The origins of the Personal Injuries Assessment Board (now operating as InjuriesBoard.ie) lie in the high level of litigation overhead costs associated with personal injury claims in the Irish jurisdiction. Equally important, independent research indicated that claimants in Ireland had to wait for many years to have their claims resolved. While over 30,000 cases annually were pursued through the Courts less than 10% ever went to a full hearing. Many claims were resolved on the “steps” of the courts with the vast majority incurring unnecessary costs and significant time delays. There was an unanswerable case for a low cost and speedy alternative for cases where adjudication on legal issues was not required.

In truth, it was a long time coming. The call for an alternative to the Courts dates back to at least 1986 in a report from the Joint Oireachtas Committee on Enterprise & Small Business chaired by Ivan Yates T.D.. At that time litigation overheads were said to account for 15% of the cost of insurance. By 1996 litigation overheads had risen to 25%, as reflected in a report from Deloitte & Touche for the then Minister for Commerce, Science & Technology, Pat Rabbitte T.D. which again contained a proposal from ICTU for an alternative to the Courts. By 2002, litigation overheads were estimated to be running at 42% on top of every euro paid in compensation and subsequently rose to an average 46% by 2003.

An active campaign by a business group – the Alliance for Insurance Reform – led by Pat McDonagh and Gerry McCaughey highlighted the economic cost to businesses and to job protection and creation of high insurance costs.

The Government approved the establishment on a statutory basis of the Personal Injuries Assessment Board in March 2001. The following month it established an interdepartmental implementation group to progress the establishment of the PIAB with an initial mandate to address personal injuries claims arising from employers’ liability insurance.

In March 2002, the Motor Insurance Advisory Board, chaired by Dorothea Dowling², submitted its Report to Noel Treacy, TD, then Minister for Science, Technology and Commerce. This was the most comprehensive report into accidents, the costs of claims and the insurance market ever completed. The Report made 67 recommendations which included:

- That an alternative to adversarial litigation be made available to parties where liability for a motor accident is not disputed and independent assessment of compensation is required. The MIAB endorsed the model of the Personal Injuries Assessment Board proposed for employer’s liability claims, which might be extended to motor claims at an early opportunity

² Dorothea Dowling, FCII, is a former Council member of Dublin Institute. She also chaired the Discussion Circle and was a winner of the Winston Forbes Debating Trophy. Dorothea is Group Liability Manager with CIE and non-executive Chairperson of the Personal Injuries Assessment Board.
That information on Irish compensation levels for various injuries be collated, such as a book of quantum or guidelines as produced by the Judicial Studies Board in England, and that this data be published to assist earlier settlements between defendants and plaintiffs.

That stringent measures be introduced to tackle fraudulent and exaggerated claims with loss of all compensation entitlements and appropriate criminal sanctions.

In October 2002 the then Tánaiste and Minister for Enterprise Trade & Employment Mary Harney T.D. launched the Government’s Insurance Reform Programme, one aspect of which was the establishment of the Personal Injuries Assessment Board. Other key initiatives were measures to tackle road safety and to deal with fraudulent and exaggerated personal injury claims. The Interim Personal Injuries Assessment Board with Dorothea Dowling in the chair was appointed on 27th November 2002 and quickly progressed logistical plans to the point where the Heads of the Personal Injuries Assessment Board Bill were published in May 2003. The Bill completed its passage through both Houses of the Oireachtas on 19th December 2003 and was signed by the President of Ireland on 28th December 2003.

The Board’s first Chief Executive Patricia Byron was appointed in February 2004. The Board of the new Agency was formally appointed on 13 April 2004 and included representatives from the business sector, trade unions, the insurance industry and consumer rights advocates. The months that followed reflected a period of rapid development. A Service Centre Helpline went live in May 2004. Acceptance of Workplace accident claims registration started in June and Motor and Public Liability claims commenced in July 2004.

The anticipated flow of new claims into PIAB was impacted by a rush of cases into litigation during the summer of 2004. Before PIAB opened its doors for business, approximately 16,000 claims were entered into litigation by the legal profession. The effect was a much more gradual start to operational activity within PIAB.

As a result new claims started to enter the PIAB system during the autumn of 2004. The first awards were made in the first quarter of 2005.

In line with the requirements of the PIAB Act 2003, a Book of Quantum (a Guide to Compensation Levels) was prepared and published in June 2004. The Book was compiled on behalf of the Board by independent consultants and reflected compensation values awarded by the courts as well as settlements agreed by the Insurance Industry and by the State Claims Agency.

The PIAB Act 2003 also required the Board to have a Cost Benefit Analysis of the procedures and process for awarding compensation for personal injuries carried out. A comprehensive analysis completed by Dr Vincent Hogan, UCD School of Economics was published in January 2007 and found that the creation of the Board had reduced the costs of processing personal injury claims considerably.

3 Patricia Byron, ACII, was the first female President of the Insurance Institute of Dublin. In a long association with the Institute, Patricia was Chairperson of Young Persons Committee, Education Officer and Dinner Secretary. Patricia has also been a Council member of the Insurance Institute of Ireland.
In 2007 the PIAB Act 2003 was amended. It had been noted that in an increasing number of assessments, which were accepted by Respondents but unnecessarily declined by Claimants, were concluded at the same compensation figure after initiation of legal proceedings with avoidable legal costs being incurred. In such circumstances, the Amendment Act provides that where a Claimant does not receive more than the amount of the original assessment in any subsequent proceedings they will not recover their legal costs and may be responsible for costs incurred by the Respondent.

When introducing the PIAB Bill to the Oireachtas in late 2003 the then Tanaiste and Minister for Enterprise and Employment, Mary Harney TD said that its objective was “to tackle the delivery cost of speedier compensation to genuine claimants while reducing the cost of insurance for consumers and businesses alike”.

Any fair observer of the claims environment would agree that this objective has been met. The establishment of the Board in 2004, the speed with which claims are dealt with and the consistency of awards made has resulted in a significant change to the way in which personal injury claims are now resolved. The volume of claims entering litigation has been cut dramatically and a significant majority of personal injury claims are now resolved either through a formal award by the Board or through early settlement between the parties, often facilitated by the Board. Each year, this now contributes to a saving to the economy of circa €100m.

Almost every household and business in the country has benefited from lower insurance costs which PIAB/InjuriesBoard.ie has helped to bring about in recent years. At a time when the country is facing enormous challenges, especially the need to improve our competitiveness, the need to maintain and, if possible, expand these savings was never greater.