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## **PRESS RELEASE**

### **Elite Incident Management believes 'Copley' ruling is a good result for insurers**

Elite Incident Management believes the Copley ruling is a good result for insurers.

The Insurance Times ran with the headline 'Credit Hire Association hails ruling as "big win" for CHOs'. To the contrary, Jon Crawley, Claims Manager at Elite believes the Helphire's victory is a hollow one. "The argument of mitigation is still very much alive and in fact it has now just become much easier for the insurer to present, he says".

Although not surprised by the ruling, Crawley does believe the entirely reasonable settlement here was to pay the CHO at the rates that KGM would have achieved under their intervention programme.

Crawley comments: "This is a protocol we have long insisted Elite Claims Handlers adopt, seeing it as a fair and reasonable compromise. Whilst KGM may be disappointed at the ruling, I do believe it is they and all insurers defending Credit Hire claims who will benefit from this precedent. This is a win/win situation for the insurer who will now settle many more claims at intervention rates; something they have long been striving to achieve."

From this ruling, it now appears that if insurers follow judgement to the letter, all they need do is make the claimant aware of the rate at which they can provide a replacement vehicle and this will cap the limit of their liability from this point forward. Furthermore, if the insurer is the first to make an offer to the claimant the CHO stands absolutely no chance of recovering any periods at their inflated Credit Hire rate.

Insurer Third Party Intervention programmes will not need much alteration. They will have to prove that the claimant was furnished with all the information to understand the offer of a vehicle and the rate being applied was the best commercially available. All they need do is set out, in writing, the offer in detail *including the cost* to them of the hire vehicle they are offering. It is likely that most insurers

will not accept that the cold call is inappropriate, and they will continue to use it. It is very much a warm call, an offer of assistance, and in any case it is a practice undertaken by both insurers and CHOs alike.

Should insurers abandon offering vehicles at all? *Will* insurers abandon offering vehicles at all? Absolutely not, the reasons for intervening with offers of assistance to a claimant is not just to have a mitigation argument available at a later date if required, but to try to avoid claimants entering into a credit hire agreement in the first place. Insurers will not give up on this, and so they should not.

Crawley continues: "Elite Incident Management have continuously worked to deliver second to none products to their clients to reduce the cost of credit hire with stand alone products such as 'Referee' and Elite's dedicated Third Party Capture department."

Referee clients continue to benefit from a minimum of 30% savings, further, Referee has uncovered instances of companies inflating prices by a staggering 70%. A dedicated team who continually deliver a capture rate in excess of 50% runs elite's TP Capture. A capture case can save an insurer an estimated £1,800 per case and ensure that the claim is settled more efficiently.

ENDS

**Notes to Editor:**

About Elite Incident Management:

Elite Incident Management Limited is a Motor Claims Outsourcing company that has provided accident management and claims handling services for more than 17 years, working on behalf of Fleets, Leasing Companies, Brokers and Insurers

Elite work to minimise the cost and disruption caused by a motor incident,

A process driven organisation, Elite have heavily invested in a unique IT structure and run a 24/7 UK based Customer Service operation.

Elite operates a Repair Network of 131 car and LCV repairers, all working towards PAS 125 accreditation, plus 36 HGV repairers and 29 specialist motorcycle repairers. Up to 80% of FNOL cases translate into Elite Network repairs.

[www.eliteim.co.uk](http://www.eliteim.co.uk)

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