



Justice Committee

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The Right Hon David Gauke MP
Secretary of State for Justice
Ministry of Justice
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Government response to the Justice Committee report on small claims limit for personal injury

We are pleased that the Government has now published its response (Cm 9649) to our report on the small claims limit for personal injury (Seventh Report of Session 2017-19) and we are grateful for the care that has been taken to consider the recommendations that we made in our report.

We are particularly pleased that the Government is now working towards a more realistic date of April 2020 for implementing the reform package – including roll-out of the online platform for small personal injury claims – and that implementation will be preceded by a six-month period of large-scale user testing of the online platform and the guidance to support this. The revised timing will also allow account to be taken of the post-implementation review of Part 2 of the LASPO Act.

We look forward to receiving your more detailed plans for providing guidance and support for users of the online platform. Please could you confirm that there would be a further delay in implementation should user testing demonstrate that the platform or user guidance needs additional development time, or should the “assisted digital” route prove inadequate to meet the needs of those who are digitally disenfranchised.

We also greatly welcome the decision to allow Employer Liability (EL) and Public Liability (PL) claims to remain on the Fast Track and the assurance that these cases will be outside the scope of the new electronic portal. However, we would like to ask for clarification as to whether this applies to all EL and PL claims, or only to those that are deemed more complex (as the Government response is ambiguous on this point).

In addition, we note that the Government is developing an amendment to the Civil Liability Bill to provide a means for reporting on the public commitment made by insurance companies to pass on to consumers the savings made by these reforms. The Committee



looks forward to seeing the amendment and assessing it. We believe it is critical to hold the sector to account on this commitment, which has provided a central policy justification for these reforms.

We would also like to take this opportunity of raising further questions on the following points:

- Paragraph 26 suggests that the Government is sympathetic to the idea of an exemption from the higher small claims limit for vulnerable road users. It would be useful if you would indicate when and how you expect to reach a decision. If you decide not to proceed with such an exemption, would you please explain your decision in the light of compelling evidence presented in our report as to why vulnerable road users should be excluded.
- Paragraph 22 does not explain why the Government is “satisfied” that an inflation-based increase to the small claims limit for personal injury should be calculated from 1991, rather than from 1999 when the limit was adjusted to exclude special damages. You will be aware that Lord Justice Jackson used 1999 as the starting date when discussing this issue in the context of his review of civil litigation costs, and we find it surprising that the Government should now adopt a different approach to that of member of the senior judiciary.
- Paragraph 23 states that the proposed increase to £5,000 for RTA PI claims is proportionate, without providing an explanation of this assertion. Please could an explanation be provided to us?

I look forward to receiving your response to these questions.

A handwritten signature in blue ink, appearing to read 'Bob Neill', with a stylized flourish below it.

Bob Neill MP
Chairman
Justice Committee