

News release

5 January 2009

“Compensation culture” in UK grossly exaggerated shows new research on workers’ expectations for work-place injury awards

New research¹ from personal injury solicitors Hubbard Pegman & Whitney (HPW) reveals that the majority of people have modest expectations for compensation following injuries at work, casting doubt on the widely-made claim that Britain has developed a compensation culture.

In fact, HPW’s own experience is that people often stoically avoid seeking compensation for injuries, even for modest amounts, in case they are made redundant as punishment by their employer.

HPW’s research (undertaken by YouGov and based on a representative sample of nearly 2,000 adults²) reveals that while over 90% expect some form of monetary compensation after an injury at work, people typically under-estimate how much they would receive and very few over-estimate, even though awards can be surprisingly modest.

For instance:

- Typical compensation awarded³ for an arm fractured at work is in the region of £6,000 (£4,000 for the injury and around £2,000 for loss of earnings for an average earner) – however, 44% of adults expected £2,000 or less, 61% estimated under £5,000 and only 4% expected a bumper payout of over £10,000.
- The typical compensation awarded for a leg broken at work is £8,650 (£5,750 for the injury and £2,900 for loss of earnings for an average earner) – however, 46% of adults expected £5,000 or less, while only 12% expected more than £10,000.

¹ See Notes for Editors for full details of the research, undertaken for HPW by YouGov

² The sample was representative of British society and took place across Britain, including Scotland. Please note that Scotland has its own legal and compensation system.

³ Figures for money awarded for personal injuries are taken from Lawtel 2008.

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- The typical compensation awarded for permanent blindness in one eye from an injury at work is at least £31,500 (with additional sums for loss of earnings while recovering and further compensation, set by the court, for the impact on the victim's lifestyle) – however, 27% of adults expected £20,000 or less and only 21% expected a significantly higher payout of over £100,000.
- Only when you get to really serious injuries do people, not surprisingly, expect very substantial compensation. The typical compensation awarded for permanent loss of the use of both legs from an injury at work is at least £140,000 and generally substantially higher (depending on loss of earnings and effect on lifestyle) – however, 20% of adults expected £100,000 or less, while 42% expected over £200,000 (which in most cases people would get).

Charlotte Pegman, Managing Partner of HPW said: “Not only are most compensation awards unspectacular, but most people actually have very modest expectations – typically in-line with average awards or even expecting substantially less. Our research indicates to us that most people only want fair and reasonable compensation when they are injured at work. While large compensation awards for seemingly minor injuries and slights rightly attract hostile media attention, the reality is that awards for most workplace injuries – often nasty ones – are generally much more modest.

“In fact, our experience is that British people are often too stoic – failing to claim compensation as they are worried about losing their job, even in the case of injuries causing permanent disablement. This trend is likely to increase in the current economic environment as workers, often those on low income manual jobs, worry that they will not get a replacement job if they are made redundant as punishment for claiming compensation for an injury.”

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The survey results:

Nearly 2,000 adults were asked: “How much compensation would you expect to receive if you suffered each of the following injuries from an accident at work (and you weren't to blame)?”

A fractured forearm	Base	Male	Female	London	Rest of South	Midlands and Wales	North	Scotland
All GB Adults	1970	946	1024	414	394	473	512	177
None	8%	8%	8%	10%	8%	9%	5%	9%
Up to £1 000	18%	15%	20%	14%	18%	17%	19%	24%
£1 001 to £2 000	18%	21%	15%	13%	18%	18%	19%	22%
£2 001 to £5 000	17%	18%	16%	18%	18%	18%	18%	8%
£5 001 to £10 000	9%	10%	8%	8%	10%	8%	10%	8%
£10 001 to £20 000	3%	4%	1%	4%	2%	2%	2%	4%
Over £20 001	1%	1%	1%	1%	1%	1%	1%	1%
Don't know	27%	23%	30%	30%	25%	28%	25%	23%

