



**Welcome:**

**The Zurich  
Jackson & MOJ Reforms  
Webinar will begin shortly**

If you do not get a chance to raise a question during the Webinar, you can use our MOJ advice centre, simply e mail your query to:

**[Mojhelpline@uk.zurich.com](mailto:Mojhelpline@uk.zurich.com)**

INTERNAL USE ONLY

# Agenda

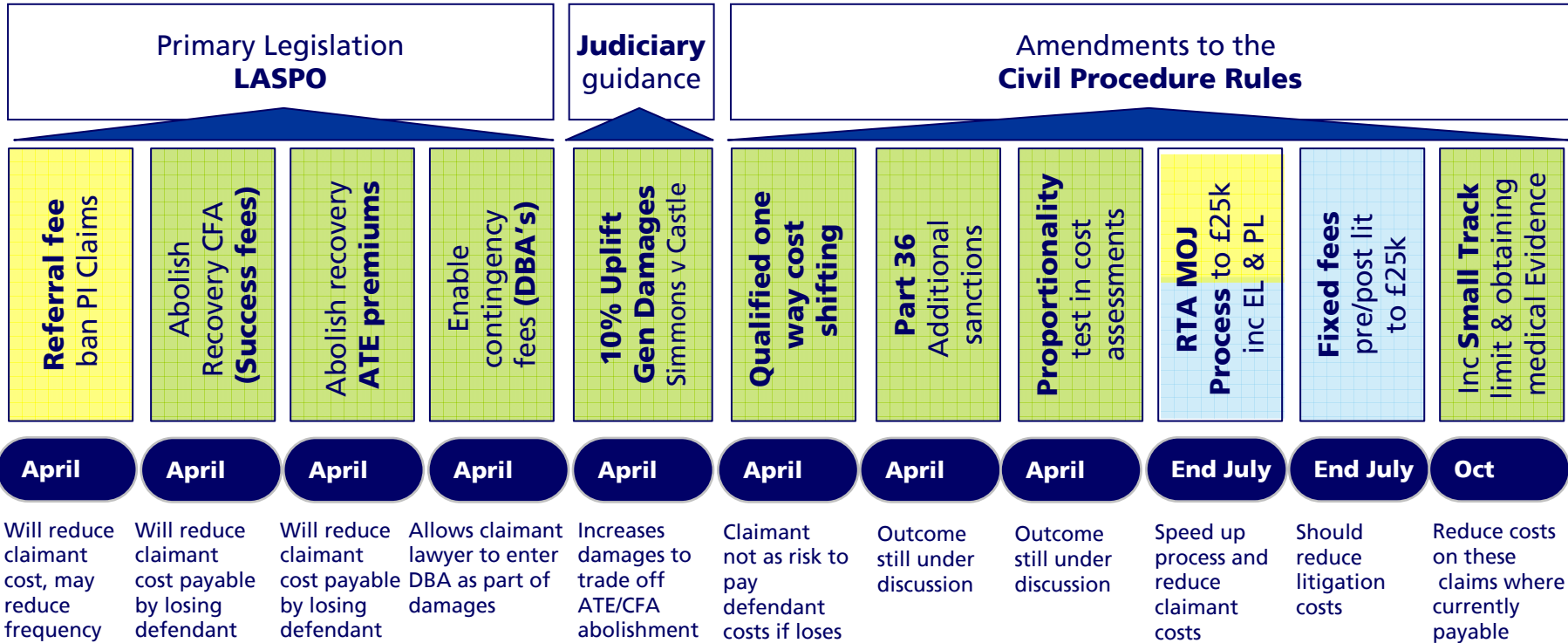
16<sup>th</sup> April 2013



- Latest position on LASPO/ Jackson
- MoJ portal process
- Fixed Cost Regime
- Disease Claims
- What does this mean for you and your organisation?
- RTA Changes and implications
- Questions

