



Direct Commercial & DWF Law LLP Counter Fraud Success Stories

Issue 7: April 2021

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Executive Summary

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These cases can be discussed by contacting DWF's dedicated Fraud and Financial Crime Team

- 8 highlighted case successes
- £161,026.40 total fraud savings against presented third party claims in the first instance
- 15 Claimants denied damages and costs
- 8 claims repudiated pre issue
- 6 claims discontinued
- 1 claim struck out



Contacts



Meet DWF's dedicated Fraud and Financial Crime Team for Direct Commercial Ltd



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Counter Fraud Successes

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Case Summary

Reece Nicholson, Matthew Tebay v Mark Lee Transport Limited

DWF: 2019226-179, Benedict Harper

DCL: A2017/003292

Fraud Type: Farmed

Claimant Representatives: Amanda Cunliffe

Outcome: Strike out and discontinuance

Headline: One claim discontinued and one claim struck out following farmed defence and medical records disclosure

Overview:

A genuine road traffic accident occurred in December 2017 and the third party driver and passenger did not submit Claim Notification Forms alleging personal injury until 14 months post-accident. Both Claimants' reported medical attendances and time off work and early disclosure was sought to verify the same whilst a robust Defence was served. Disclosure confirmed that the third party driver sought medical attention and took time off work. Notwithstanding this evidence in his favour he discontinued his claim in full. The passenger reported attendance at his GP yet there was no evidence of attendance in his medical records when reviewed by an orthopaedic surgeon, supporting the farmed concerns. Amanda Cunliffe applied to be removed from the Court record as acting for the passenger and the Claimant failed to provide an address for service. An application for an Unless Order for compliance was made and the passenger's claim was struck out

Technical Interest: This matter highlights the importance of medical records disclosure to undermine alleged medical attendances which takes away contemporaneous evidence of injury and taints credibility

Savings against presented claims:

Details	Amount
PI	£6,750.00
Claimants' Costs	£14,500.00
Total	£21,250.00

Anthony Wilson v Transwaste Recycling & Aggregates Limited

DWF: 2019226-149, Craig Budworth

DCL: A2018/003604

Fraud Type: Occupancy and Exaggeration

Claimant Representatives: Thompsons

Outcome: Discontinuance pre Trial

Headline: Have a go Claimant who alleged he was knocked out of a lorry whilst unloading is caught out by his GP records where he twice denied bruising / trauma

Overview:

The Claimant alleged that he was in the back of a lorry unloading when an impact from the policyholder's vehicle to his lorry pushed him out of it causing him to land on the floor and sustain a shoulder injury and bruising to his arm. The policyholder's driver reported that the Claimant did not even realise an incident had occurred let alone fall out of the lorry but unfortunately he had left the policyholder's employ and so could not provide witness evidence when the Claimant issued legal proceedings. This meant that the Claimant could only be put to strict proof in the policyholder's Defence as to occupancy and causation against exaggeration concerns. Disclosure of medical records was sought to verify the alleged medical attendances / extent of the injury. Whilst attendance at A&E was confirmed, the records stated "bruising [none]" which not only took away objective evidence of injury but also undermined his case that he attended because his bruising was showing quite badly. He also denied any recent trauma / injury to his shoulder when attending his GP 3 months later. Following a robust stance on the exaggeration and potential for a s57 Criminal Justice and Courts Act 2015 finding of fundamental dishonesty, the Claimant discontinued his claim in full

Technical Interest: Notwithstanding that there was no evidence from the policyholder's driver to support the occupancy and causation concerns, there were sufficient inconsistencies in the Claimant's own evidence to warrant the defence of the claim. A

robust stance on exaggeration resulted in the Claimant dropping his claim in full

Savings against presented claims:

Details	Amount
PI	£3,600.00
Loss of use of gym	£171.50
NHS Charges	£720.00
Claimant's legal costs	£8,500.00
Total	£12,991.50

Rim Kendi v Commercial Vehicle Rental Ltd

DWF: 2019226-332, Lucy Bevan

DCL: A2018/001892

Fraud Type: Farmed and no impact / causation

Claimant Representatives: Ageas Law

Outcome: Discontinued post Defence

Headline: Another suspected farmed claim kicked out by early investigations with third party insurer and intelligence searches to support no report of injury and to undermine credibility

Overview:

The insured driver reported that he was not sure if there was contact between the insured vehicle's trailer and the third party vehicle when he reversed at low speed. No claim for injury was submitted by the Claimant until 5 months later. The Defence put the Claimant to strict proof as to contact and causation of injury against a background of no report of injury to her insurance company, no report of injury in an Accident Report Form 3 weeks post-accident and inconsistencies within her medical evidence. DWF's intelligence searches also revealed that there was evidence of financial troubles for the Claimant and two prior claims for personal injury which she failed to disclose to the medical expert. The Claimant issued a low Part 36 Offer post Defence which was rejected and the Claimant discontinued her claim in full thereafter.

Technical Interest: Early intelligence searches assisted in undermining the Claimant's credibility and enticing an early discontinuance prior to Directions

Savings against presented claims:

Details	Amount
PI	£3,000.00
Physio	£260.00

Claimant's legal costs	£2,595.40
Total	£5,855.40

Lauren Freeman v Itech Roofworks Ltd

DWF: 2019226-300, Elizabeth Fergus

DCL: A2019/003384

Fraud Type: Causation

Claimant Representatives: Carpenters

Outcome: Withdrawn pre issue

Headline: Pre action disclosure application success results in withdrawal of claim

Overview:

The insured driver reported that this was a low speed impact between two vehicles and therefore incapable of causing personal injury to anyone involved. In order to investigate the claim fully, and following the Claimant's refusal to voluntarily provide disclosure; before she could issue proceedings herself, a pre action application was made for disclosure of the Claimant's medical records and engineering documentation relating to the alleged damage to her vehicle. The application was successful and the Claimant failed to comply with the Order of the Court and her representatives advised that they had closed their papers meaning she abandoned her claim.

