## LV Reports Solicitors Seeing Rise In Fraudulent Personal Injury Claims



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LV= has issued new research revealing that the legal profession has seen a dramatic increase in the number of people attempting to claim compensation from exaggerated or invented injuries.

The research reveals that over half of all solicitors (57%) have noticed an increase in the number of prospective clients faking their injuries in order to make a claim in the past ten years.

Among solicitors who have encountered suspect <u>personal injury claims</u>, over half (52%) say the claims are most likely to involve a car accident, with whiplash the most frequently exaggerated injury (46% of all exaggerated claims). Post-traumatic stress was the next most commonly 'made-up' injury (21%) followed by strained muscles (10%).

The vast majority of solicitors (89%) feel that the 'blame culture' associated with personal injury claims has been exacerbated by the introduction of the 'no win no fee' arrangement, also known as the 'Conditional Fee Agreements' system.

The LV= research found that over six in ten legal professionals (63%) believe that TV advertising of these kinds of services is one of the key reasons for the increase in people reporting false personal injury claims. The other reasons cited were people thinking it's an easy way to make money (70%), an increased awareness of the availability of compensation (62%), and the need to hold someone else responsible (49%) if they had been in an accident.

The legal profession is cracking down on cheats as a result of the findings, with the vast majority of solicitors refusing to take on claims, or strongly discouraging claimants if the facts don't add up.

Commenting on the findings, Asim Butt, a partner from Keoghs LLP, a law firm specialising in the investigation and handling of suspected fraudulent personal injury claims on behalf of insurance companies, said: "The research by LV= supports the experience within our fraud unit that some types of car insurance fraud are now

reaching epidemic proportions. Our legal system is intended to ensure that fair compensation is provided to those who genuinely suffer injury or loss as a result of an accident. It is not there to be hijacked by those who wish to abuse the system by pursuing false, bogus or exaggerated claims. <u>Insurance</u> fraud is not a faceless crime; it is an indirect tax on the public, levied by dishonest people and is an unacceptable feature of today's society that needs to be addressed."

Martin Milliner, LV= technical claims director, said: "Genuine cases of personal injury where another person or company is at fault are certainly causes for compensation. However, drivers who invent or exaggerate their injuries to make a claim not only break the law but also push up the cost of <u>car insurance</u> premiums for all motorists. We encourage all solicitors to continue to apply rigorous questioning to anyone claiming a personal injury, and to investigate very carefully any concerns they have about the reliability of a claimant's story."

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Notes to Editors:

ICM Research conducted an online survey with 235 solicitors regarding their experiences of personal injury claims in the legal profession. ICM is a member of the British Polling Council and abides by its rules. Further information at www.icmresearch.co.uk

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