



CLYDE & CO

# UK Casualty Practice Fraud



# Contents

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**02.**

Overview

**04.**

Our services

**06.**

Experience and  
expertise

**07.**

Innovation and  
sector influence

---

**08.**

Key successes

**10.**

Results

**12.**

Value added  
services

# Overview

Clyde & Co's award-winning insurance fraud team is trusted by clients including major insurers, claims handlers, public bodies and private organisations to ensure fraudulent claims are successfully challenged and repudiated.

—  
**40**

Fee earners

—  
**10**

Intelligence analysts

—  
**1,100+**

Managing more than  
1,100 live fraud matters





- ▶ Our fraud team acts for:
  - **9 of the top 10** UK personal motor insurers
- ▶ Our fraud team has been recognised with “**Supplier of the year**” and “**Contribution to Success**” awards awarded by one of the UK’s largest motor insurers
- ▶ Shortlisted for “**Claims Initiative of the Year Award – Outsourced Partner**” British Insurance Awards in 2017 & 2019
- ▶ Shortlisted for “**Collaboration of the Year**” Award at the Insurance Fraud Awards – 2016, 2017 (highly commended) and 2019



- ▶ Handling fraud claims in both England & Wales and Scotland jurisdictions
- ▶ Offering a range of innovative fraud handling technology solutions and strategies designed to minimise insurers’ overall indemnity spend



- ▶ We are members of the Insurance Fraud Investigators’ Group (IFIG)
- ▶ We are affiliate members of the Insurance Fraud Bureau (IFB)

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Working with Clyde & Co is a very positive experience. They have a team which is consistently strong.

Legal 500, 2020

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# Our services

Our market-leading fraud team defends a wide range of suspicious litigated and pre-litigated claims, investigating the circumstances of the claim and providing a robust defence.

Particular areas of expertise include:

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## Motor fraud

We handle phantom passenger, low velocity impact (LVI), induced collisions and staged / contrived accident claims for leading UK motor insurers.

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## Liability fraud

Our EL/PL fraud expertise encompasses fabricated or exaggerated accidents at work, claims from serial claimants, occupiers' liability claims and suspect slips / trips on behalf of insurers, corporates and public sector bodies.

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## Fraud rings

The work of our counter-fraud team has helped clients identify and tackle fraud rings on motor policies and also increasingly on EL / PL claims.

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## Intelligence services

Our highly trained and experienced market leading intelligence and investigation team ensures that a fully tailored investigative strategy is applied to every claim. From fraud intelligence reporting and claimant profiling through to witness investigation and financial assessments – the team provides a full range of support in defending against fraudulent claims.

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## Property and first party fraud

Working with colleagues in our property claims team we defend suspect policyholder claims including arson, stolen vehicles and burglary.

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## Disease

In collaboration with our disease claims team, we investigate and defend fraudulent and exaggerated claims for conditions including noise induced hearing loss (NIHL) and vibration white finger (VWF).

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## Other business lines

We also have experience in defending claims across additional lines of insurance business including business interruption, travel, pet and creditor claims – where our process and investigation capability can deliver excellent results for clients.



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The level of support, encouragement and development for our teams is invaluable.

Fraud Operations Manager

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# Experience and expertise

We focus on delivering the lowest overall indemnity spend to our clients, by maximising savings from fighting fraudulent claims. Our approach is underpinned by these principles:

- Working closely with our clients to proactively identify suspect claims and quickly determine the prospects of success, so that we pursue the cases most likely to deliver savings
- Our support goes beyond just defending claims, we advise our clients on fraud prevention strategies and trends in the marketplace
- Developing tools and strategic approaches to streamline the identification and pursuit of fraudulent claims – delivering considerable savings to our insurer clients
- Where appropriate, to pursue sanctions against those presenting fraudulent claims to not only realise financial savings but to deter others from considering presenting fraudulent or exaggerated claims
- An unwavering focus on quality. All cases are handled by a technically qualified and skilled solicitor with the expertise to deal with any pre-lit or post-lit cases
- We offer a standout service for policy holders and insureds ensuring a well informed customer journey throughout the claims process

“

The solicitor who dealt with my case was so reassuring and calming and had all the answers to my questions. He was very prompt at replying to emails and made it very clear that he was always available and happy to answer any questions or concerns and talk through anything that I was unsure of. Thank you all very much.

Insured

# Innovation and Sector Influence



## Innovation

We continue to develop innovative systems, tools and strategies to help our team and insurer clients cost-effectively manage fraud claims. These include:

- **Project Martello** - A series of tactics for attacking exaggerated claims under section 57, proven to turn over 90% of these into no loss claims. To date, Project Martello has saved the insurance industry more than £4m to date, with several high-profile successes at trial
- **Genesis** - Our analytics tool to identify cases with a high risk of fraud for automatic referral to our fraud specialists for a review. Genesis is particularly useful in that it has inbuilt triggers to detect exaggerated claims which can be attacked with our unique Project Martello strategy
- **Opponent Based Strategy (OBS)** – This is a tool that uses our market-wide dataset to provide analysis of claimant solicitor behaviour and guide claims handling approaches accordingly
- **Due to launch late 2021** – Suite of digital innovation products



## Sector Influence

In an ever-changing marketplace we work with our clients across the insurance industry to influence relevant legislation, particularly legislation impacting upon the cost of claims.

