



Ministry  
of Justice

# Whiplash Reforms: One Year On

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Protecting and advancing the principles of justice

## Whiplash – the Purpose of the Reforms

*“To reduce insurance costs for ordinary motorists by tackling the...high number and cost of whiplash claims”*

Conservative Party Manifesto 2017



# Whiplash – The Reforms



1. Tariff of damages awarded for pain, suffering and loss of amenity in whiplash injuries.
2. A ban on settling or seeking to settle a whiplash claim without medical evidence.
3. A rise in the small claims limit for RTA-related personal injuries to £5000.
4. Official Injury Claims (OIC) service.
5. Insurers to report to FCA by 1 Nov 2023 on passing on savings.

## A year later, what has happened?

**243,017**  
**OIC claims**

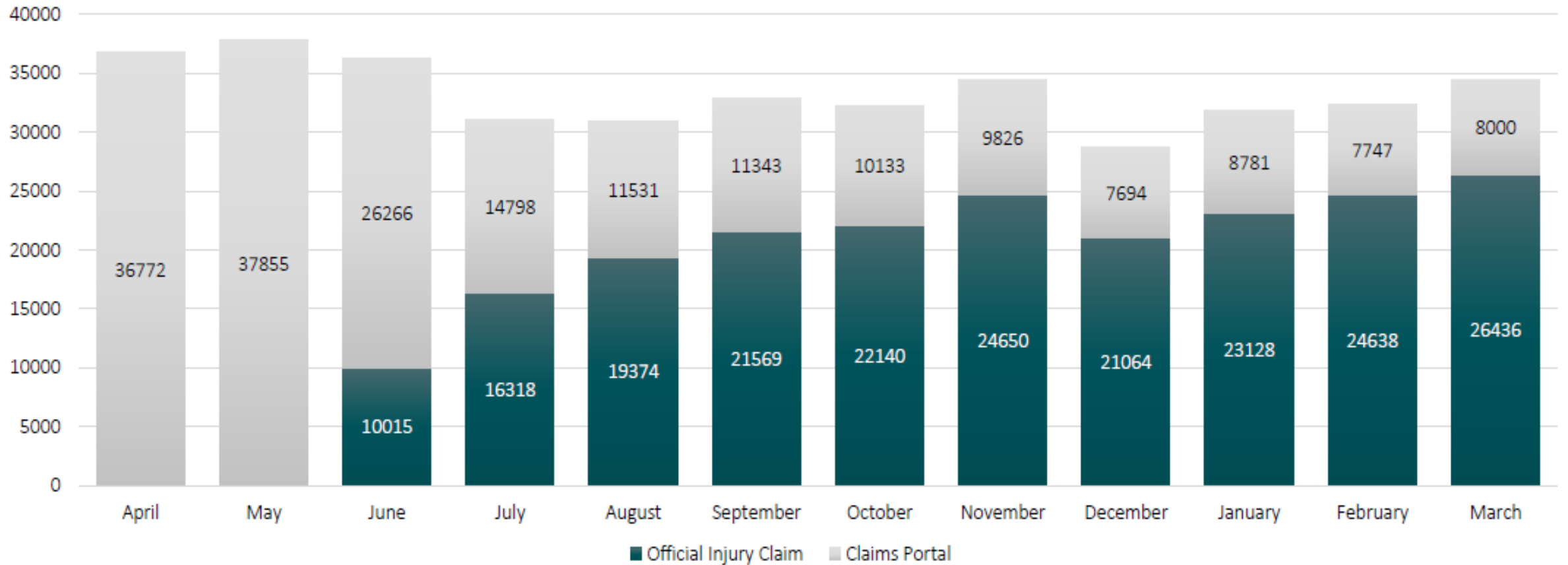
