

fraud case update

Cases

[Mr Junaid A Masood and Navaid Zuberi -v- Buckingham Foods Ltd](#)

Wandsworth County Court

Claim no: 7WA01925/7WA02006

Hill Dickinson reference: 230282.138

Case facts

Claims arose out of an accident that occurred on 31 May 2006. The third party driver Mr Navaid Zuberi and passenger Mr Junaid Masood were travelling along the A5 when it was alleged that an unknown vehicle cut in front of Mr Zuberi's vehicle, causing him to slam on his brakes. The defendant was driving a DAF truck behind claimant Mr Zuberi, and was unable to stop colliding with the rear of the claimant's vehicle. Mr Zuberi also alleged that he was carrying a young female passenger. This was disputed by the defendant truck driver. A letter of claim in relation to the female passenger was forthcoming, however her claim was disputed and the claim was immediately withdrawn.

The claimant, Mr Zuberi, stated that his vehicle had been recovered to Euro Storage of 5 Carlton Road, Nottingham. Photographs were obtained of the area which showed a residential area and the address in question related to a mini mart. The claimant relied upon engineering evidence of Barry Cobb of Giles Lovell Ltd, confirming that the vehicle had been inspected at Euro Storage and the vehicle was deemed a total loss. Northern

Assessors inspected the vehicle on behalf of the defendant at a different address and noted that the mileage had increased, indicating the vehicle had been in use.

Result

Hill Dickinson's anti-fraud database Netfoil was used and enquiries were undertaken, which revealed that Mr Zuberi's passenger Mr Masood had been in a subsequent accident, again involving a vehicle cutting in front of the vehicle he was travelling in and slamming on its brakes, causing a commercial vehicle to collide into the rear of the vehicle. The claimant Mr Masood had again claimed for personal injury. The claimant's medical report was obtained from the subsequent accident and it was noted he had failed to report the index accident to his medical expert. All evidence was disclosed to the claimant's solicitors Pabla and Pabla, and the claimants discontinued with written confirmation from the legal expense insurers that they would meet our costs.

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[Zeyd Osmas -v- Gholam Erabi](#)

Hill Dickinson reference: 960288.2876

Case facts

The claim arose from an accident which is alleged to have occurred on 18 October 2008 on Longford Road, Coventry. The alleged accident circumstances appear to be relatively straight forward, in that the

policyholder collided with the rear of the third party vehicle. At the time of the alleged accident the policyholder was driving a Renault Laguna. The vehicle came 'on cover' on 10 August 2008, only five weeks prior to the alleged accident. The vehicle's V5 document stated that the policyholder only acquired the vehicle on 2 September 2008 (although the documents are actually dated 3 November 2008) after the insurance policy was accepted. The previous registered keeper of the vehicle was a Gulan Rasool Erabi, Glasgow, who is related to the policyholder.

The policyholder's vehicle appears to have passed an MOT the day before the alleged accident, at a garage in the Birmingham area, although the policyholder resides in London. However, the third party vehicle was MOT'd in February 2008 at the same garage.

Prior to the papers being referred to Hill Dickinson, the policyholder's vehicle was inspected by the Co-operative Insurance staff engineers, and the claimant's vehicle was inspected by JP Morris & Associates. We arranged for both vehicles to be forensically inspected and the engineer concluded that they could not possibly have sustained their accident damage as a product of the alleged accident or from any form of contact. In the engineer's view there was no supportive evidence that the alleged accident took place; the damage to the policyholder's vehicle had been caused by colliding with the corner of a red brick wall. Of particular concern, however, is the conclusion that the policyholder's vehicle would not have been driveable at the time of the alleged collision as it had a serious engine fault which would not have been caused by the collision with the wall.

Result

The Co-operative Insurance voided the policy from 18 October 2008 on the grounds of a breach of utmost good faith. However, brokers (Automobile



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Welcome

Welcome to the spring 2010 Hill Dickinson fraud case update. In this issue we explore a selection of case summaries to keep you informed of our fraud team's recent activity.

Sharing this information will we hope be another useful contributor in our fight against fraud.

If you have any questions relating to the points raised in this edition, or for more information on our fraud services in general, get in touch or visit:
www.hilldickinson-fraud.com

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Association) indicated that the policyholder (Gholam Erabi) had never paid any premiums and they had intended to cancel the policy anyway.

Following disclosure of the engineering evidence, the solicitors for the third party, Zeyd Osman and his alleged passengers, have indicated that they are no longer instructed to represent them.

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[Gary Jones, Gary Siner and Jody Owens -v- McBurney Refrigeration Ltd](#)

Liverpool County Court
Claim no: 8B107855
Hill Dickinson reference: 230282.156

The claim arose out of an accident that occurred on 26 May 2007. The claimants allege that the policyholder driver drove a commercial vehicle into collision with the stationary third party vehicle causing the vehicle to be written off, and the third party driver and his passengers pursued a personal injury claim. The defendant driver, who was an agency driver, failed to co-operate with investigations.