- We have achieved a number of pioneering ‘firsts’ and standout decisions in the fraud arena, including:
  - The first contempt case to be successfully brought against Claimants who had discontinued their claims before trial;
  - Completing the first private prosecution for a fraudulent public liability claim;
  - Being the firm with the highest number of successfully concluded contempt cases (our team has a 100% record);
  - Our fraud ring team was highly commended in the Insurance Post Fraud awards for its work on the largest known cross industry motor fraud ring;
  - Successfully concluding the first industrywide EL/PL fraud ring with a 100% repudiation rate

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# Key Successes

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## First private prosecution for public liability claim

Acting on behalf of a global insurer defending a staged tripping claim brought against a supermarket. After defending the original GBP 60,000 claim to a successful conclusion at trial, we then pursued a private prosecution against the claimant - who received a 21 month suspended jail sentence for her part in the scam.

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## Exaggeration costs claimant dearly

Following a genuine accident at work, our insurer client contacted us as they were concerned about the extent and impact of the injuries. This claim was handled using our Project Martello strategy for exaggerated claims. Our investigation uncovered that the Claimant was much more active than he was admitting. The Court ordered that the GBP 260,000 claim be discontinued and the claimant to pay GBP 5,000 to the Defendant.

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## Exaggerated claim undone by investigation

We acted for a large public liability insurer following a genuine accident. The claimant alleged serious physical and psychological injuries, with his claim for damages and costs in excess of GBP 40,000. Our investigation uncovered that he was lifting heavy weights (which he had claimed he was unable to do) and despite his claim that he had been left with a fear of heights we obtained video of him on one of the world's highest waterslides. At trial, the claim was dismissed and the claimant was ordered to pay GBP 14,000 in costs.

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## Motor fraudsters jailed for contempt of court

We pursued contempt of court actions against three individuals who had brought claims against a top 10 UK motor insurer following a staged road traffic accident, part of a larger fraud ring investigation. In the original case, the claimants discontinued when confronted with the evidence from our investigation. While the claims had not proceeded to trial meaning the three individuals hadn't lied under oath, we pursued contempt proceedings and they each received prison sentences of between 4 and 6 months.

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## First industry-wide EL/PL fraud ring

Acting for several large clients in the Preston area dealing with, what was deemed to be, the first industry-wide EL/PL fraud ring. We assisted our client by liaising with the IFB and delivered a 100% repudiation rate for all intimidated claims.

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## Employee-led fraud ring

Representing a large local authority on a sensitive employee-led fraud ring. We ensured that reputational damage was avoided whilst achieving maximum repudiation and an IFED referral.

## Project Martello: High profile results

The claimant, an ex striker for Haywards Heath FC, was attempting to claim over £55,000 for injury after he was involved in a road traffic accident on the Marine Parade in Brighton in March 2017, where he claimed that injuries to his foot meant he could neither stand nor walk for long periods and had not been able to work as a self-employed plasterer for over six months. His appearance on Sky TV's Soccer AM when he scored a goal from the halfway line, was one of the pieces of evidence presented to the Court to prove the claimant was exaggerating the extent of his injuries. Confronted with the evidence that the claimant had been fundamentally dishonest under Section 57 of the Criminal Justice and Courts Act (2015), he agreed to a court order to withdraw his insurance claim and pay £5,000 costs..

## Genesis screening tool

We introduced our screening tool, Genesis to one of our clients 12 months ago with the below results:

- On sample, out of 100 perceived genuine cases we identified 19 potential fraud claims.
- 12 have concluded to date, 6 claims fully repudiated (savings of £209,000)
- Of the other 6 claims we used fraud arguments to provide savings of £132,000
- Average saving per claim identified is £28,000 for a total of £341,000 with and ROI of £12.11 for every £1 spent
- So far none of the concluded identified claims have been unsuccessful

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They are quite forward-thinking and innovative and they look at different ways of doing things, as the insurer market is constantly changing and there are different ways to get the right outcome.

Chambers & Partners, 2019

# Results

Through swiftly identifying the right suspect cases to pursue and taking a robust approach in handling fraudulent claims we achieve significant savings on overall indemnity spend.



- ▶ 1st private prosecution of a PL fraud
- ▶ Experts in contempt cases (1st successful contempt action against a CMC director)

—  
**85%**

Market leading trial success rate



- ▶ Project Martello dealing with exaggerated claims delivering excess of £10m in savings with several high profile results
- ▶ Record finding in Tort of Deceit for a staged accident (£100K judgment)

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**100%**

Acting for a local authority on a high profile PL Operation securing a 100% repudiation rate

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Clyde & Co is “the best in the business” and “the gold standard for insurance work.

Chambers & Partners, 2020



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# Value Added Services

Our team is able to draw on specialisms of other teams within Clyde & Co including:

- Intelligence analysts
- Dedicated investigators
- Forensic accountancy team
- Complex injury and large loss team
- Costs team
- In-house Counsel

To improve the technical quality of our client's handlers, and to ensure that they remain well-informed of legal and market developments, we have developed a suite of value added services, including:

- Assistance with fraud identification
- Legal updates and alerts
- Case surgeries and clinics
- Fraud training courses
- Seminars, webinars and events
- Secondments

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When something crops up outside their field they can pull in other resources from elsewhere in the firm, both efficiently and swiftly and in a way which is unparalleled in my experience.

Legal 500, 2020



If you would like any further information about Clyde & Co's Uk Casualty Fraud practice please contact:

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# 440

Partners

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# 1,800

Lawyers

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# 4,000

Total staff

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# 50+

Offices worldwide\*

[www.clydeco.com](http://www.clydeco.com)

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\*includes associated offices

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