



PIAB Report shows personal injuries award values have fallen sharply following implementation of new Judicial Council Guidelines

- ***Average award reduced by 40% on 2020 levels***
- ***Almost half of PIAB awards are now under €10,000***

Friday 15 October 2021 - Personal injuries ('PI') award levels have reduced on average by 40% in the five months after the introduction of new injuries guidelines, according to a report published today by the Personal Injuries Assessment Board (PIAB).

The PIAB Report on Personal Injuries Award values covers the period from the 27th April since the new Guidelines came into effect to the end of September. The report shows that 18% of awards are now under €5,000, and 30% are between €5,000 and €10,000, meaning nearly half (48%) of claims are now under €10,000 compared to just 12% of awards previously.

Average awards by PIAB reduced from the introduction of the new Guidelines up to the end of September from €23,877 to €14,233, an average reduction of €9,654 per award. This level of reduction equates to a total reduction in award values over this period of €25.6 million.

PIAB is the main implementer of the Guidelines. Research has clearly shown that the vast majority of claims never reach the Courts, so this data is very significant. The report is the first official publication on average award levels since the introduction of the new Guidelines and is based on over 2,600 assessed claims. While the Guidelines are still relatively new this is still a significant cohort of cases and it does indicate a significant decrease in average awards.

Average Awards figures from Report				
	Motor	Public Liability	Employers Liability	Overall Awards
Average award (April to September 2021)	€13,230	€15,697	€17,203	€14,223
Average award (2020)	€22,158	€26,000	€30,576	€23,877
% drop in value of awards under Guidelines	-40%	-40%	-44%	-40%
Average (€) reductions in awards under Guidelines	-€8,928	-€10,303	-€13,373	-€9,654

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The report also details the difference between general damages, which is the award for pain and suffering, and special damages which are unaffected by the Guidelines and are assessed by vouched expenses and reflect direct costs to the claimants such as loss of earnings, and therefore vary according to personal circumstances. The report shows that the average award for General Damages has decreased by 46%.

The report does also show that there has been a drop in the rate of acceptance of PIAB awards by claimants with the current rate during the period covered by this report at 41%. Traditionally Claimant Acceptance of awards is over 50%. The report suggests that it is important to have timely and regular data in respect of settlements that occur directly with insurers, both pre-and post PIAB, and of awards that may be made by the Courts.

PIAB Chief Executive Rosalind Carroll commented: *“This report shows that award levels are reducing sharply with the guidelines having a very immediate impact on award levels. As the cost of personal injury claims has been reported as an important factor in the price and availability of insurance, this report is good news for individuals, communities, and businesses who pay for insurance and ultimately for society.”*

“It will take some time to see the full effects of the Guidelines, particularly in respect of savings in legal costs and litigation. However, today’s report clearly shows that the Guidelines, as they effect the monetary value of awards, are having a very immediate effect on values and it is important to remember that both the Courts and PIAB are mandated to follow the Guidelines, which were set by the Judicial Council.”

Rosalind Carroll added: *“The Report shows there has been a reduction in acceptance of awards by claimants and their solicitors since the new Guidelines were introduced. This is not unexpected given the early nature of the implementation of the Guidelines, and the level of change. What is very important, is to get data on all the settlement channels, i.e., settlements with insurers and awards by the Courts, so that consistency and certainty, one of the objectives of the Guidelines, can be seen by all. Transparency in the area is critical to the success of the Guidelines and insurance reform, which is why PIAB have produced this report today and will continue to provide regular reports on our data.*

“Court judgements will be important, but it must be remembered that a very small percentage of all cases ever reach the courts (less than 4%) and rejected PIAB awards tend to settle directly between claimants and those being claimed against (typically insurers). It is vital that timely data from insurers is available to shows the impact of the Guidelines on award values as this would support lower insurance costs and higher acceptance levels. It is vital that all organisations settling claims also follow the Guidelines.”

“Reductions in award levels create the perfect environment for a reduction in insurance premiums. Combined with the overall sharp reduction in the number of injury claims in the last 18 months, this Report shows that overall claim costs are falling very significantly.”

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Editors' Note:

- The **Personal Injuries Assessment Board (PIAB)** is the self-funded public body established in 2004 to support the fair, prompt, and transparent resolution of personal injury claims without the need for unnecessary litigation. It deals with motor, public liability (public place) and employers' liability (workplace) injury claims.
- Through PIAB, personal injuries claims where liability is uncontested, can be settled without the need for many of the costs associated with litigation, which can contribute to the high cost of settling such claims.
- PIAB is a key pillar in contributing to reform of the insurance sector and the personal injuries environment, and generates tens of millions of euro in savings each year through its efficient, low cost service
- The Personal Injuries Guidelines apply to cases where proceedings had not been commenced by 24th April or where PIAB had not made an assessment of damages at that time.
- Average award values in the future may be affected by the mix of severity and types of injuries but significant overall reductions under the Guidelines are expected to continue.