**189,893**  
**liability decisions**

**28,722**  
**claims settled**

**22,948**  
**claims removed or**  
**withdrawn**

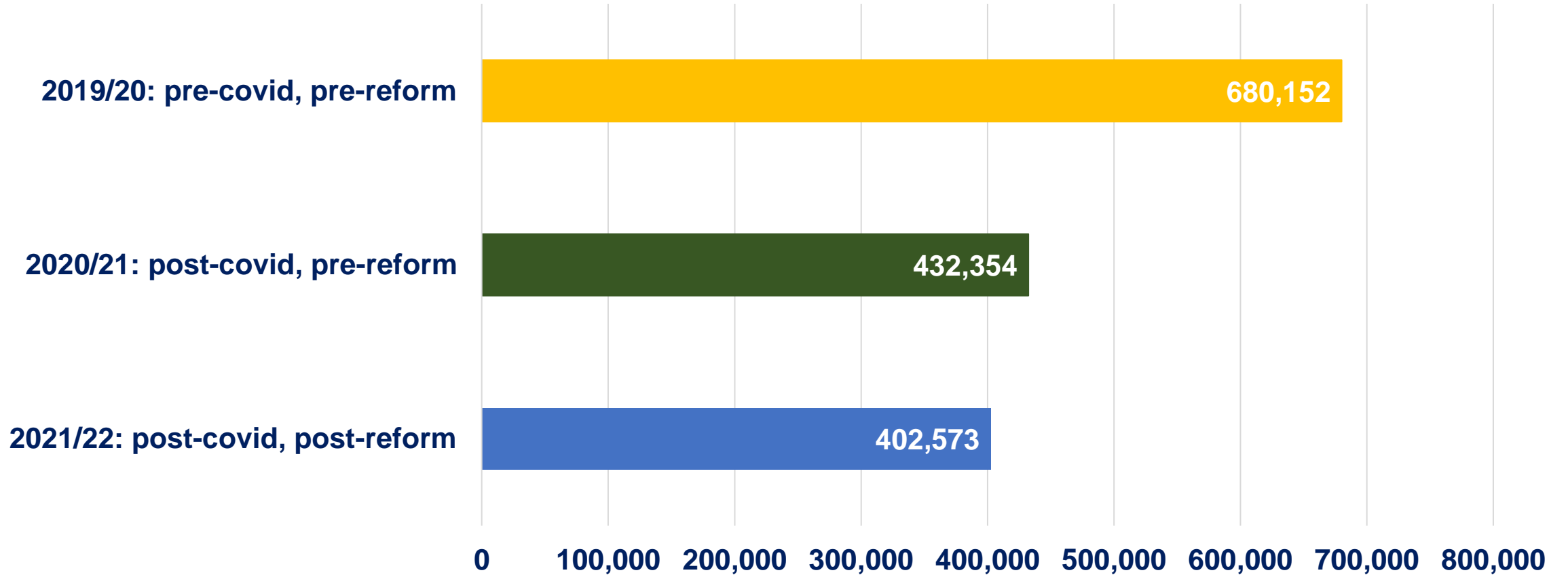
**380**  
**exits to court**

# 243k claims made on OIC in first year but not the whole story

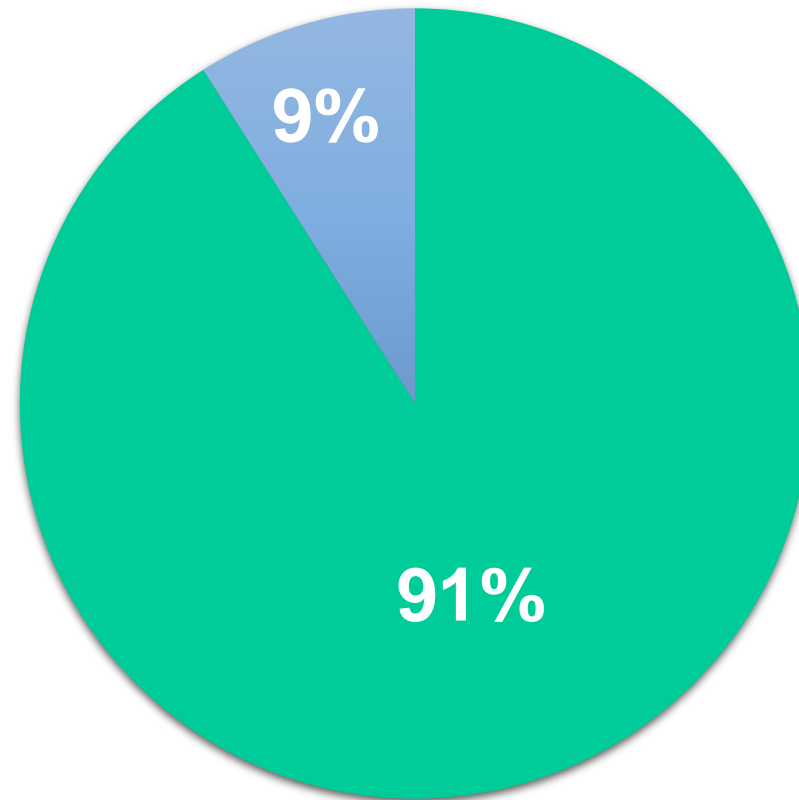


# Reforms seem to be achieving their aim

## Annual totals



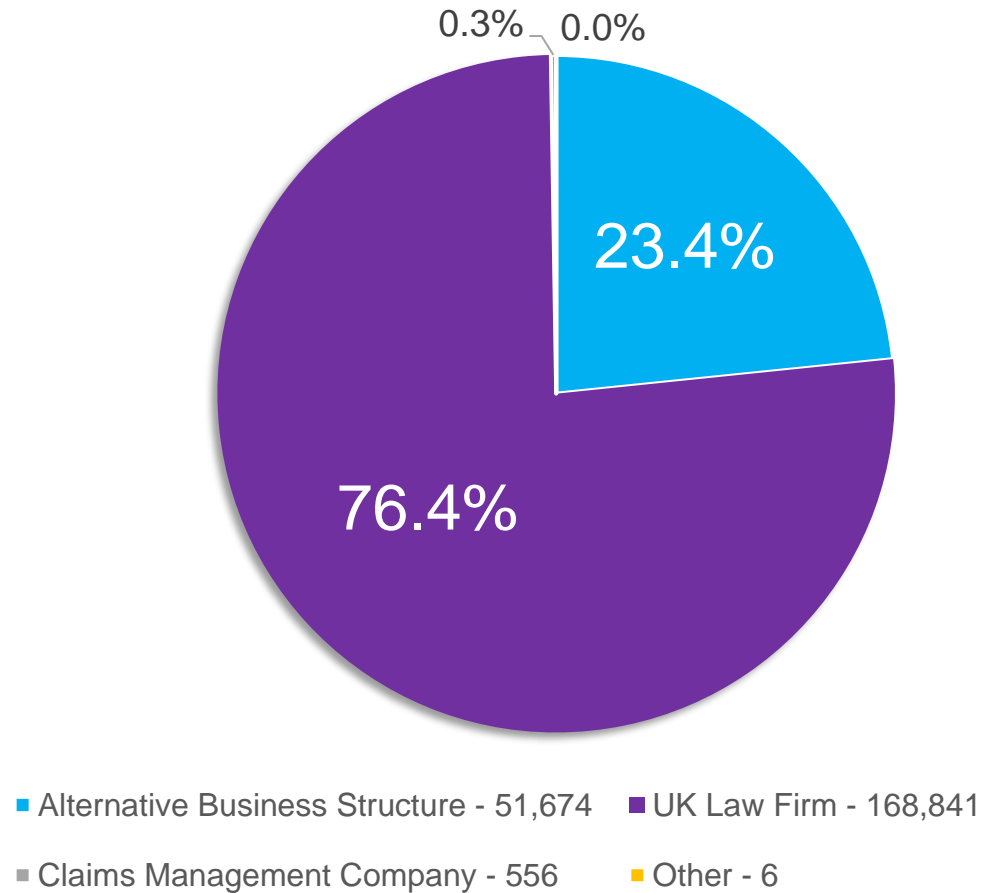
## Claimants: 9 in 10 have some form of representation



