

News story: Plans for fixed cap on legal costs for medical negligence cases

The government intends to impose a new, fixed cap on all clinical negligence cases up to £25,000 to prevent rising litigation costs within the NHS. There are numerous examples of lawyers who profit from the NHS by charging more than 80 times the amount awarded to the victims in minor claims.

In one case, lawyers claimed £83,000 in legal costs for a case in which the patient was awarded £1,000. These costs contributed to a total bill for the NHS of £1.5 billion in financial year 2015 to 2016.

Currently, there is no limit on legal costs that can be recouped and the money claimed by lawyers takes vital funds away from NHS trusts. It is expected the new cap will help the NHS save up to £45 million a year.

Health Secretary Jeremy Hunt said:

It's important that when significant mistakes happen in the NHS, patients are able to have an open dialogue with a trust about what went wrong, receive reassurance of what is being learnt, and can discuss what form of recompense or redress may be appropriate. Legal action should only be one part of this process.

Unfortunately, what we often see in lower cost claims is a deeply unfair system where unscrupulous law firms cream off excessive legal costs that dwarf the actual damages recovered. We believe this creates an adversarial culture of litigation, which is inflating insurance premiums and drawing away resource from the NHS at a crucial time.

Andrew Foster, Chief Executive at Wrightington, Wigan and Leigh NHS Foundation Trust, said:

The introduction of a fixed recoverable cost for lower value claims would support more proportionate payment to claimant lawyers – which alongside improvements to the system should make things quicker and better for patients. This seems fair and appropriate recognising this all comes out of the NHS pot. Less money spent on legal costs will mean more to put into improved patient care at a local level.

See [consultation on plans for fixed recoverable costs for clinical negligence claims](#).