# The Legal Reforms

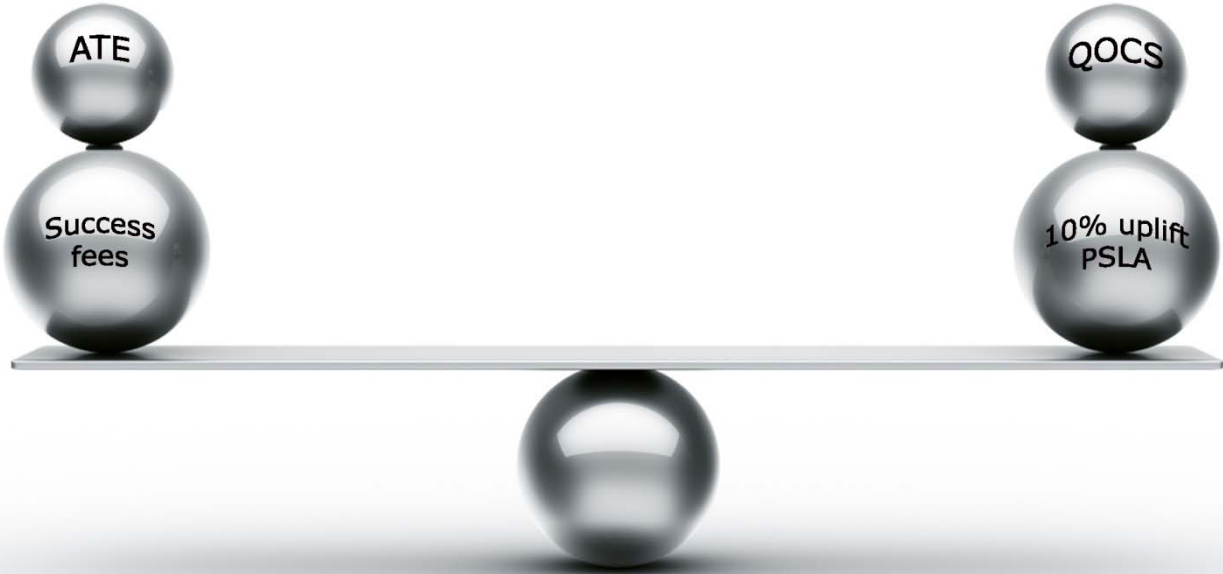
The implementation of Jackson's recommendations



## Impact



# Key components of Jackson



# April 2013...Where are we?

Finally some certainty of the timeline



- **Chris Grayling MP announcement 27/02/13**
  - EL/PL portal implementation will be **end of July**
- **APIL/MASS Judicial Review heard 01/03/13**
  - Court found in favour of MoJ
- **Pre action protocol / MoJ protocol**
  - CPRC due to sign off amendments/ rules 08/03/13



