

CLAIMS

FIGHTING FRAUD



The cost of insurance fraud hit £1.3 billion in 2013 which was up 18% on the previous year, according to figures according to figures from the Association of British Insurers (ABI)



WATCH VIDEO

Driving Motor Claims Reform - Andrew Morrish, Motor Claims Director

LOW SPEED IMPACT

We have all heard in the news about fraudulent claims costing every honest motorist £50 a year in additional premiums.

One of the most common types of fraudulent personal injury claims come from Low Speed Impact (LSI) incidents. Unlike the high profile organised fraud scams, LSI fraud is committed by opportunist fraudsters who are looking to make a financial gain from very minor incidents; which could result in injury.

This particular type of fraud is verify difficult to prove and even more difficult to defend. However, the tide is turning and OUR INSURERS, with the support of their policyholders are fighting these claims. Judges are now more sympathetic to insurers who, **armed with the right evidence**, aim to tackle fraud head-on. In fact, OUR PREFERRED INSURERS win **3 out of 4 cases** that they defend all the way to court.

FIGHTING FRAUD

Ghost/Bogus, Passengers

This is where acquaintances of the person involved in an accident claim to have been in the vehicle at the time and subsequently try to make a personal injury claim.

It's usually whiplash which is very hard to medically disprove when weeks or months have passed by. The "ghosts" ARE NORMALLY in the other vehicle that has been collided with.

What to Do?

Please study our section on Reporting Accidents and Managing Costs for some practical things you can do.

Induced Incidents

In simple terms this is where accidents are pre-planned with organised gangs being behind half of these fake motor injury claims.

The fraud frequently involves older cars, or newer hired out vehicles; which are filled with passengers all hoping to cash in on a whiplash claim.

Common scenarios are sudden and sharp braking by the vehicle in front leaving innocent victims little chance but to run into the back of them. There have also been reports of fraudsters disconnecting their brake lights so that the car behind has even less chance of stopping.

Induced incidents often occur when roads are quieter with fewer independent witnesses. Gangs tend to target innocent drivers who appear the most likely to be insured and the least likely to kick up a fuss, such as those with well-maintained cars, older drivers and families with young children.

Roundabouts can also be hotspots. Recently "flash for cash" has been exposed where fraudsters flash their lights to get ready for having the accidents.

Crash for Cash

What to look out for?

Any erratic driving or cars travelling suspiciously slow; especially when these cars are full with rear seat passengers. Motorists should maintain a safe distance behind the driver in front and be particularly cautious if they notice that the brake lights on the car in front are not working. If the driver or passengers in the vehicle in front appear to be focusing on what's behind them, this could be a sign they are looking for an opportunity to induce an accident.

What to do?

Fighting this fraud, especially when "LSI" is very difficult to defend against because accurately estimating the speed/velocity of the impact is hard if not impossible. However, when the right evidence is collected at the scene of the incident, insurers are more likely to defend claims; taking them to court if necessary. See our link to a recent victory in court for one of our customers.

Listed adjacent are 12 important things to do and record after a low speed impact.

Assess the speed of impact at walking/running pace as well as an MPH estimate.

- Had you just set off or were you in slow moving traffic?
- What gear were you in at the point of impact?
- Take photos of the vehicles at the point of impact e.g. the bumpers for any damage.
- ✓ Do this even if damage looks to be non-existent and try to get the registration number
- ✓ Email yourself the pictures if taken on smart phones.
- ✓ If photos are not possible be as descriptive of any visible damage as possible
- Did any person in either vehicle visibly move as a result of the impact?
- Was anything displaced in your vehicle?
- Did your seatbelt lock?
- What was the gap between the vehicles after the impact?
- Was there an audible bang or crunch?
- What was the reaction of your passengers / the Third Party driver and passengers
- Did you observe any suspicious behaviour from the other parties involved?
- Did anyone complain of injury at the scene?

This information is regularly used by defending solicitors in court which is why we want you to be forearmed by following these 12 points to help insurers defend claims and in turn control claims costs.