

**AP316**

**October 2006**

## **DEFENDANTS SHOULD NOT ESCAPE PAYMENTS INTO COURT, SAYS APIL**

Injured claimants may be left stranded by Government proposals to allow certain public sector bodies and insured defendants evade payments into court.

In its response to a DCA consultation, APIL said that payments into court ensure defendants back up offers to settle, and allow claimants to receive their compensation promptly. APIL president Richard Langton said letting certain defendants off the hook could lead to claimants being left with no compensation or additional worry and delay.

“We feel very strongly that if a defendant believes it is liable to compensate a claimant, then it should show willingness to do so by putting that amount of money into court,” he said. “If the money is already in court then no further obstacles lie in the claimant’s way to bring the action to a prompt end.

“We are extremely concerned that if certain defendants aren’t required to make the payments, potential bankruptcy or the failure to pay out promptly will severely affect the claimants’ ability to settle the claim,” said Langton.

“We have every reason to be concerned,” he said. “Independent Insurance and Chester Street Insurance – to name only two - were insurers who were apparently ‘good for the money’ but became insolvent. This situation could easily be repeated.”

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### **Note to editors:**

APIL responded to further questions set by the DCA, following its consultation on Part 36 offers to settle and payments into court.

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