However, we received a second claim, involving the same agency driver, providing similar accident circumstances.

Joint investigations showed that the claimant driver in the second accident owned the third party vehicle in the first accident, and worked for a company that repaired commercial vehicles.

A robust defence was entered informing the court of the associated claim and Part 18 questions were served upon the claimants.

Result

The claims were aggressively and robustly defended and the claims were struck out by the court for a number of breaches, including the claimants' failures to respond to the Part 18 questions.

Costs were therefore pursued against the claimants and a default costs certificate has been obtained.

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[Aksoy -v- The Co-operative Insurance & 1 other](#)

County Court Uxbridge County Court
Case no: 6BI25312
Hill Dickinson reference: 960288.174

Case facts

Mr Tamet Aksoy claimed to have been involved in a rear end shunt in an incident on 27 August 2003. The Co-operative Insurance policyholder, Mr Gurmeet Bejeva, could not be traced and never reported the accident.

Mr Aksoy, through Silverbeck Rymer Solicitors, claimed £822.22 for repairs and personal injury. Hill Dickinson, on behalf of The Co-operative Insurance, challenged the level of injuries claimed.

Mr Aksoy's first medical report stated that he would be fully recovered from his neck injury within seven months, but shortly before limitation expired a further report from a consultant, Mr Rajaratnam, claimed Mr Aksoy had suffered knee and back injuries that were so severe that he had had to cease working.

Proceedings were issued at limitation for the injury claim, the repairs, and £50,000 loss of earnings. It was agreed verbally with the claimant's solicitors that the Co-operative Insurance would enter the proceedings and defend the claim, however the claimant solicitors were without instructions and came off the record in May 2009.

Mr Aksoy refused to respond to any further correspondence and so an application was made for the Co-operative Insurance to come on record and then the claim to be struck out.

Result

Silverbecks came back on the record the day before the hearing and opposed the application. The application was heard in the Birkenhead County Court, the claimant was given permission to continue the claim and the claim was transferred to Uxbridge County Court. Silverbecks came off the record immediately after the hearing.

At the Uxbridge County Court, the court ordered the claimant to file full particulars of claim schedules and documents in support of his claim, which the claimant

failed to do and the claim was struck out.

The claimant then made another application to reinstate the claim but was unsuccessful. The claim stands struck out and the the Co-operative Insurance's costs will be payable by the claimant; he had no insurance in place to cover this risk.

As a Part 36 offer had been made in April 2008 for £1,200 costs were payable on an indemnity basis.

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[Nasreen Akhtar Jan -v- Co-operate Insurance Company\(2\)](#)

Central London County Court

Claim no: 7CL04784

Hill Dickinson reference: 960288/1218

Case facts

The claim arose out of an accident that occurred on 23 July 2004. It was accepted that the collision occurred and the claimant was taken to hospital by ambulance from the accident scene.

The claimant issued proceedings for personal injury, the medical report providing an indeterminate period for recovery, and a special damages claim amounting to, but not limited to, £65,000.

Whilst it was conceivable that the claimant was injured as a result of the accident, the claims presented were considered to be exaggerated. Following robust Part 18 questions, the claimant agreed to be examined by a medical expert appointed on behalf of the defendant.

At the same time, given the substantial value of the case, surveillance was undertaken on the claimant. The surveillance showed the claimant using a treadmill and undertaking other activities in a gym. It also showed the claimant waiting to be seen by the defendant's medical expert and thereafter followed her to a supermarket where she was seen to be carrying heavy bags of shopping to her car. The surveillance showed the claimant participating in numerous activities which she claimed she could not undertake and indeed had claimed in the region of £32,000 for future care and assistance.

Initially, Part 35 questions were put to the respective medical experts and then this was repeated upon disclosure of the surveillance evidence.

Result

Based upon the evidence presented to the claimant, a minimal offer was made to the claimant on the basis that at trial she would receive monies as it was accepted the accident occurred.

The offer was accepted and, inclusive of costs, the second defendant made a saving of £130,000.

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[Lowson -v- White](#)

County Court: Ashford County Court

Case no : 8HR00792

Hill Dickinson reference: 1047488.11

Case facts

A Hill Dickinson client gave instructions for the credit hire claim of Mrs Lowson to be challenged. Proceedings had been commenced against their policyholder, who claimed never to have received the claim form, and a default judgment obtained.

The judgment was successfully set aside and a defence entered. The hire charges exceeded £26,000.

The defence argued a number of issues most notably that there were two hire invoices issued, one for £17,000 the other for £26,000. The claimant had alleged that she needed the vehicle to maintain her image at work yet described herself on her mitigation statement as a housewife. A cheque for £11,000 had been sent to the hire company, Accident Exchange, in full and final settlement. The cheque had been banked and no correspondence disputing the settlement had been received from the hire company.

