

# Solicitors 'disrupting lawyer-free system'

*Injuries board says handful of law firms are 'hell-bent' on causing problems*

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Thousands of personal injury claimants are rejecting awards made under the new "lawyer-free" system because their solicitors want to recoup legal costs in court proceedings, it has been claimed.

One in five of the awards made so far by the Personal Injuries Assessment Board (PIAB) has been rejected purely so lawyers can seek costs through litigation, according to the board's chief executive Patricia Byron.

She accused a handful of law firms of being "hell-bent" on causing difficulties for the board. "The vast majority of solicitors have moved on but a small number remain focused on challenging the PIAB legislation. They're not working it in the interests of their clients and it's not good for society either."

Set up in 2004, the board deals directly with the public, bases awards on medical documentation only and refuses to pay legal costs.

However, over 90 per cent of applicants have opted to process claims through a solicitor.

Stuart Gilhooly, of the Law Society, rejected Ms Byron's claims, and said many claimants were being "duped" into believing PIAB awards were adequate.

PIAB's annual report, published yesterday, says it is processing personal injury awards three times faster and 70 per cent cheaper than the old system of litigation. By cutting legal costs, it claims to be delivering annual savings of €40 million, even though, it says, its awards are the same size on average as those formerly delivered in court proceedings.

Since it was set up, the board has received about 48,000 applications. About one-third of these have been referred to the courts because they were outside its remit. About 9,000 assessments have been issued but only 62 per cent of these have been accepted.

Ms Byron said there was little evidence that cases where

awards were rejected were turning up in the courts, so PIAB believed these were being settled.

The number of personal injury writs issued in the High and Circuit courts dropped from 30,000 a year before the assessments board was set up, to about 10,000 a year today, she pointed out. The number of cases actually coming before the courts has dropped more modestly, from 3,000 to over 2,000. The board plans to introduce an online application service next year to make its service more accessible.

Welcoming the report, Minister for Enterprise and Employment Micheál Martin said PIAB had enabled people who had suffered injury to receive the same level of compensation as in the courts, in a fraction of the time and without the worry of litigation.

Legislation was passed last month to prevent claimants who rejected the board's awards from recouping legal costs in the courts unless they were awarded a higher amount. Ms Byron predicted this would ensure solicitors who were wasting the courts' time would not get their costs.

Insurance companies have seen their profits soar since PIAB started. One company, Quinn Direct, yesterday announced profits of €133 million in the first half of this year. However, the sector has failed to give PIAB details of settlements reached with claimants and, as a result, the board has asked the Minister to ensure it makes the information available.

"Insurance companies are still doing well out of this. Some savings have been passed on to the public in the form of lower premiums but I'm sure people would like to see more."

Mr Gilhooly admitted the board was making awards more quickly but said it was no cheaper than the old system. He claimed the new legislation was unconstitutional and would be challenged soon in the courts.

The average award last year was €19,610 while the biggest award so far was €540,230.