■ Represented ■ Unrepresented

# Representation: 99% by law firms/ABS, only 0.3% by CMCs

Representation Type (Represented Claims)



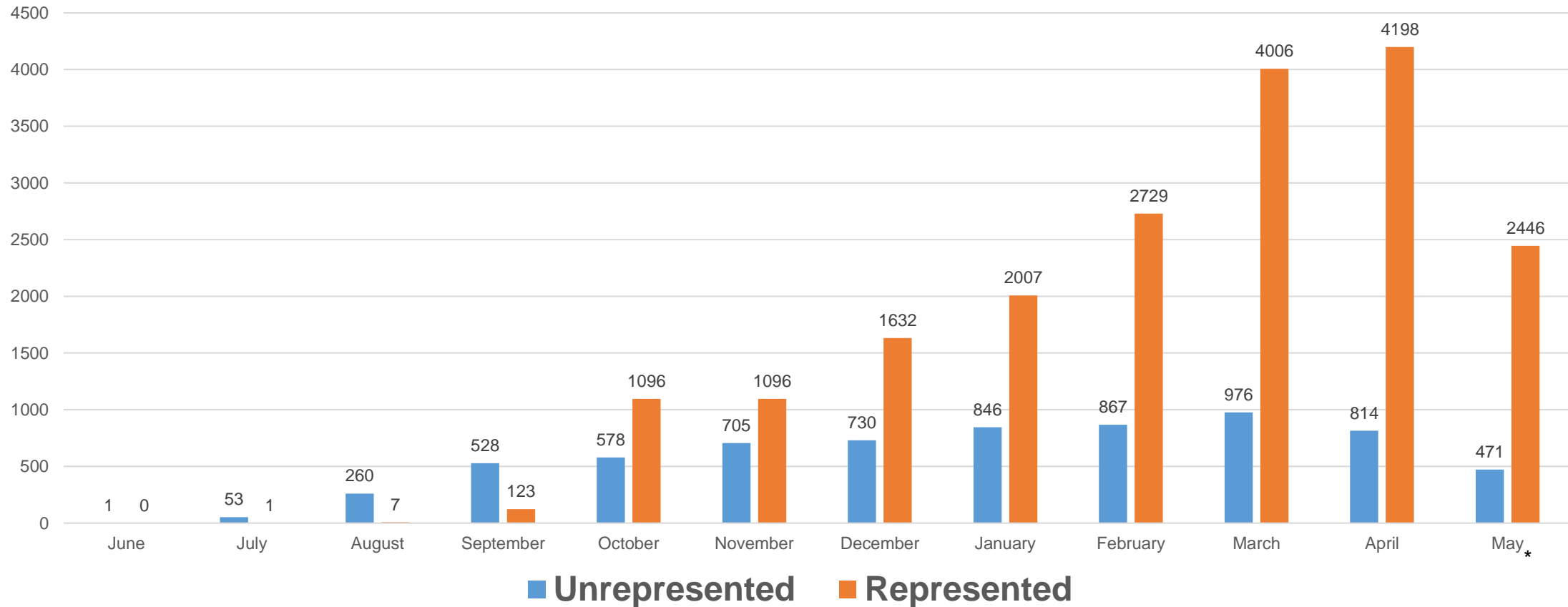


# Fears LIPs would get unfair outcomes have been misplaced

Liability admitted in part or full	
Represented	Unrepresented
82%	93%
Average tariff award	
Represented	Unrepresented
£663	£676
Average injury non-tariff award	
Represented	Unrepresented
£516	£498
Average time taken to settle (days)	
Represented	Unrepresented
160	80