Technical Interest: Pre action applications in the right circumstances are a useful tool to obtain the evidence needed to repudiate / settle a claim but also can result in claims being withdrawn under the pressure to comply

Savings against presented claims:

Details	Amount
PI	£2,800.00
Physio	£562.50
Claimant's legal costs	£1,293.00
Total	£4,655.50

Millicent Palton & 3 Others v Alexandru Vavivula

DWF: 2019226-21, Carrie Pearson

DCL: 2017/000033

Fraud Type: Staged

Claimant Representatives: Rainbow Solicitors

Outcome: Pre Issue Repudiation

Headline: 4 suspected staged claims abandoned following a robust repudiation

Overview: This claim was investigated as suspected staged and featured Rainbow Solicitors, the Costella Group and Awesome Repair Centre. The insured driver failed to co-operate with investigations and there were numerous inconsistencies in the Claimants' accounts. A collision investigation found that further damage had been caused to the third party vehicle and the airbags deliberately triggered. A formal repudiation was issued setting out the nature of the investigations into the legitimacy of the claims and the Claimants' subsequent abandoned their claims pre issue

Savings against presented claims:

Details	Amount
PI	£10,000.00
Vehicle damage	£12,000.00
Credit Hire	£8,000.00
Recovery & storage	£1,825.00
Claimant's legal costs	£9,000.00
Total	£40,825.00

AlimaanTaj, Sajad Hussain, Alina Imran, Nabia Bibi v IC Paun Ltd

DWF: 2019226-122, Craig Budworth

DCL: A2018/002610

Fraud Type: Staged

Claimant Representatives: Affinity Seven Law

Outcome: Repudiated

Headline: 3 claims withdrawn pre issue following a robust repudiation on similar fact evidence

Overview:

There were concerns that the claim was staged between the drivers. There had been application fraud on the part of the agency driver who provided a false address where investigations revealed the resident had lived there for 15 years with no knowledge of the driver. The agency driver was involved in 3 road traffic accidents within 14 days, 2 of which – including the index accident – were identical accident circumstances involving relatively high value new vehicles and featured the same claims company – Awesome Repair Centre

Technical Interest: The staged concerns were set out at an early stage prior to the issue of medical evidence with an invitation to withdraw the claims or provide significant disclosure. The

Claimants' failed to take any further action and Affinity Seven Law closed their papers confirming they no longer held instructions

Savings against presented claims:

Details	Amount
PI	£11,000.00
Credit Hire	£4,650.00
Storage & Recovery	£1,180.00
Loss of Earnings	£250.00
Claimant's legal costs	£7,522.00
Total	£24,602.00

Ranu Begum, Layla Begum, Shaheed Ahmed v S Poretta & Sons Ltd

DWF: 2019226-202, Sue Potts

DCL: 2015/000354

Fraud Type: Causation, Occupancy, Inconsistency

Claimant Representatives: Scott Rees & Co

Outcome: Discontinued

Headlines: 3 Claimants pushed to discontinue their claims on evidence of significant inconsistencies undermining their credibility

Overview: This claim was originally flagged owing to a report of low speed impact and occupancy concerns from the insured driver. Following review of dash cam footage causation was ruled out and the evidence on occupancy was not strong, however there were significant inconsistencies between the Claimants' Claim Notification Forms and medical reports as to medical attendances, injury and accident history. Specific disclosure was sought and the inconsistencies were utilised to support a discontinuance offer which was accepted by each Claimant in full

Technical Interest: Prior to the discontinuances a successful application was made to re-allocate the claims from the Multi Track to the Fast Track meaning that the cost exposure was reduced

Savings against presented claims:

Details	Amount
PI	£9,400.00
Misc	£120.00
Claimant's legal costs	£14,090.00
Total	£23,610.00

Janko Gabor & 3 Others v Mircea Dobrica

DWF: 2019226-130, Craig Budworth

DCL: 2018/000284

Fraud Type: Staged

Claimant Representative: The Lawyers Firm, Legal HD Ltd

Outcome: Pre Issue Repudiation

Headline Claimants' address linked to a wider fraud network of suspected staged cases

Overview: This claim was suspected to have been staged between the parties. Intelligence revealed that none of the Claimants linked to their given address yet a male linked to that address featured on another DCL claim where there were strong links between the parties, which also featured The Lawyers Firm. There were address links to a wider fraud network and numerous vehicle changes which suggested fraudulent activity. A pre issue repudiation was issued setting out the nature of the investigations and all 4 claims were abandoned prior to the issue of proceedings

Technical Interest:

Savings against presented claims:

Details	Amount
PI	£11,0000.00
Credit Hire	£5,000.00
Recovery and Storage	£2,500.00
NHS Charges	£2,760.00
Loss of Earnings	£500.00
Claimant's legal costs	£5,477.00
Total	£27,237.00



Beyond borders, sectors and expectations

DWF is a global legal business, connecting expert services with innovative thinkers across diverse sectors. Like us, our clients recognise that the world is changing fast and the old rules no longer apply.

That's why we're always finding agile ways to tackle new challenges together. But we don't simply claim to be different. We prove it through every detail of our work, across every level. We go beyond conventions and expectations.

Join us on the journey.