

# The New Claims Process

## Introduction

The Ministry of Justice is about to announce the details of a new claims process intended to deal with personal injury claims arising out of road traffic accidents where liability is not disputed and the damages are under £10,000.

It is intended the process will deal with relevant claims arising out of accidents which occur on or after 6 April 2010.

## History

Over a decade ago, when the limit for most types of claim was increased to £5,000, personal injury claims, where general damages would exceed £1,000, were left outside the small claims limit.

This approach was reflected in the tracks introduced at the time of new civil procedure rules. Whilst, for most claims, £5,000 was the limit for the small claims track personal injury claims, where general damages were likely to exceed £1,000, would be allocated to the fast track (unless suitable for the multi-track).

Initially, there were some cases where arguments arose about the level of general damages, and whether these were likely to exceed £1,000. The effects of inflation have meant that such arguments have rarely been encountered recently, as inflation has increased the level of damages whilst the figures used for determining the allocation of cases have remained static.

Calls have been made for the small claims track limit to be increased. However, the reasons for setting a different limit in personal injury claims have remained valid: that such claims are not easy for a litigant in person to run and that, unlike other types of litigation involving similar sums, such a case would not involve litigants in person on both sides but invariably a legally represented defendant.

At the APIL Annual Conference in 2007 the then Lord Chancellor confirmed that there would not be a change in the small claims limit for personal injury claims but announced a new process to help deal, expeditiously and economically, with lower value claims which were capable of early resolution.

## Consultation

In July 2008, the government, after consultation, produced the paper entitled 'Case Track Limits and the Claims Process for Personal Injury Claims'.

Over the last year, meetings have taken place organised by the Ministry of Justice between stakeholders with a view to agreeing the new process.

An announcement is, at the time of writing, awaited on the final terms of the scheme, including costs, but a broad picture of the process is already in the public domain and a reminder of this may be useful for practitioners.

**Author: John McQuater**