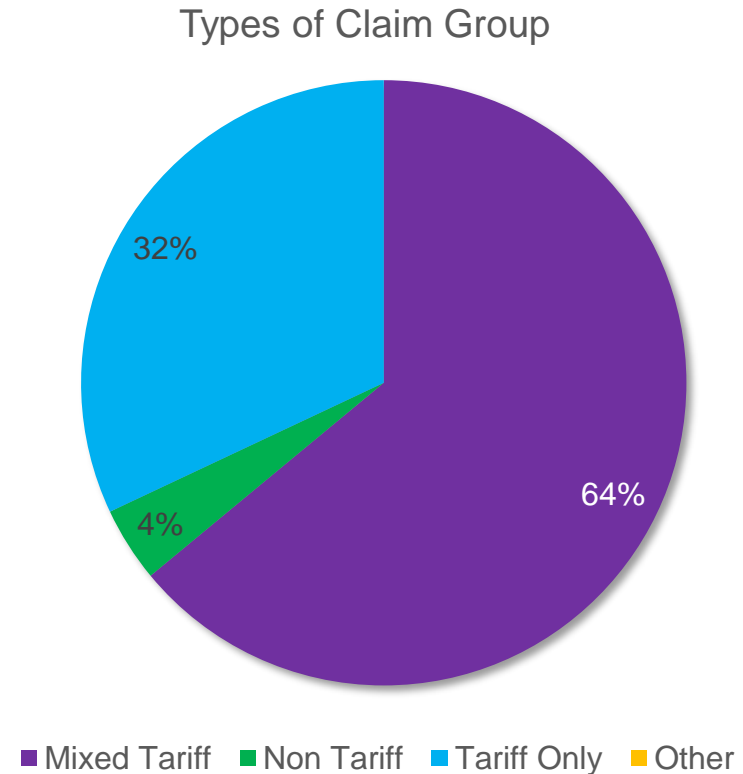
# As the system matures, almost 29k claims have now settled

## Settlements per month since launch



# Mixed injury cases are settling but we support test cases

Claim Type	Number of Claims
Whiplash + minor psychological	24231
Whiplash Only	50099
Whiplash + Physical	69582
Whiplash + Physical + Psychological	64776
Multiple Injuries	15202
Physical + Psychological	1655
Physical Only	6963
Other	184