# April 2013 – what's coming

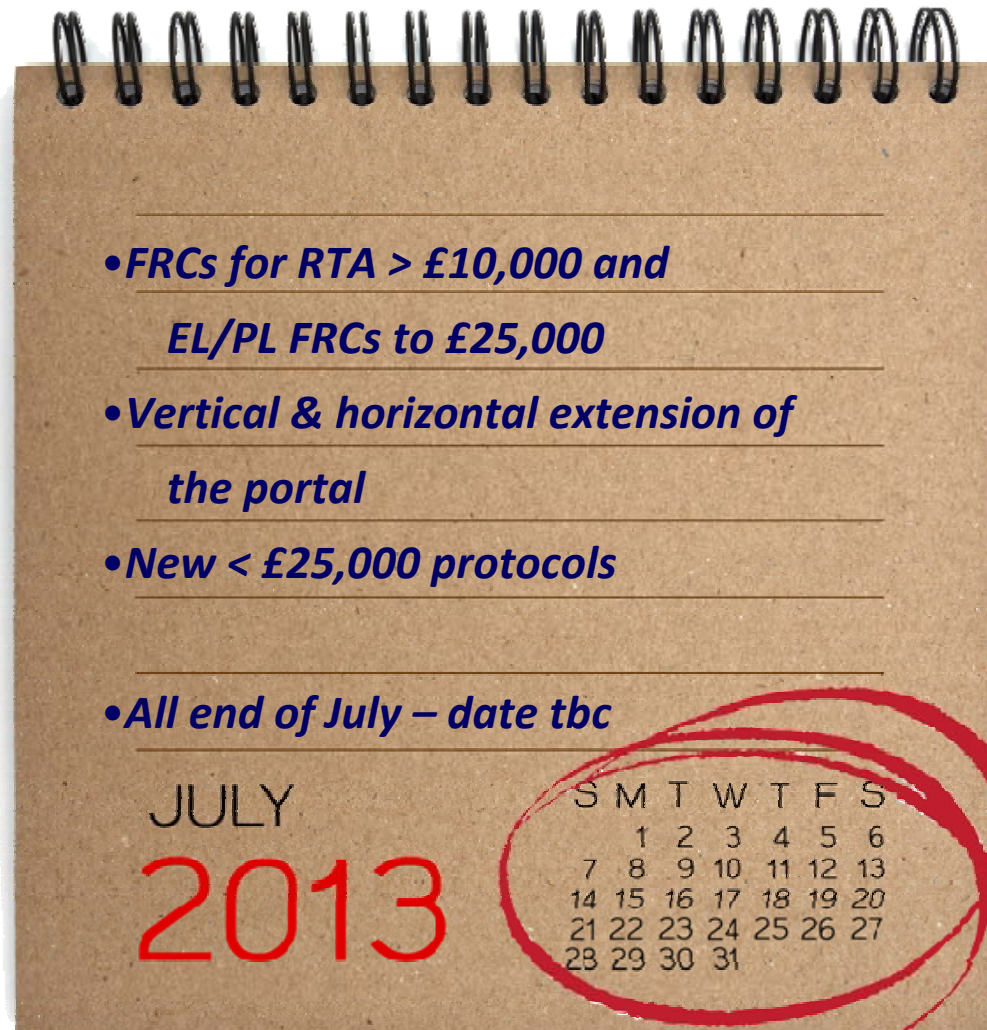


- *Referral fee ban*
- *Non recoverability of ATE premium and success fees*
- *Damages Based Agreements*
- *10% uplift in PSLA*
- *Qualified One Way Costs Shifting (QOCS)*
- *New Part 36 & new Rule on Proportionality*
- *New FRCs for RTA claims <£10,000*

APRIL  
2013

| S  | M  | T  | W  | T  | F  | S  |
|----|----|----|----|----|----|----|
|    | 1  | 2  | 3  | 4  | 5  | 6  |
| 7  | 8  | 9  | 10 | 11 | 12 | 13 |
| 14 | 15 | 16 | 17 | 18 | 19 | 20 |
| 21 | 22 | 23 | 24 | 25 | 26 | 27 |
| 28 | 29 | 30 |    |    |    |    |

# April 2013 – what's delayed



# MoJ Portal Process

Draft protocols of 28/02/13



## Pre Stage 1

- EL/PL accident occurring basis from 31 July 2013
- Disease claims made from 31 July 2013- single defendant
- EL Identification of insurer through ELTO
- PL identification through enquiry
  - If unable to identify CR to submit paper CNF to insured

## Stage 1

- Claimant solicitors submit claims through the electronic portal
- Insurer receives CNF
- Insurer has 30 (EL) 40 (PL) business days to make decision on liability
- Accept, reject or remove from the process via the portal
- EL- defendant must provide loss of earnings within 20 days of accepting liability

## Stage 2

- Insurer receives stage 2 settlement pack via the portal
- Pay stage 1 fee\* within 10 days
- 15 days to accept/ reject offer
- Further 20 days to negotiate
- Settle claim pay damages/ stage 2 fee\* within 10 days

## Stage 3

- If unable to agree at S2, claim moves to S3 paper or oral hearing



# Fixed Cost Regime

## MoJ Portal Claims



| Claim Type | Claims £1-10k |         |       | Claims £10-25k |         |        |
|------------|---------------|---------|-------|----------------|---------|--------|
|            | Stage 1       | Stage 2 | Total | Stage 1        | Stage 2 | Total  |
| RTA        | £200          | £300    | £500  | £200           | £600    | £800   |
| EL/PL      | £300          | £600    | £900  | £300           | £1,300  | £1,600 |

# Fixed Cost Regime

## Fixed Costs Outside of the Portal



|                              | Pre Issue<br>£1-5k                                | Pre Issue<br>£5-10k                        | Pre Issue<br>£10-25k                       | Issued –<br>Post issue<br>pre<br>allocation | Issued –<br>Post<br>allocation<br>pre listing | Issued –<br>Post listing<br>pre trial | Trial –<br>Advocacy<br>fee   |
|------------------------------|---|--|--|---|---|---------------------------------------|--|
| <b>Road Traffic Accident</b> |   |  |  |   |   |                                       |  |
| Fixed Cost                   | Greater of<br>£550 or £100<br>+ 20% of<br>damages | £1,100 + 15%<br>of damages<br>over £5k     | £1,930 + 10%<br>of damages<br>over £10k    | £1,160<br>+ 20% of<br>Damages               | £1,880<br>+ 20% of<br>Damages                 | £2,655<br>+ 20% of<br>Damages         | £485 (to £3k)<br>£690 (£3-10k)<br>£1,035 (£10-<br>15k)<br>£1,650 (£15k+) |
| Escape                       | +20%  | +20%                                       | +20%                                       | +20%  | +20%  | +20%                                  | n/a  |
| <b>Employers Liability</b>   |   |  |  |   |   |                                       |  |
| Fixed Cost                   | £950<br>+ 17.5% of<br>Damages                     | £1,855<br>+12.5% of<br>Damages over<br>£5k | £2,500<br>+ 10% of<br>Damages over<br>£10k | £2,630<br>+ 20% of<br>Damages               | £3,350<br>+ 25% of<br>Damages                 | £4,280<br>+ 30% of<br>Damages         | £485 (to £3k)<br>£690 (£3-10k)<br>£1,035 (£10-<br>15K)<br>£1,650 (£15k+) |
| Escape                       | +20%  | +20%                                       | +20%                                       | +20%  | +20%  | +20%                                  | n/a  |
| <b>Public Liability</b>      |   |  |  |   |   |                                       |  |
| Fixed Cost                   | £950<br>+ 17.5% of<br>Damages                     | £1,855<br>+10% of<br>Damages over<br>£5k   | £2,370<br>+ 10% of<br>Damages over<br>£10k | £2,450<br>+ 17.5% of<br>Damages             | £3,065<br>+ 22.5% of<br>Damages               | £3,790<br>+ 27.5% of<br>Damages       | £485 (to £3k)<br>£690 (£3-10k)<br>£1,035 (£10-<br>15k)<br>£1,650 (£15k+) |
| Escape                       | +20%  | +20%                                       | +20%                                       | +20%  | +20%  | +20%                                  | n/a  |

