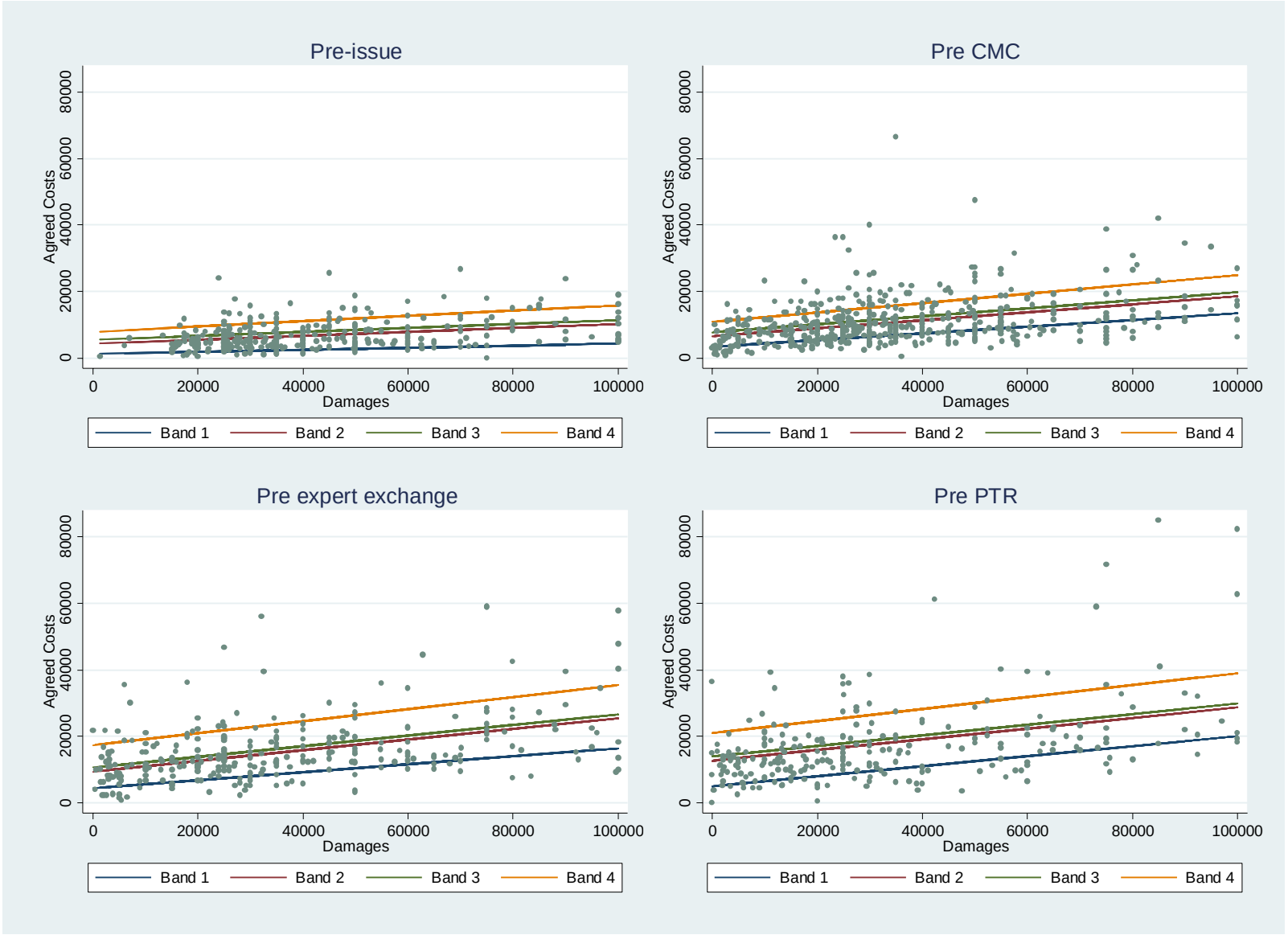
APPENDIX 9: PROFESSOR PAUL FENN'S ANALYSIS OF DEFENDANT DATA SUPPLIED BY TAYLOR ROSE TTKW

All 1,461 observations extracted from the Taylor Rose TTKW dataset relating to multi track personal injury claims: (i) settled since the coming into force of the Legal Aid, Sentencing and Punishment of Offenders Act 2012 ("LASPO") with damages less than £100,000, and (ii) where claimants had provided no more than three expert reports



Explanatory Text

The graphs above show all 1,461 observations extracted from the Taylor Rose TTKW dataset relating to multitrack claims settled since LASPO with damages less than £100,000 and where the claimants had provided no more than three expert reports. Each separate chart in the graphs contains those observations on claims that were settled at four different chronological stages of litigation - pre-issue, pre-CMC, pre-expert exchange, pre-PTR. The dots show the observed combinations of agreed costs and damages at settlement for each claim, where agreed costs are measured on the vertical axis, and damages on the horizontal axis.

Within each chart, several lines are drawn through the data. The lines labelled “Band 2” (i.e. the second from the bottom in each chart) show the statistical best fit (obtained through a technique known as “least squares regression analysis”) for the claims categorised as road traffic accident (“RTA”), employers' liability accident, or public liability. The lines labelled “Band 1” and “Band 3” (i.e. the first and third from the bottom in each chart) show the statistical best fit for the claims categorised as non-personal injury RTA and employers' liability disease respectively. The lines labelled “Band 4” represent a (non-statistical) attempt similarly to characterise the relationship between agreed costs and damages for the most complex claims, irrespective of claim type. The slope of each line shows the estimated average association between agreed costs and damages for each type of settlement. These 'slope coefficients' are used to derive the '% of damages' figure attached to Bands 1 to 3. The lump sums are derived from the constants in those regressions. The Band 4 '% of damages' and lump sums are an extrapolation based on judgment for the most complex cases.