Jonathan Djanogly MP Parliamentary Under-Secretary of State for Justice 102 Petty France London SW1H 9AJ

T 020 3334 3555 F 020 3334 3669 E general.queries@justice.gsi.gov.uk

www.justice.gov.uk

28 February 2012

Dear colleague

## Extension of the RTA scheme to include employers' and public liability claims up to the value of £25,000

The Prime Minister announced on 5 January that the current RTA scheme would be extended. Following publication of the response to the "Solving disputes in the county courts" consultation paper, the Government plans to extend the existing RTA PI Protocol to cover claims up to the value of £25,000 and to include employers' and public liability accident claims.

As you are aware, Lord Justice Jackson also recommended a ban of referral fees in personal injury cases alongside the reform of Contingency Fee Agreements, both of which are being taken forward in the Legal Aid, Sentencing and Punishment of Offenders (LASPO) Bill currently before Parliament.

As a result of these changes, and as I indicated in November when the Bill was at report stage, we are reviewing the fixed recoverable costs in the RTA scheme. You will also be aware that at the recent Number 10 insurance summit, the Prime Minister committed to reducing these costs. As well as revising the fixed costs we are also extending the value of the existing scheme to £25,000 for claims arising from personal injury caused by road traffic accidents and employers and public liability accident claims.

I am keen to get your input as to what an appropriate level of revised costs would be and whether and how the current scheme needs to be amended to cover public and employer liability. In particular, it would be helpful to get your views on the following points:

1. The level of fixed recoverable costs you think would be appropriate at each stage of the process for RTA claims and those arising from employer and public liability accident claims and any evidence you can provide to support your views.

2. What, if any, modifications would need to be made to the pre-action protocol and the electronic portal for claims in value of between £10,000 and £25,000.

3. What, if any, modifications would need to be made to the pre-action protocol and the electronic portal to deal with employers' and public liability claims.

4. The reasons why, since the commencement of the RTA protocol, claims have exited the scheme and any ways this might be addressed.

5. The types of employers' and public liability claims that lend themselves to a standardised and streamlined process.

I am grateful for all the responses that were provided in response to the 'Solving disputes in the country court' consultation, and also, to those of you who provided data to Professor Fenn of Nottingham University as part of his research into the operation of the Protocol in 2011.

Because of the specialist nature of the information I am seeking, and because we have recently conducted a full consultation on some of these issues, I have decided not to conduct a full public consultation. However, I am keen to elicit views from as broad a spectrum of stakeholders with an interest in these proposals as possible and, to that end, I should be grateful if you would forward this request to others you believe would have useful input in this area.

Please send your response to Philip Chamberlain, Ministry of Justice, 4.22, 102 Petty France London SW1H 9AJ. Email: <u>Philip.chamberlain1@justice.gsi.gov.uk</u> Telephone: 0203 3343185.

You may also access this information and respond online via: <u>https://consult.justice.gov.uk/digital-communications/extension-rta-scheme</u>

I would be grateful if you could **provide your answers and supporting evidence by 25 May 2012**.

JONATHAN DJANOGLY