

LawSociety Communication

Date issued	16 September 2009
Reference	Launch of Third Party capture Report

‘Law Society calls for protection for accident victims’

In a report launched today the Law Society of Northern Ireland has recommended that the Northern Ireland Executive take action to protect accident victims against a small number of insurers who are exerting undue pressure to settle claims for compensation without a full medical report and before the full extent of their injuries are known.

Third party capture is a relatively new tactic employed by some insurers to offer claimants a financial settlement for compensation before they are able to consult with a solicitor or obtain medical evidence detailing the full extent of their injuries.

Over the last year the Law Society has been made aware of growing concerns from solicitors’ clients in relation to this practice particularly the levels of compensation being offered to clients and more significantly by the tactics being used by insurers to induce injured parties to settle claims for compensation.

The tactics that most concern the Society include:

- Wrong information being given to injured parties of the extent of their injuries and their legal rights;
- Actively discouraging injured parties from seeking a medical opinion and report;
- Actively discouraging injured parties from obtaining legal advice; and
- Pressurising injured parties who have not yet recovered from their injuries to make decisions through persistent phone calls and door stepping at their home.

In response to these growing concerns and the lack of awareness amongst the general public the Law Society undertook research to identify the main issues affecting consumers and to make recommendations to ensure that consumers’ rights are upheld.

On the basis of this evidence the Law Society has considered where there are gaps in consumers legal rights and has made a number of recommendations in its report.

The main recommendations are:

- The Northern Ireland Executive seeks a full investigation into the impact of third party capture be carried out by the Financial Services Authority;
- That insurers are prohibited from initiating contact with accident victims within 10 working days of their accident;
- Where the injured party has suffered significant injuries measures should be introduced to protect against the settlement of a claim for compensation without a medical report;
- That compensators be placed under a legal obligation to inform injured parties in writing of their right to consult with and be represented by an independent legal representative; and
- That special measures be introduced to ensure protection for minors and those most vulnerable within our community.

Speaking at the launch of the report, Mr Rory McShane former President of the Law Society of Northern Ireland said:

'We believe and it is evidenced by this report that these small number of insurers have no consideration for the impact which the tactics they employ have upon accident victims.

It is therefore critically important that consumers are made aware of their rights and are able to seek independent legal advice.

We are therefore calling on the Northern Ireland Executive to take action to ensure vulnerable injured parties are provided with adequate protection and for an open debate to take place on this issue.

Until such times as that debate takes place our message to consumers is simple -

Don't settle for less and always seek the advice of your own solicitor!