

# PRESS RELEASE

22 July 2016

## **Clinical negligence claims will now cost public purse a staggering £56.1bn**

**The NHS Litigation Authority has estimated that £56.1bn will be needed to cover known and future claims for clinical negligence for past patient care.<sup>1</sup> While the huge rise in liabilities is due in a large part to the change in the Treasury's discount rate, this headline grabbing figure does reflect the true cost to the NHS.**

MPS is also concerned that the NHS LA paid out **£176m** more in damage payments than in 2014/15 (23% increase) and, more worryingly, the amount paid out in claimant costs increased by **£126m** (43% increase). Increases in costs to the public purse of this magnitude are unsustainable and MPS believes action must be taken now to reform the legal system before it escalates further. Ultimately, the NHS LA paid out **£1.5bn of tax payers money** to compensate patients for clinical negligence claims in 2015/16 – money that could be spent on frontline care.

Our research suggests that the public are unaware of this ever increasing cost to the public purse. A YouGov survey commissioned by MPS of 2,000 British adults in January revealed the mismatch between public perceptions of how much the NHS paid out last year for clinical negligence claims, and the reality. In 2014/15 the NHS LA paid *£1.1bn* to claimants for clinical negligence – but 43% of the public thought it was closer to £1m, 46% thought it was £1m – £50m and only 6% thought it was £100m – £2bn.<sup>2</sup>

MPS, who manage claims for clinical negligence brought against GPs, dentists and private doctors, believe action needs to be taken to drive down the cost of negligence and make it more affordable for society.

### **In response to the NHS Litigation Authority Report and Accounts 2015/2016, Dr Rob Hendry, Medical Director at MPS said:**

"It's good news that the NHS LA has seen a small drop in the number of claims for clinical negligence to just under 11,000, but the cost has increased by over £300m on last year. In one year the NHSLA has also seen the increase in damages payments increase by 23% and payments made to claimant lawyers' increase by 43%. Increases of this magnitude are unsustainable and it's deeply concerning to think about what the cost to the public purse may be in ten years' time if action isn't taken now.

"We do not believe that the increase in the cost of claims to the NHS is as a result of deteriorating professional standards, but is likely due to a number of factors including the increasing complexity of care, enhanced patient expectations and the challenging and expensive legal environment. The fact the NHS successfully defended nearly 5,000 claims in 2015/16 highlights the scale of unmeritorious claims that are brought against the NHS.

"The NHS is now seeing damages reaching well over £10 million in some cases. It is crucial that we ask ourselves whether it is appropriate and affordable to continue to pay such high costs in

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damages. We recognise that this is a difficult message but difficult decisions about spending in the NHS are made every day, and the cost of claims should not be considered as separate to this.

"We worry that diverting vital funds from frontline services to meet the increasing costs of clinical negligence claims may have an impact on patient care in the long term."

MPS is calling on the government to prioritise reform of the legal system to drive down the cost of clinical negligence. MPS believes introducing fixed costs for small value claims and a limit on damages for future costs of care and earnings will help make clinical negligence more affordable.

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**For further information, please contact Kim Watson, Media Relations Manager at MPS on 0207 399 1428 or [kim.watson@medicalprotection.org](mailto:kim.watson@medicalprotection.org)**

#### **Notes to Editor**

<sup>1</sup> NHS Litigation Authority Annual Report and Accounts 2015 - 2016  
<http://www.nhsla.com/AboutUs/Pages/AnnualReport.aspx>

<sup>2</sup> All figures, unless otherwise stated, are from YouGov Plc. Total sample size was 2069 British adults. Fieldwork was undertaken between 15 – 18 January 2016. The survey was carried out online. The figures have been weighted and are representative of all GB adults (aged 18+). To view the figures [click here](#).

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#### **About MPS**

The Medical Protection Society Limited ("MPS") is the world's leading protection organisation for doctors, dentists and healthcare professionals. We protect and support the professional interests of more than 300,000 members around the world. Membership provides access to expert advice and support together with the right to request indemnity for complaints or claims arising from professional practice.

Our in-house experts assist with the wide range of legal and ethical problems that arise from professional practice. This can include clinical negligence claims, complaints, medical and dental council inquiries, legal and ethical dilemmas, disciplinary procedures, inquests and fatal accident inquiries.

Our philosophy is to support safe practice in medicine and dentistry by helping to avert problems in the first place. We do this by promoting risk management through our workshops, E-learning, clinical risk assessments, publications, conferences, lectures and presentations.

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