

# Too Many Injury Claims?

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*Article by: Kevin Stokes*

Several Claims Management companies (which are no longer operating) were the pioneers of this apparent "Compensation Culture", enticing people to make injury compensation claims that had little or no chance of success. Once the claim was on paper, it could be packaged up and sold to an unsuspecting solicitor and the client could be signed up to a credit agreement that would ultimately cost them a lot of money, often more than the settlement itself. The only people who made money were the claims companies. Since the demise of these particular companies, the level of claims has actually *dropped*.

Regardless of all the hype, we need to ask ourselves a few simple questions. Are people who have genuinely been injured entitled to reasonable compensation? Of course they are. Does everyone who is entitled to compensation actually get it? The answer is a definite **NO!** It is believed that 70% of people who were injured as a result of an accident do not make a claim. Of those that do claim, settlements are usually modest. The vast majority are under £10,000 - hardly life changing!

Members of the public need to be aware of their rights and need to be able to get good advice from honest and trustworthy sources. These sources are solicitors or quality Claims Management companies. The Law Society governs all solicitors and they must clearly set out their terms of engagement and advise the client on the likely success of their claim. Claims Management companies (such as the two that are no longer operating) are not officially regulated and, consequently, have come in for a great deal of criticism recently. Like most things in life, there are some terrific companies that provide a very good service, and there are some that should be avoided at all costs.

Claims Management companies will ultimately become regulated and this will have a very positive affect on the industry. Until that time, it is best for claimants to consult the Claims Standards Council who are a voluntary regulator, and chose a company from their members list. These companies clearly outline their service and costs (if any) and will give sound advice.

In summary, the level of claims in the UK is not out of control but the balance is wrong. Many people who should claim don't, and many unworthy claims that will ultimately fail are still being submitted. The answer is to encourage more genuine victims to claim, and to politely advise those with little or no chance of success, not to proceed with a claim. This can only be achieved through education of the public and professional advice from the industry.

--Kevin Stokes is the owner of Injury Claims Solutions and has dealt with injury and accident claims since 1993. He is a member of the Claims Standards Council and is accredited by the Law Society of England and Wales.