

May 2003

AP 224

APIL REACTION TO BARONESS SCOTLAND CONFERENCE SPEECH

Claimant lawyers have welcomed a call from Baroness Scotland for an end to the costs 'war'.

Addressing the annual conference of the Association of Personal Injury Lawyers (APIL) last week Baroness Scotland, Parliamentary Secretary at the Lord Chancellors Department, announced immediate measures to simplify the conditional fee agreement (CFA) and an imminent wider consultation on the CFA regime – a system subject to serious disruption due to constant challenges from insurers about costs.

“I would like the regime to be easier for the consumer to understand, for the legal representative to use and harder for any mischievous challenges against the solicitors' costs,” she said.

Referring to the introduction of the new regime three years ago, she said “some adjustment time was predictable. Some challenges to the new regime were inevitable. However, what actually occurred went well beyond this and has been unreasonable and destructive.”

In 2000, APIL was at the forefront of calls for success fees and insurance premiums in CFAs to be recoverable from the losing party. “It is ironic that the controls we were asked to put into the April 2000 regulations by APIL and others to protect the consumer... have been utilised to attack claimant solicitors' costs,” said Baroness Scotland.

mf

AP224/2

The Lord Chancellors Department had been concerned for some time about satellite litigation, its impact on access to justice and the “tremendous waste of resources for all the people involved,” she said.

“It is clear to me that the between-the-parties costs regime can only operate with consensus.”

David Marshall, incoming president of APIL, said Baroness Scotland’s remarks would provide some comfort to claimant solicitors and their clients, who have been besieged by technical challenges and arguments about costs from insurers.

“These endless and usually mischievous arguments have made the new regime almost unworkable,” he said. “Injured people have suffered as cases are log-jammed in the system, their solicitors have experienced tremendous cash-flow difficulties which have brought some firms to the brink of bankruptcy, and the whole issue of costs in CFAs has diverted attention from some real health and safety issues which must be addressed.

“This is why my own speech to the conference included a promise that APIL will continue trying to work with all other interested parties to end the costs debate once and for all, so our members can get on with their real jobs of putting injured people’s lives back together.

“The system must function to enable lawyers to take on meritorious cases and to be properly remunerated both for their work and for the risk of loss that they accept every time they run a no win, no fee case.”

- ends -

Note to editors: For further information, please contact:

Lorraine Gwinnutt
Press & Parliamentary Manager
APIL
Tel: 0115 958 0585
Fax: 0115 924 3485
email: lorraine@apil.com