# Motor Portal



Fixed Cost reduction for Portal Claims only End of April



Distorted Costs between April and July, the difference in legal costs for cases falling out of the Portal is £1250



Implementation for Portal costs in April will be for all claims notified on the Portal from 29th April



Changes in July will be Portal/Fixed costs for Accidents occurring after 30th July



LASPO changes apply for CFAs signed after the 1st April

# MoJ & DISEASE Claims



Number of claims through the Portal may be as low as 10%!



What activity do we expect from Claimant lawyers to maximise costs?



Will Claimant Solicitors make cases multi-defendant or value over £25,000.



Short tail claims, WRULD, dermatitis, cumulative back more likely to be in Portal



Admissions of liability will be closely monitored as causation and limitation are often factors in disease claims

# What does this mean for you and your organisation?



Financial and operational impact



Significant operational impact with the MoJ process



You will not always be the first to hear about claims



Claimants might not be able to identify Zurich as your insurer



Accelerated decision making will be crucial



Wages details 20 days!

# Further Information

List of documents/ links for further information



- MoJ draft protocols which can be found at <http://www.rtapiclaimsprocess.org.uk/>
- MoJ response to costs consultation
- Further information on the portal visit <http://www.rtapiclaimsprocess.org.uk/>
- **Mojhelpline@uk.zurich.com**

# Questions



# Appendix 1

Mojhelpline@uk.zurich.com



## **Derek McCann - ACII**

Derek is the UK Casualty Technical Claims Manager for Zurich. Responsible for developing best practice and effectiveness, all technical and governance matters, ensuring compliance with current regulations, legal precedent and trade/industry developments.

He started his insurance career with the Royal Insurance over 30 years ago learning the ropes in each department, but moved into Claims quickly and has remained working in this area ever since. Derek joined Eagle Star/Zurich in 1987 as Claims Inspector working mainly on EL claims, but has subsequently undertaken a number of roles within Claims



## **Andrew Else ACII**

Andrew, has over 28 years experience of Casualty claims handling with the majority of that time spent with Zurich Insurance. During that time I have held a number of positions including supervisory, investigatory and technical and I am currently the Technical Claims Manager for the Birmingham office. My current role involves ensuring that Claims Handlers are technically equipped to handle the wide array of claims that are presented along with personally handling some high value and complex cases, developing technical strategies and ensuring good governance across the Birmingham teams, which span both the Zurich Municipal and Zurich Commercial customer bases



## **Guy Morgan - ACII**

Technical Claims Manager– handling all types of casualty claims.

The role requires that Guy oversees the technical functions of the claims units

25 years experience of handling insurance claims in insurance offices and three firms of insurance practice specialist solicitors.

Guy is currently undertaking the 'major achievement' element of the FCII programme.



## **Rod Luck - ACII**

Rod is the Technical claims Manager for disease claims. He has over 35 years of experience in claims handling.

In this time he has worked with major commercial organisations and the public sector, spending many years with ZM, including at Farnborough Head Office and with the CAT PI Team. He moved to the Occupational Disease team in 2007, providing technical support to the handlers there, as well as supporting the wider Birmingham claims operation for construction and engineering claims.



## **Michelle Pickering – Cert CII**

Michelle joined the Company in 1991 and has handled claims across Property, Casualty & Motor.

She has held roles across training, mid-level catastrophic claims handling & also as a Team Manager.

In 2008 Michelle was appointed Casualty Technical Claims Manager, a role in which she is responsible for technical compliance, governance, audit, Litigation performance and development across the Commercial Broker, Municipal & Global Corporate claims teams.