

WHIPLASH REFORMS UPDATE



WHIPLASH REFORMS LANDED ON 31ST May 2021 within the UK Market.

The MOJ is making changes to the claims process for low value road traffic accident (RTA) claims, specifically for whiplash injuries, which will take effect from 31 May 2021 onwards. The reforms will change the way low-value road traffic accident injury claims are handled, the compensation that may be awarded and the costs that may be recovered.

The protocol applies to claims arising from road traffic accidents which occur on or after 31 May 2021 where the injuries are valued at not more than £5,000 and the overall value of the claim is not more than £10,000.

Key Changes:-

- An increase in the small claims limit for RTA claims for personal injury up to £5,000, subject to exceptions detailed below. This means that claims up to £5,000 in value will no longer be cost bearing and therefore, in theory, less attractive to claimant solicitors and claims management companies, or for fraudsters to put forward fraudulent whiplash claims.
- The introduction of a fixed tariff for whiplash claims, the tariff will however only apply to whiplash injuries and whiplash injuries with minor psychological injuries.
- A new portal system (Official Injury Claims Portal – OICP) has been developed so that claimants can bring their insurance claims for whiplash injuries directly negating the need for lawyers or claims management companies.
- There is a time limit of 30 days to make a liability decision, the rules of the new portal mean that if a decision is not made within this period liability is automatically accepted. Therefore it is imperative that all claims are reported immediately to allow us to assess liability before the end of the 30 day period.
- A ban on pre-medical offers so that an insurer cannot make a pre-medical offer for whiplash and a claimant cannot ask for one. That is because pre-medical offers were seen as a driver of claims frequency and now every injury claim for whiplash will need to be substantiated with a medical report.

How can you help our claims team?



Report claims promptly via the Unicorn dedicated number 0333 7008029.



Provide full details at FNOL stage including all TP contact details (Name, Address, contact phone numbers particularly their Mobile number) and e-mail address, for capture purposes.



We have been able to reduce claims spend by 35% when we are able to capture the TP and deal with their vehicle repairs/provide alternative transport.



Provide all the assistance required in respect of our liability investigations, in view of the tight time limit in which to make a decision upon liability.



Confirm whether the TP (or any Passengers) suggested they were injured when you spoke to them at the scene.

The Tariff & Non Tariff Claims

The published tariff is shown below, the major difference to the tariff proposed after the Civil Liability Bill was presented is that there is one tariff for whiplash only and a second slightly increased tariff for whiplash with a minor psychological injury.

Injury Duration (months)	Whiplash Tariff Excluding minor psychological injury	Whiplash Tariff Including minor psychological injury	Weighted average PSLA settlement (industry 2017)	Percentage Decrease (from 2017 industry average)	Numerical Difference (from industry average)
0-3	£240	£260	£1,800	86%	£1,560
4-6	£495	£520	£2,250	77%	£1,755
7-9	£840	£895	£2,700	67%	£1,860
10-12	£1,320	£1,390	£3,250	57%	£1,930
13-15	£2,040	£2,125	£3,650	42%	£1,610
16-18	£3,005	£3,100	£4,150	25%	£1,145
19-24	£4,215	£4,345	£4,750	9%	£535