



JUDICIARY OF
ENGLAND AND WALES

6 December 2017

PRESS SUMMARY

Liverpool Victoria Insurance v Yavuz & Others
[2017] EWHC 3088 (QB)
Mr Justice Warby

1. The judgment is given after the trial over 5 days of applications by the claimant insurance company (“LVI”) for orders committing each of the 9 defendants to prison for contempt of court.
2. Each of the defendants brought a claim for damages over an alleged car crash which was said to have been the fault of a driver insured by LVI. LVI’s allegation is that these claims were brought pursuant to “crash for cash” conspiracies to defraud, and that the defendants told lies in support of those conspiracies which amount to contempt of court.
3. The claims made by the defendants involved three alleged crashes, two in September 2011 and one in November 2011, all quite close to one another in North London. LVI’s primary case is that none of the alleged crashes happened. Alternatively, it argues that they did not happen in the manner alleged by the defendants. These crashes, says LVI, are inventions, concocted as part of a conspiracy to defraud.
4. In support of its case, LVI relies on three other claims made against it in respect of three further crashes alleged to have happened in the same area of North London in September and October 2011 (“the similar fact claims”). Two of these involved proceedings. LVI points to what it says are links between the insured in the six claims, and to other common features, which are said to tend to incriminate the defendants.
5. The judgment sets out the key facts in relation to each of the six alleged crashes: [25]-[59]. It gives details of the insurance claims and the legal claims put forward by the defendants and those involved in the similar fact claims; and it identifies each of the acts of contempt of court alleged by LVI: [60]-[74]. It goes on to set out details of how some of the claims were discontinued before trial, or at the door of the court, and how one of the three “similar fact” claims was tried and dismissed on the grounds that the claimant had not proved that the accident took place: [75]-[81].

6. The Judge records that he rejected an argument raised on behalf of the defendants, that because an allegation of fraud was made by LVI against that claimant and not upheld by the Judge in that case, LVI is debarred from alleging fraud against the defendants in this case: [82]-[85].
7. The Judgment proceeds to summarise the evidence and arguments of the parties ([86]-[105]) before setting out the Court's findings of fact, and the reasons for them ([106]-[146]). The findings are summarised in paragraph [106] as follows:

"I am left at the end of the hearing in no doubt that all the defendants told deliberate lies from the outset, and throughout the proceedings in the County Court and this Court. They lied in their witness statements, their schedules of loss, and in their statements of case in the County Court, and (it follows) in their affidavits and oral evidence to this Court. The crashes never happened. The defendants were not injured. The drivers' cars were not recovered or stored, or not for any length of time. Nor did they take any vehicles on credit hire. To the extent that some of the defendants have sought to suggest that they did not realise the nature of the documents they were verifying, or what was being said on their behalf, I reject their evidence. Nor have any of them rebutted the presumptions that apply, where a statement of truth is made by a solicitor. Every statement made by them or on their behalf to the effect that these things did happen was a lie by them. Their claims were thoroughly false and dishonest from the start."

8. The judgment considers the applicable law and finds that on those facts LVI has proved that each defendant is guilty of contempt by telling lies in claim forms, particulars of claim, and other documents which were created and submitted in the legal proceedings in the County Court, and verified by statements of truth: see [8]-[24], [147] -[150].
9. The Judge questions whether telling lies in schedules of loss and witness statements created, signed and verified before any proceedings were started amounts to contempt of court. He does not think it desirable to express a conclusion on those issues in this judgment, having heard no argument on them from either side. He is willing to hear argument but doubts that it is necessary, as he does not believe any doubt on these issues is likely to affect sentence. See [148]-[150].
10. The Judge adds a footnote about the question of whether a false statement, verified by a statement of truth, in a Claim Notification Form provided pursuant to the relevant Pre-Action Protocol might amount to a contempt of court. He suggests the subject might be worthy of consideration by others. See [151]-[153].

References in square brackets are to paragraphs in the judgment

NOTE: This summary is provided to help in understanding the Court's decision. It does not form part of the reasons for the decision. The full judgment of the Court is the only authoritative document. Judgments are public documents and are available at: www.bailii.org.uk