A broken leg	Base	Male	Female	London	Rest of South	Midlands and Wales	North	Scotland
All GB Adults	1970	946	1024	414	394	473	512	177
None	7%	6%	7%	9%	7%	7%	4%	8%
Up to £1 000	6%	6%	6%	5%	6%	7%	5%	9%
£1 001 to £2 000	13%	11%	14%	11%	11%	12%	13%	19%
£2 001 to £5 000	20%	22%	18%	16%	22%	18%	23%	19%
£5 001 to £10 000	16%	17%	16%	17%	16%	16%	18%	10%
£10 001 to £20 000	8%	10%	6%	8%	7%	8%	8%	11%
Over £20 001	4%	5%	3%	5%	6%	3%	3%	1%
Don't know	27%	23%	30%	30%	25%	28%	25%	23%

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Permanent blindness in one eye	Base	Male	Female	London	Rest of South	Midlands and Wales	North	Scotland
All GB Adults	1970	946	2024	414	394	473	512	177
None	4%	4%	4%	6%	4%	4%	3%	2%
Up to £5 000	4%	5%	4%	6%	4%	5%	2%	5%
£5 001 to £10 000	8%	9%	8%	4%	8%	11%	10%	7%
£10 001 to £20 000	11%	10%	12%	13%	11%	8%	12%	16%
£20 001 to £50 000	12%	13%	11%	11%	12%	11%	15%	9%
£50 001 to £100 000	13%	13%	13%	9%	12%	13%	17%	16%
£100 001 to £200 000	10%	11%	9%	9%	13%	10%	8%	6%
Over £200 000	11%	11%	11%	13%	11%	11%	8%	14%
Don't know	27%	25%	28%	30%	25%	27%	25%	26%

Permanent loss of use of both legs	Base	Male	Female	London	Rest of South	Midlands and Wales	North	Scotland
All BG Adults	1970	946	1024	414	394	473	512	177
None	4%	3%	4%	6%	4%	4%	3%	1%
Up to £50,000	8%	10%	8%	9%	8%	8%	6%	6%
£50 001 to £100 000	8%	8%	8%	8%	8%	9%	8%	8%
£100 001 to £200 000	12%	12%	11%	9%	10%	10%	15%	15%
Over £200 000	42%	43%	40%	38%	45%	41%	42%	45%
Don't know	26%	24%	28%	30%	24%	27%	24%	26%

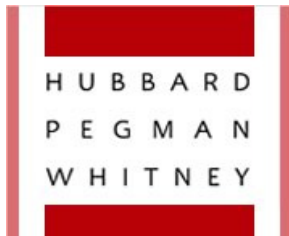
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Issued by Kelso Consulting (PR advisers) on behalf of HPW

For further information please contact:

- Sara Phipps/Will Richardson at Kelso Consulting (PR advisers) on 020 7242 2272
- Charlotte Pegman/Hope Liebersohn, Hubbard Pegman & Whitney on: 020 8735 9770

For further information please visit www.hpwsolicitors.co.uk.



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Notes to Editors

The research was conducted between 27-29 October 2008 by YouGov for HPW. The total sample size was 1,970. The survey was carried out online. The figures have been weighted and are representative of all GB adults (aged 18 and over).

Figures for money awarded for personal injuries are taken from Lawtel 2008.

About Hubbard Pegman & Whitney:

Hubbard Pegman & Whitney was formed in October 2007 from the private client practice of Glenisters. Based in Hammersmith in West London, the firm is a specialist in Personal Injury claims, and has great experience of dealing with cases of utmost severity and claims following spinal injury.

The Personal Injury Department is run by Managing Partner, Charlotte Pegman. She is a member of The Law Society's Personal Injury Panel and The Association of Personal Injury Lawyers (APIL). Charlotte specialises in psychiatric injury claims and spinal injury claims. She also has much experience in acting for prison officers who have been injured at work.