in England and Wales have used 'no win no fee' (conditional fee agreements, or CFAs) over the past five years.
- Over half of people who have used CFAs earn under the national average wage of £25,948 a year.
- 80 per cent of respondents agreed they were satisfied with the 'no win no fee' outcome and process
- Almost 80 per cent of people agreed they were satisfied with the amount of settlement.
- Nearly 50 per cent of CFA cases have a compensation value below £5,000.
- Almost three quarters of CFA cases have a compensation value of less than £10,000.

- Ends -

Note to editors: Research conducted by ICD (Insight Consultancy Delivery) Research.

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