# Exits from OIC are not higher than the rest of the market

## Exits before settlement

Claims Portal Ltd  
1 April 2021 – 31 March 2022

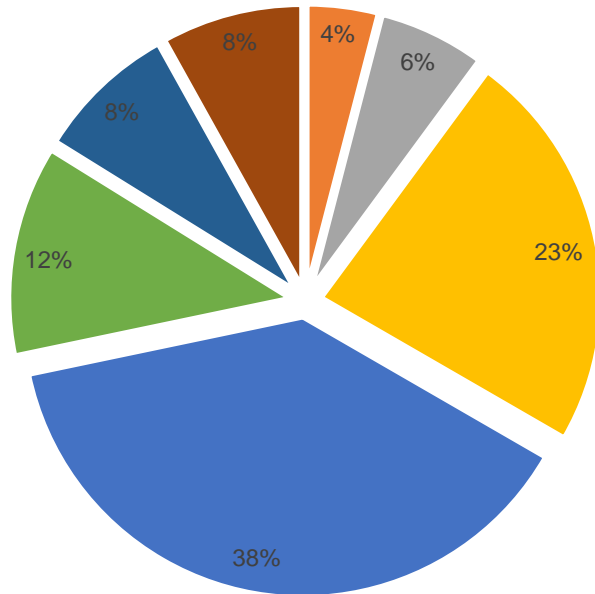
**34%**

Official Injury Claim  
May 2021 – May 2022

**10%**

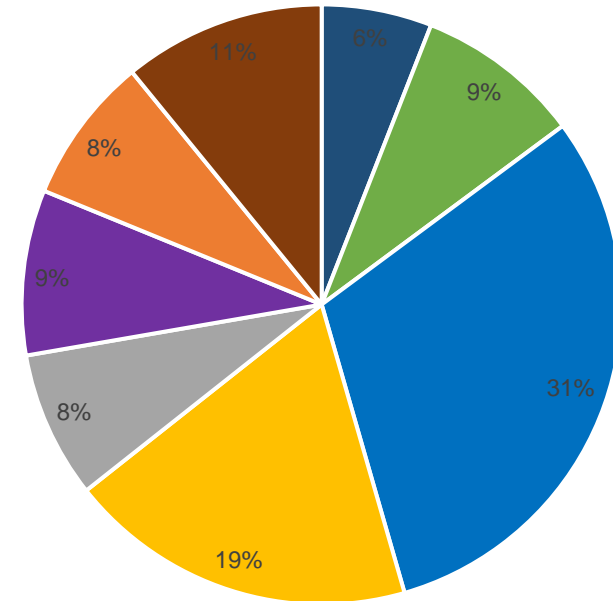
# Exits: 'Complex issues of law' does not mean OIC is complex

Represented Claims



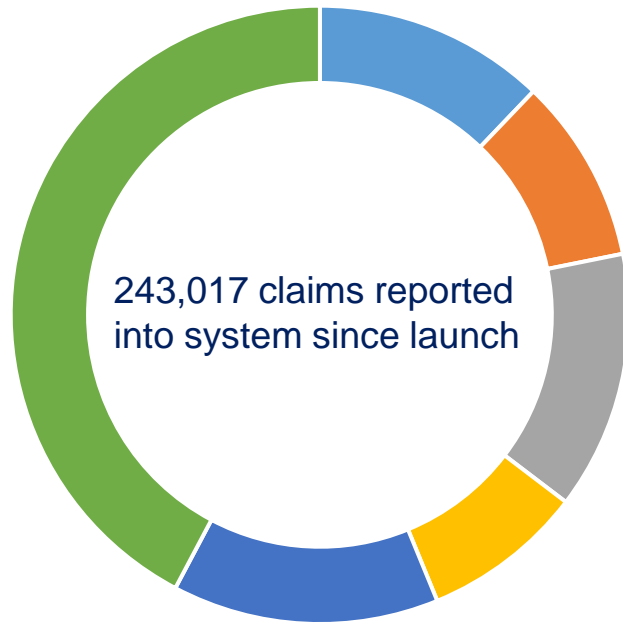
- Agreement reached outside of the service
- My client no longer wants to claim
- Other
- There are complex issues of fact or law
- There is a formal allegation of fraud or fundamental dishonesty against the claimant
- This is a duplicate claim
- \* Additional

Unrepresented claimants



- This is a duplicate claim
- There is a formal allegation of fraud or fundamental dishonesty against the claimant
- There are complex issues of fact or law
- Other
- I no longer want to claim
- I have instructed a legal representative
- Agreement reached outside of the service
- \* Additional

# At 17 May there were 185,000 active claims in the system



■ 28,722 Settled Cases

■ 22,948 Claims Exiting

■ 32,000 Pending New/Liability

■ 20,000 Liability Denied

■ 33,000 Active Negotiation

■ 100,000 Awaiting Medical Upload

**Pending new/liability decision:** new claim pending entry or awaiting a liability decision

**Liability Denied:** a claim where liability has been denied

**Awaiting Medical Upload:** a claim that is waiting on the medical to be uploaded

**Active Negotiation:** a claim that is being actively negotiated – offer flows/causation/adding losses

**Claims Exiting:** a claim that is no longer in the portal

**Settled Cases:** cases where settlement has been agreed and paid to the claimant

# We are committed to making the system work for all users

Web-  
based

Operating well

System has been stable and available throughout

API

Huge amount of work done by OIC and users to integrate

OIC continue to work closely with users to resolve issues and implement refinements



## OIC Governance, Change & Next Steps



- OIC Advisory Stakeholder Group
- MoJ Ministers continue to review OIC and set wider policy
- Early look at tariff data, and full review by May 2024
- Fraud & Claims displacement?
- Credit Hire and Rehab - Part 2 of Whiplash Consultation





## The wider Civil Justice reform landscape



- Personal Injury Discount Rate: the lead-in to 2024
- Extending Fixed Recoverable Costs from April 2023
- A Modern Justice System and Court Reform
- Dispute Resolution

.....But want to hear from you where reform is needed most



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# Thank you

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