

FOR IMMEDIATE RELEASE
04/01/2021

Will 2021 be the year insurance gets sorted?

Alliance says that depends on just 5 outcomes

The Alliance for Insurance Reform has claimed that the insurance crisis can be sorted in 2021 but only if 5 key actions are fully completed.

Eoin McCambridge, managing director of McCambridge's of Galway and director of the Alliance said "Nothing the Government has done so far has applied any downward pressure on insurance premiums and for charities, community and voluntary groups, sports and cultural organisations and SMEs, insurance has been unsustainably expensive now for over 5 years. If Government expects Ireland to recover from the Covid-19 pandemic through SMEs, or for Irish society as a whole to recover through voluntary and community groups, then insurance must and can be sorted in 2021."

Peter Boland, Director of the Alliance said " In the last 4 years we have had the Oireachtas Finance Committee Report on Insurance Costs, two Cost of Insurance Working Group (CIWG) reports and 11 CIWG Updates; the reports of the Personal Injuries Commission, two National Claims Information Database reports from the Central Bank, the CCPC Market Study on Liability Insurance and the Government's Action Plan on Insurance Reform. What is abundantly clear from these is that if insurance costs are to be brought under control, there are 5 key issues that must be actioned this year:

1. **General damages for minor injuries must be dramatically reduced to reflect international norms and norms already established by the Court of Appeal:** we await the new personal injuries guidelines to be adopted and published by the Judicial Council, due by 31st July of this year at the latest. But we have no idea what the new guidelines will look like or when we will get to see them, if at all, before they are adopted by the Courts.
2. **Redefine and re-balance the "common duty of care" to require occupiers to take a duty of care that is reasonable, practical and proportionate:** we await action from the Minister for Justice that will address the situation where many policyholders find themselves 100% liable for accidents regardless of the circumstances.
3. **Establish a formal Garda response to insurance fraud:** 4 years after the Cost of Insurance Working Group first addressed this issue and despite commitments from An Garda Síochána in 2019 to a division-led approach, we are no closer to having a formal Garda response to insurance fraud.
4. **Reform of the Personal Injuries Assessment Board:** If PIAB is not radically reformed, it will be irrelevant within a decade and the compensation of people injured due to the negligence of others will be a process managed and controlled by the legal profession, for the benefit of the legal profession, with dire consequences for the cost and availability of insurance cover in Ireland. We await urgent proposals for reform and enhancement of PIAB from Minister of State Robert Troy.

5. **Produce a schedule of forecast reductions for reforms:** we need commitments from the insurance industry that all the reforms being worked on will actually lead to substantial reductions in insurance costs. We await an assessment of the expected impact on premium levels of the reforms being introduced, from Minister of State Sean Fleming.

“There are 66 actions in the Government’s Action Plan on Insurance Reform, but unless these 5 issues are addressed this year, then 2021 will go down as the year insurance could have been sorted, but wasn’t.”

ENDS

For further details contact:

Peter Boland

ALLIANCE FOR INSURANCE REFORM

TEL: 086 826 6036

WEB: insurancereform.ie

FB: [/insurancereformireland](https://www.facebook.com/insurancereformireland)

TW: [@InsuranceRefle](https://twitter.com/InsuranceRefle)