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GOVERNMENT SECRET ASBESTOS DEAL WITH INSURERS CONFIRMED

Today, a secret agreement between the Association of British Insurers (ABI) and the Government has come to light following the Justice Select Committee hearing on mesothelioma claims.

On the 13 May 2014, the Justice Committee called for evidence on the Government decision to end a temporary exemption from sections of the LASPO Act which would make dying mesothelioma sufferers pay legal costs.

At the hearing, the Government was accused of doing a deal with the ABI to reduce the cost to insurers of mesothelioma claims, including ending the LASPO mesothelioma exemption, in return for ABI funding of the Mesothelioma Act 2014 payment scheme for mesothelioma sufferers who cannot trace their insurers.

James Dalton for the ABI persistently refused to say whether a deal had or had not been done. But, following the Committee hearing James Dalton wrote to the Committee disclosing the agreement with the Government.

Doug Jewell, Forum vice-chair, who gave evidence to the Committee says:

“We all knew that a deal had been done and now, thanks to the work of the Justice Committee, that has come to light. While mesothelioma sufferers live behind a curtain of pain and suffering, powerful insurers, who donate huge sums to the Conservatives, conduct secret deals behind closed doors to limit their costs at the expense of dying asbestos victims.”

“This appalling deal offends against the very principles of transparency and fairness which the Government claim to adhere to. They should give an immediate assurance that no more secret deals will be done and that they will operate a level playing field in future.

The Forum has instigated a Judicial Review challenging the Government’s decision to end the mesothelioma exemption. Tony Whitston, Forum Chair says:

“Under s 48 LASPO the Government were required to conduct a review of the likely effects of sections imposing legal costs on mesothelioma sufferers. The review was concluded within eight months of LASPO taking effect in April 2013. On the Government’s own admission it will take three to five years to assess the effects of LASPO. Now, with the news of the shocking deal with the ABI the Government should immediately withdraw its decision and conduct a credible review when evidence is available.”

(For further information contact Tony Whitston 07748189837 or Doug Jewell 07919430059)
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Notes for Editors

The Legal Aid Sentencing and Punishment of Offenders Act 2012 (LASPO) came into effect on 1 April 2013.

Sections 44 and 46 LASPO require personal injury claimants to pay certain legal costs.

On the House of Lords insistence the Government introduced S 48 which prevents s 44 and 46 coming into effect for mesothelioma claims until a review has been conducted into the likely effects of s 44 and 46 on mesothelioma claims and a report of that review is published.

The review was incorporated into a consultation on reforms to mesothelioma claims 25 July 2013 ending October 2013. The reforms, including a mesothelioma pre-action protocol, formed part of the secret agreement with the Government.

On the 4 December 2014 the Justice Minister Shailesh Vara confirmed that the Government had decided to end the mesothelioma exemption.

The secret agreement can be found on the Justice Committee website:

[http://www.parliament.uk/documents/commons-committees/Justice/Letter_from_James_Dalton_\(ABI\)_mesothelioma%20claims%20process.pdf](http://www.parliament.uk/documents/commons-committees/Justice/Letter_from_James_Dalton_(ABI)_mesothelioma%20claims%20process.pdf)