

## **CS2's John Spencer: Government ban on referral fees should be catalyst for further reform**

***Leading personal injury lawyer urges further action on other shoddy practices to ensure access to justice***

**9 September 2011** – Today's announcement by the Ministry of Justice (MoJ) of a plan to ban referral fee payments for personal injury claims marks a milestone in the battle to root out dysfunction across the industry, says leading PI solicitor John Spencer.

However, glaring questions regarding how and when a ban will be implemented – as well as the need for a clear and accepted definition of what actually constitutes a referral fee – still threaten to derail these efforts and must be addressed urgently.

Spencer has campaigned for years in support of a ban on referral fees, the controversial charges paid by solicitors to insurers, claims management companies and others for obtaining personal injury cases.

**John Spencer, Director of CS2 Lawyers, said:**

*"For far too long have we been held hostage by a dysfunctional personal injury system, and today's announcement is an important and powerful first step in setting things right.*

*"I have long argued that referral fees represent the root cause of dysfunction, and create perverse commercial incentives which add no value to claimants and help to line the pockets of many market participants such as insurers and claims management companies.*

*"As to whether the implementation of today's ban will successfully achieve the goals of the reform, the devil is truly in the details. Any sliver of ambiguity on what constitutes a referral fee, whether by name or not, could be detrimental to these reforms. Absolute clarity must be pursued by the Government in codifying how and when a ban will be implemented in order to truly purge the marketplace of corruption and shoddy practices.*

*"Further, there is much more to be done to ensure the protection of consumers. Namely, we must now together tackle other questionable practices such as spam marketing by text and telephone, fraudulent claims and other critical pieces of the jigsaw puzzle. Without treating these critical ills as a whole, it will be nearly impossible for the system of justice for claimants to ever truly be healed."*

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 serves on the Executive Committee 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 (MASS) and is its RTA Portal Co Director as well as a member of its Management Committee. As part of the Transport Committee investigation into motor insurance costs, John provided testimony and evidence on 9 November 2010.

**ENDS**

**Notes to editor**

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