

30% reduction in Injuries Board fees from €850 to €600 – Minister Bruton

14th January 2013

The Minister for Jobs, Enterprise and Innovation, Richard Bruton TD has announced a reduction in the fees charged by the Personal Injuries Assessment Board by 30% from €850 to €600, as part of a drive to reduce fees Government imposes on business under the Action Plan for Jobs.

The reduction applies immediately to the fee charged to respondents to personal injury claims, and is aimed at enabling reductions for holders of insurance policies, in particular businesses and consumers who hold motor, employer and public liability insurance. The €45 fee payable by claimants remains unchanged.

Making the announcement, Minister Bruton said:

“A key pillar of the Government’s plan for jobs and growth is taking action to reduce the burden of costs and red tape on hard-pressed businesses so that they can survive, expand and create the jobs we need. In recent weeks we have taken significant steps in this area, including the introduction of the landmark reforming Companies Bill and the announcement of a new Government plan to reduce the burden of licences on businesses by 33%.

“Today’s announcement is a great example of a State body bringing about improvements in efficiency and organisation in order to make a substantial reduction in fees imposed on business. It will make a real difference to the cost burden on businesses across the State, and ultimately on their ability to sustain and create jobs.

“It will also make a real difference to consumers and I commend the Injuries Board on their work”.

Commenting, Ms Patricia Byron, Chief Executive, InjuriesBoard.ie said: “Following the reduction in respondent fees, the fees payable by insurance companies will have reduced by a total of 43% since February, 2011. This substantial reduction reflects the successful defence of numerous court challenges, prudent cost management initiatives - including procurement efficiencies and outsourcing - and a gradual increase in claims volumes.

“I am now calling on insurers to play their part by ensuring that fee reductions deliver lower premiums. Ten years ago a typical €20,000 compensation claim attracted third party costs of almost €10,000. Under the InjuriesBoard.ie system costs have now reduced to the flat rate fee of €600 plus a few hundred euro on medical reports. This 90% reduction in processing costs should translate into sustainable savings in insurance premiums for consumers” Ms Byron added.

InjuriesBoard.ie assesses personal injury claims without the need for a Court appearance. Awards are made at the same level as the Courts but processing costs are 90% lower and awards that previously took 3 years through the Courts are assessed inside 9 months. Since its establishment in mid 2004, the Board has reduced the cost of delivering a more efficient claims assessment service by over €600million.

InjuriesBoard.ie has estimated that the new rates will cut costs by about €3 million each year, making claims for victims of workplace, motor and public liability accidents much more affordable for businesses and consumers, without impacting awards to claimants.

Figures from the Central Statistics Office show that motor insurance premiums are 25% lower than they were ten years ago as a result of the Government’s insurance reform programme which included the establishment of the Injuries Board.