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LINKING THE INDUSTRY TOGETHER

Featuring

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Interview with Lee Griffin

"Companies need to tread a fine line between how we collect and use information alongside how we build customer trust to allow us more access to it"

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HOW TO GET CHEAPER BARRISTERS' FEES



The subject of discounting Barristers fees is a very hot topic, but the marketplace is changing and so is the way our solicitor clients instruct us and pay for our services.

Barristers often have to wait up to nine months for payment of private fees. Why? The obligation is on the solicitor to obtain monies on account, so why then is there a battle to obtain payment after the event? I have never really understood this.

At Clerksroom we have four staff simply chasing fees for traditionally instructed work. Conversely, our public access work is all pre-paid at the time of booking; there is no aged debt to chase.

What are the options?

Various options include your firm or company having a CCFA in place for all the work you send to chambers, so you can agree a reduced fee in the event the case is lost and you do not recover fees.

A CCFA is perfectly acceptable and easy to implement firm wide. 'CFA-lite' is a CFA where you can agree a lower sum, much in the same way as a CCFA. There is also the traditional CFA, but barristers will be looking for high prospects of success. If you have high prospects or liability is admitted, why not look at a CFA-lite or discounted, pre-paid fee? It seems to me that most firms' accounts systems are simply not geared up to take advantage of pre-payment discount.

If your firm could reduce its spend on Counsel's fees by 10% over 12 months, would that not be a real competitive advantage?

Yet beware the trap! If a discounted fee is proposed based on payment terms, it needs to be properly documented to avoid any risk of fee sharing.

The key here is to be open and transparent, to check with your regulator and The Bar Council, and discuss it with us or the chambers you use.

Public Access: The Payment Cure?

However, there is also nothing to stop solicitors and other users of barristers to instruct using the public access rules if the role of the solicitor has come to an end.

At Clerksroom Direct we have seen rapid growth in solicitors passing on clients directly to Barristers as in certain circumstances, it makes perfect sense.

Public access and pre-payment can save up to 40% in certain circumstances. Have you ever considered just asking the Barrister if he will accept the fee or budget you propose?

At Clerksroom we actively encourage this approach to fixed fees where possible. Fixed fees are the norm these days, providing certainty for the client, firm and barrister. ●

STEPHEN WARD, Managing Director, Clerksroom, Clerksroom Direct & Clerksroom Mediators.

BE CAREFUL WHAT YOU WISH FOR



What should be the focus of insurers/solicitors following the announcement of the Ministry of Justice's whiplash consultation?

The reforms announced by the Ministry of Justice are misguided and deeply unfair. The Government has now made it crystal clear that it wishes accident victims to have minimal or no legal representation in the future. The consequences, those intended and unintended, those foreseen and unforeseen, will be far reaching and painful for all. Never has the phrase "be careful what you wish for" sadly felt more appropriate for the claims sector.

Solicitors must continue to oppose the proposals at every opportunity and with all the energy and resources at their disposal. However, there is now no doubt that major changes are coming and the sector needs to prepare in the best way that it can. That does not mean that we should cease fighting for justice and common-sense; there are after all many months of debate ahead. But at the end, there will be substantive change.

We must still seek to improve the market, not make it worse. Do we really want CMCs/McKenzie friends dominating and exploiting claimants? Can a sufficiently robust regulatory framework be put in place to prevent the worst abuses of vulnerable accident victims? Can we prevent abuses being displaced into exaggerated credit hire, repair and rehabilitation? How well will the genuinely injured be looked after?

Insurers need to begin preparation if Legal Expenses Insurance is to survive the reforms as it is currently modelled. In the absence of legal representation, they need to plan how they are going to deal with a dramatically increased number of LIPs (motor insurance customers). It is likely that this will mean new departments to deal directly with claimants and CMCs representing LIPs. With the further increase in IPT announced in the Autumn Statement, and some analysts already predicting future hikes, it is perfectly clear that the always questionable £40 saving on motor premiums is very unlikely to materialise.

The sector will likely change almost beyond recognition in coming years. When our squabbling is over, the tragedy is that ordinary people, including family and friends, will still have so called 'minor' accidents and be injured through no fault of their own. The "reforms" will make it difficult, but we must all still try to continue to look after them in the best way that we can. ●

DONNA SCULLY, Partner, Carpenters.