

PIAB four times cheaper than court

by Seán McCárthaigh

NEW research shows that the Personal Injuries Assessment Board is able to provide the same level of compensation to accident victims three times faster and four times cheaper than the old litigation system in the courts.

PIAB chairwoman Dorothea Dowling said the report showed that PIAB achieved a minimum saving of 88% in costs as it established a fixed-cost regime which averaged just €1,330 per claim.

Similar claims before the Circuit Court in the past averaged €7,223 and €28,553 in the High Court.

Ms Dowling pointed out that legal costs in cases where awards for personal injuries were made by the courts were calculated as a percentage of the compensation, regardless of the amount of work involved.

It is estimated that PIAB will achieve savings of over €48 million in a full 12-month period.

However, the report noted that only 6% of PIAB cases would normally go to the High Court.

The study's author, Dr Vincent Hogan stressed that PIAB's savings were achieved without any reduction in compensation paid.

However, Ms Dowling expressed regret that a High Court ruling had prevented PIAB from advising claimants that they do not need to hire a solicitor to process their case. Although PIAB was established to reduce legal costs, nine out of 10 claims are still lodged with PIAB by a solicitor.