



**Submission to the Legal Services Regulatory Authority regarding
the Legal Services Regulation Act, 2015.**

The Alliance for Insurance Reform applauds the consultative process being entered into by the Legal Services Regulatory Authority (LSRA) and welcomes the opportunity to provide some feedback from our members (see Appendix 1) all of whom represent insurance policyholders and many of whose organisations are threatened by rocketing insurance costs. We approach this exercise from that perspective but mindful that the scale of insurance costs for charities, voluntary groups, sports organisations and small and medium businesses is impacting on society as a whole at this stage.

As such, our recommendations fall into the following areas within the LSRA objectives:

- a) protecting and promoting the public interest
- b) supporting the proper and effective administration of justice,
- c) protecting and promoting the interests of consumers relating to the provision of legal services,
- and f) promoting and maintaining adherence to the professional principles of independence and integrity, acting in the client's best interests, compliance with duties owed to the court and confidentiality.

The scale and unpredictability of legal costs remains a significant barrier to the pursuit of justice on personal injury claims, deterring policyholders and their insurers from challenging even manifestly fraudulent, exaggerated or misleading claims.

- We ask that the LSRA have a direct role in the control of legal costs for personal injury cases in the Circuit Court and High Court using the [District Court model](#).

Our members tell us that claim harvesting websites are acting as the ambulance chasers of old, pursuing potential claimants with promises of money to be made with no costs or consequences, regardless of how dubious the claim is. They are adding fuel to the fire of fraudulent, exaggerated and misleading claims. Regulation and registration would bring us in line with the regime the UK have operated since 2007 under the aegis of the UK's Ministry of Justice.

- We ask that Claims Management Companies be registered and regulated by the State through the LSRA. In particular, the levying of any fee for the referral of live cases onto solicitors must be banned outright, regardless of how it is packaged. This must apply to both those CMCs operated by solicitors and those not operated by solicitors as these are quasi-legal businesses.

Our members are frustrated by the number of fraudulent, exaggerated, misleading and vexatious claims being lodged against them and it does not reflect well on the legal profession as there is a sense that they apply no filter to claims before driving them through PIAB and on to the Courts.

- The LSRA should have a provision that where any case is dismissed because of exaggerated or misleading evidence, per Section 26 of the Civil Liability and Courts Act 2004, the barristers and solicitors acting for the plaintiff must set out to the LSRA the steps they had taken to ensure that the court was not misled in any way. Based on that explanation and the facts of the case including comments made by judges, the LSRA should consider whether a disciplinary process is necessary.

Several of our members believe that certain solicitors are manipulating claims e.g. if the real medical evidence is “too bland” a solicitor will send a client to certain medical experts who will maximise or even exaggerate the extent of the injuries.

- It should be mandatory that all professional reports declare at the outset who requested them to write the report and why.
- When Solicitors produce a report be it Medical, Dental, Financial etc they should be required to make a declaration as to how that professional became necessary.

Finally, we wish to express our frustration at the slow speed at which the existing functions of the LSRA are being implemented. We endorse any additional supports from Government that will get those functions up and running quickly.

Appendix 1



BACKGROUND

The Alliance for Insurance Reform brings together 23 civic and business organisations from across Ireland, representing over 36,000 members, over 775,000 employees, 43,000 volunteers and 150,000 cooperative members, highlighting the negative impact of persistently high premiums and calling for real action to tackle the issue. Our members include:

- AOIFE Ireland (Association of Irish Festival Events)
- Car Rental Council of Ireland
- Coach Tourism & Transport Council of Ireland
- Construction Industry Federation
- Convenience Stores and Newsagents Association
- Excellence Ireland
- Galway City Business Association
- Ireland Active
- Ireland's Association for Adventure Tourism
- Irish Cooperative Organisation Society
- Irish Hotels Federation
- Irish Road Haulage Association
- Irish Street Arts, Circus and Spectacle Network
- ISME
- Licensed Vintners Association
- Motorsport Ireland
- Playcentres Ireland
- Quick Service Food Alliance
- Restaurants Association of Ireland
- RGDATA
- Society of the Irish Motor Industry
- Vintners Federation of Ireland
- The Wheel (Ireland's national association for community, voluntary and charitable organisations)