

Press release

Leading personal injury solicitor urges reform of 'dysfunctional' personal injury market

Perverse commercial incentives must be challenged

London, 23 March 2011 – Leading [personal injury solicitor](#) John Spencer has today called for fundamental reforms to the personal injury market designed to enforce transparency, ensure consumer protection and improve access to justice.

Spencer's comments follow the release of the House of Commons Transport Committee report on 11 March, scrutinising the reasons behind the rapidly escalating cost of motor insurance.

The report urges greater transparency regarding referral fees - the controversial charges paid by solicitors to insurers and others for obtaining personal injury cases.

However Spencer believes that a much more comprehensive approach is needed to tackle a system which has resulted in a 'merry-go-round' of warped incentives and profiteering.

Spencer, who is a Director of CS2 Lawyers, said:

"The time for a fundamental rethink has come. We must all admit that we now have a totally dysfunctional system. It has created a number of perverse commercial incentives and practices which infringe the rights of accident victims, and make many of us in the industry increasingly uncomfortable."

"We have all played our part in allowing this system to continue. Now we all need to work together to ensure fundamental reform."

Commenting on the Transport Committee's report, Spencer said:

"The Committee's focus on transparency is laudable. It is the consumers' right to know where their money is going. But solicitors and related parties are already bound by a code of conduct requiring transparency, which the Solicitors Regulation Authority has reported is breached by many firms. More rigorous policing and penalty structures must be created for transgressions and the FSA should oversee the activity and disclosure of referrals and associated commercial relationships by insurers."

"In the end, a genuine industry-wide commitment to challenging deeply entrenched commercial interests and eliminating elements which add no value to claimants is the only real solution to guarantee access to justice and the protection of clients."

A qualified solicitor since 1985, John Spencer is a leading authority in the personal injury marketplace and a steadfast advocate for protection of claimants. He is a member of the Association of Personal Injury Lawyers, where he has been a Fellow since 2006, and is a Law Society PI Panel Member. He has served as Chairman of the Motor Accident Solicitors Society and is its RTA Portal Co Director as well as a member of its Management Committee. As part of the Transport Committee's investigation, John provided testimony and evidence on 9 November 2010.

ENDS

Notes to editor

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CS2 Lawyers is a specialist claimant personal injury practice employing 140 staff in its Derbyshire and Hampshire offices.