

PIAB welcomes proposed legislation to extend and enhance its services

The Personal Injuries Assessment Board (PIAB) welcomes the Cabinet decision to approve the development of new legislation to significantly enhance and extend its services. The new measures are part of the Government's reform programme to reduce costs associated with personal injury claims and thereby reduce insurance costs.

The General Scheme of the Personal Injuries Resolution Bill should enable PIAB to offer a broader range of services and to resolve more personal injuries claims at lower cost, without the need for unnecessary litigation.

PIAB's existing non adversarial service assesses personal injury compensation claims and makes awards in line with the Personal Injuries Guidelines, but is limited in the matters it can deal with. The new legislation, once brought into law, will extend PIAB's services to include mediation aimed at resolving personal injuries claims that are currently resolved through a much more costly and lengthy litigation route.

Mediation will enable PIAB to engage directly with claimants and respondents on an independent and confidential basis to help address unresolved issues relating to liability, compensation amounts or other matters. This should allow a greater number of injured parties to receive fair compensation and move on with their lives in a timely manner, and at the same time reduce insurance costs.

PIAB Chief Executive Rosalind Carroll commented: "Publication of the Heads of Bill by the Cabinet is a very positive development and we are confident that its provisions will allow PIAB to resolve more cases, more quickly. Given that very few personal injury cases ever see the inside of a courtroom, there are major advantages to earlier mediated resolution for cases that might otherwise go to costly litigation. The earlier you can mediate any dispute, the better the chances of success in resolving it, and the mediated service by PIAB should avoid needless legal costs and delays, and mean better outcomes for the injured party. The significance of the legislation is reflected in the proposed name change to the Personal Injuries Resolution Board. This reflects the vision of PIAB having a broader and enhanced role that is focused on resolving claims and compensation issues."

She added: "Mediation provides people with a confidential and speedy opportunity to explore areas of agreement, while still having the right to have the case assessed by PIAB if they choose, and continuing to have access to the Courts, as is their right. Mediation and alternative dispute resolution models are now a common feature in many countries as a means to resolve legal disputes without the need for litigation. Many public bodies in Ireland have been successfully providing mediation services for years. These measures reflect a public appetite for fair but pragmatic resolution to claims, leading to lower insurance costs for the benefit of individuals, businesses and for society as a whole."

“Since the new personal Injuries Guidelines were introduced last year PIAB services have been extended to include more complex cases including wholly psychological claims. The new legislation will allow PIAB to also retain cases where additional time is needed to determine the prognosis for an injured person. Importantly the new legislation also focusses on making better use of PIAB data, to promote greater transparency in the personal injuries area, by giving PIAB the right to collect, analyse and provide information on personal injuries claims. This will help identify trends, prevent accidents or fraud, promote competition and inform policy. Other important provisions include a significant penalty for those pursuing needless litigation where damages awarded in a personal injury court case are not higher than the damages set by PIAB in assessing the case. In such cases the claimant would be ordered to pay their own legal costs as well as those of the defendants, unless that resulted in an injustice, in which case the judge would need to set out the reason.

“More broadly, we have seen a significant reduction in the number of claims in 2020 and 2021; combined with the effect of the Personal Injuries Guidelines which have resulted in lower average award levels and significant cuts to claims costs. This new legislation provides a further opportunity to tackle the underlying systemic costs associated with claims in Ireland, which in the main are litigation costs. If we can reduce the need for litigation, we reduce costs further, which should lead to reduced insurance premiums and ultimately a more competitive Ireland.”

Ends

Editors’ notes:

- The Personal Injuries Assessment Board (PIAB) is a self-funded public body established in 2004 to support the fair, prompt, and transparent resolution of personal injuries claims without the need for unnecessary litigation.
- Through PIAB, certain types of 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.
- Further information on PIAB is available at www.piab.ie