

DAC Beachcroft secure three separate prison sentences for fraudsters arising from three different accidents

Published 7 August 2018

DAC Beachcroft's counter fraud and credit hire teams have recently secured three orders for committal for contempt of court as a result of activity by fraudulent claimants. These three successful outcomes resulted in combined prison sentences of 23 months for the fraudulent claimants involved.

All three claims stemmed from road traffic accidents and involved fraudsters deliberately braking harshly for no apparent reason, to induce a collision with innocent motorists. Each of the three claims involved different insurers and this alert details the facts of each case, how we defeated the claim and an analysis of each of them.

The cases

Ahmed v Taylor

Mr Ahmed had alleged that he had been injured as a result of the road traffic accident which occurred, as he stated, as he was slowing down for traffic ahead, before his vehicle was hit from behind.

Aviva Insurance Limited instructed us, as Aviva's driver was adamant that the incident had not occurred as alleged by Mr Ahmed but, rather, after Mr Ahmed slammed on his brakes for no reason in the middle of the road, causing the collision.

As part of its investigations, we managed to obtain CCTV footage that showed the collision occurring. The footage was damning to Mr Ahmed's case, as it clearly showed his vehicle stopping suddenly for no apparent reason, before the collision occurred. Footage from other cameras further along the road confirmed that there were no vehicles ahead of Mr Ahmed's, as he had maintained throughout the case, which would have caused him to stop as he did.

Following disclosure of the CCTV footage to Mr Ahmed's solicitors, they ceased to act for him, and Mr Ahmed's claim was later struck out by the court, finding him to be fundamentally dishonest. Such a finding removes the protection claimants have from paying the other party's costs and potentially opens the door to a criminal conviction.

The judge ordered the claimant to pay Aviva's costs of more than £10,000.00. Mr Ahmed failed to pay Aviva's costs and so steps were also taken to enforce.

Due to the blatant false nature of Mr Ahmed's evidence, we pursued him for contempt of court which carries the potential for a custodial sentence. At the committal hearing the judge sentenced Mr Ahmed to 9 months imprisonment and delivered a damning indictment of Mr Ahmed's evidence.

Hussain v Williams

Mr Hussain had claimed whiplash injuries and significant vehicle hire and repair costs after alleging that a Direct Line Group policyholder had driven into him as he drove along a slip road to join the A500 near Stoke-on Trent in 2013. Three passengers, allegedly travelling in Mr Hussain's car at the time of the accident, had also claimed for whiplash injuries. In his evidence, the defendant driver stated there had been no reason for Mr Hussain to brake suddenly in front of him, as there had been no traffic preventing him from merging safely onto the A500 from the slip road.

At the hearing of the civil claim for damages, the evidence Mr Hussain gave in court was so contradictory and unsatisfactory that he asked to withdraw his claim. The judge allowed him to do so but only on the basis he should pay all the costs of the claim, as his claim had been fundamentally dishonest.

We pursued proceedings for contempt of court against Mr Hussain. At the committal hearing, he was given a two month prison sentence and was ordered to pay £14,000 in costs by the court. Evidence obtained from the defendant driver proved the fraudster had been lying and was used to devastating effect at court.

Kapoor & Kapoor v Fluid Air Conditioning Limited

Mr and Mrs Kapoor had originally claimed for whiplash and credit hire charges relating to a motor accident in July 2013. By the time of trial, credit hire which had been provided by Obsas Hire and Storage, was in excess of £170,000. The claim was successfully defended by our credit hire fraud team in the Mayor's & City of London Court in June 2016 on the basis that the collision was a slam-on. The defendant's driver felt he had been the victim of "a scam" from the outset and gave evidence in the county court on that basis.

As well as securing a finding of fundamental dishonesty at the original trial, we also secured a non-party costs order against Obsas Hire and Storage to make them jointly and severally liable for the defendant's costs alongside the claimants.

After the claim was dismissed, we successfully applied for the Kapoors to face criminal charges for contempt of court. In an excellent outcome, Mr Kapoor was delivered a 12 month custodial sentence and Mrs Kapoor received a suspended sentence. Full details of this case and further commentary can be found [here](#):

Analysis

All three claims were dismissed during the initial trials and findings of fundamental dishonesty were secured. This automatically removed the shield of Qualified One Way Costs Shifting from the claimants, and presented an avenue for DAC Beachcroft to recover costs against each claimant.

In subsequent committal proceedings against all three claimants for contempt, the court was damning in its assessment of the conduct of the claimants. All were sentenced to immediate custodial sentences. The cumulative result of these cases was 23 months in prison for the fraudster claimants, £250,000 in fraud savings for our insurer clients and £75,000 so far in costs awarded to our clients, with further costs to be assessed.

These cases demonstrate the technical strength of DAC Beachcroft's fraud, credit hire and intelligence teams who worked closely together to ensure the appropriate evidence was obtained and presented to the court in an effective manner.

Whilst successful prosecutions for contempt of court in personal injury claims are still relatively rare, provided the right cases are pursued, and the contempt is clear, courts are willing to impose custodial sentences on would be fraudsters. This deterrent sends out a strong message throughout the industry and to claimant solicitors.

Our counter fraud team would be happy to discuss any potential committal cases with you and the mechanisms for achieving successful outcomes. Practically, one pre-requisite of a successful case would be to firstly secure a finding of fundamental dishonesty at a hearing.

The successful committal cases were handled at DAC Beachcroft by Phil Morris, Simon Thompson and Gary Orritt.

Catherine Burt, Head of Counter Fraud at DAC Beachcroft commented: *"These cases clearly demonstrate the shift by insurers away from simply defeating individual claims and towards looking for sanctions against those who perpetrate fraud. The message is clearly being sent out that pursuing fraudulent claims can have significant consequences"*.

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