

PI Payments Praised

A new regime for periodical payments in personal injury cases looks to be gathering speed, as two firms have successfully argued that multimillion pound damages should be paid in installments following the introduction of government rules last month.

London firm Bolt Burdon Kemp estimates that it has secured up to £4.5 million in staggered payments for a brain damaged baby who suffered from cerebral palsy owing to lack of oxygen at birth, while Nottingham firm Roythornes successfully argued that almost half of the £3 million damages awarded to a soldier injured in the Falklands war should be delivered in installments. Legislation which come into force on 1 April 2005, enables the courts to replace lump sums wholly or partially which periodic payments. The government maintains that the regime is a fairer way of compensating



Fielding: positive outcome

those facing long-term future loss and care needs. Roythornes solicitor Mark Fielding argued that the outcome was positive for his client “There has been some criticism of the changes but in this particular case, it’s certainly a good thing” he said. A spokesman for the Association of Personal Injury Lawyers (APIL) said it was waiting to see how the regime bedded in before making any judgment. “It is a little early to say how the system is working but we are monitoring it closely” she added. “Our key concern is still about the routine linking of payments with the retail price index”. APIL wants damages to be linked to the average annual earning index instead. The Forum of Insurance Lawyers has argued that periodical payment orders should not be compulsory for claimants, but has also called for more emphasis on alternatives funding solutions. Paula Rohan 19 May 2005