

**13 December, 2005**

**PRESS STATEMENT: Association of Personal Injury Lawyers (APIL) responds to ABI proposals for new personal injury claims system**

APIL is as anxious as the ABI to make the claims system more efficient, but warns that any attempt to remove independent lawyers from the system will leave injured people in the hands of insurers whose first duty is to their shareholders, and not to providing full and fair redress for injured people.

“We know from research\* that final agreed settlements are, on average, 50 per cent higher than the original first offer made by insurers,” said APIL chief executive Denise Kitchener. “We also know from research that, on average, around two thirds of defendants fail to admit liability for an injury within the first three months of a case, even though the case is settled in the end.

This demonstrates that time limits already in the current system are simply not being adhered to.

“Claimants who are not legally qualified cannot hope to overcome such tactics without the help of independent legal advice. To force them to do so would be deeply wrong and could clearly deny them the full and fair compensation which is their right.

“And to use the Personal Injuries Assessment Board as a model is short sighted in the extreme,” Denise went on. “The PIAB has not been established long enough to enable anyone to make an informed judgement about whether it is working properly, let alone use the system as a blue-print for a new model.

“Indeed, at the time of the Board’s first annual report in September this year, up to 40 per cent of the 13,000 applications received had not even gone through the PIAB process, and awards resulting from a quarter of the remaining cases which were actually handled by the Board were rejected by claimants.

“And, despite the PIAB’s boast about having cut costs for personal injury claims, there is not, as far as we are aware, any conclusive evidence to suggest that the scheme has actually resulted in lower insurance premiums.

“What is needed is more time and scrutiny of this system before it is reinvented by insurers who simply want to cut costs, with little or no regard for the claimant’s interests.

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**Note to editors:**

\* APIL conducted research among its membership into the conduct of claims under the value of £5,000 in March 2005

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