Paul Rooney Partnership issued proceedings with little warning.

The claimant then failed to comply with the disclosure order and after a hearing

the court ordered the claimant to provide signed disclosure statements by 4 August 2009 or the claim be struck out.

Result

No disclosure took place, the claim was struck out and judgment plus costs for the defendant were obtained.

No application for relief from sanction ever materialised despite a letter from the solicitors stating that it would. Costs are currently being recovered.

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[Iqbal Hussain -v- Jason Curtis](#)

Birmingham County Court

Claim no: 7LV10361

Hill Dickinson reference: 230282.65

Case facts

The claim arose out of accident that occurred on 7 September 2006. The accident itself was a genuine accident and liability for the same was readily accepted. It was alleged as a result of the accident Mr Hussain's Toyota Avensis was deemed a total loss and therefore hired a vehicle through Road Angels and incurred over £54,000 worth of hire and over £1,000 storage and recovery. The claimant sort to rely upon an engineers report of Barry Cobb of Giles Lovell Limited.

Investigations in relation to Mr Iqbal Hussain's claim revealed that two weeks following the accident he had replaced his Toyota with another vehicle a Volkswagen Polo, and placed the same on insurance. Part 18 requests were raised and Mr Hussain specifically stated he did not purchase another vehicle two weeks following the accident. DVLA records revealed that he was the owner of the Polo two weeks following the accident. Mr Hussain admitted that he had bought the vehicle in question some months following the accident however the engine had blown up on the day of purchase. Further enquiries revealed that he added four further drivers to the policy of insurance during the course of the alleged hire and specific disclosure. The MOT for the Volkswagen Polo showed that the Polo had been MOT'd during the course of the hire.

Further investigation revealed that the claimant's vehicle was repaired and sold to a Mr Neshad Hussain who was involved in an accident in the same vehicle in April 2007 who again hired a vehicle through Road Angels incurring over £50,000 worth of hire. Again, that claim also sort to rely upon an engineering report compiled by Barry Cobb of Giles Lovell Ltd. It was noted that the damage in the two reports was almost identical.

Result

In order to protect our client's position an offer was made in relation to hire in the sum of £2,300. The claimants were seeking over £55,000 in relation to the claimant's claim together with £35,000 worth costs. Shortly before the trial the claimants accepted our offer of £2,300 in respect of hire and £5,000 in relation to costs, representing a saving of £82,700.

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[Hobart -v- Cambus Holdings Ltd](#)

Cambridge County Court

Claim no: 9CB02243

Hill Dickinson reference: AWL1014450.119

Case facts

The claimant commenced proceedings against the bus company following an incident in which the bus and the claimant's car had collided on a roundabout. The claimant claimed for repairs to his vehicle and credit hire charges.

The bus company queried the credit hire claim on a number of grounds and believed that as the incident was a dispute between just two drivers, a 50-50 split on liability would be the likely outcome. Hill Dickinson was tasked with defending the claim when the proceedings were issued by Gorman Hamilton on behalf of the claimant and Accident Exchange. The claim was defended on the grounds of both liability and quantum; there were a number of inconsistencies in the credit hire claim that had been queried but no satisfactory explanation offered for the duration of the hire for relatively minor damage and a number of 'added extras'.

Result

At trial the court found for the defendant on the grounds of liability on a 100% basis, but the judge was minded to add, obiter, that even if he had found in part for the claimant, he had reservations concerning a number of issues surrounding the hire claim and it would have been subject to considerable reduction in any event.

Comment

Although this was not the largest claim in the world, nevertheless it was a cost-effective result for the client. Roundabout collisions have an element of uncertainty in litigation and in this case it was the bus driver's bearing as a witness against the claimant's inability to hold his version of events together, from moment to moment, that was instrumental in achieving the decision at trial.

The Hill Dickinson fraud team ensures it speaks to the driver of our client's vehicle well before the trial, in order to assess how well they will fare in court. In this instance that proved to be a vital factor in our success. Had the claimant's solicitors adopted a similar approach they would have most likely taken the 50-50 split offered early on in the case, rather than walking away from the court with nothing.

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[Jahangir -v- Rauf & The Co-operative Insurance](#)

Willesden County Court

Claim no: 8SL02956

Hill Dickinson reference:

AWL.960288.2188

The Co-operative Insurance policyholder, Mr Sajid Rauf, claimed responsibility for an accident in somewhat implausible circumstances. He stated that he lost control of his vehicle due to being upset and feeling unwell, and collided with a parked and unattended vehicle belonging to Mr Jahangir, a taxi driver.

Due to a previous claim the matter was passed to Hill Dickinson to investigate.

Mr Jahangir promptly put in a claim for his vehicle damage and over £10,000 worth of hire for a credit hire taxi along with some other miscellaneous expenses.

Despite providing the hire company with notice of our concerns and having discovered that Mr Rauf was also employed as a part-time taxi driver with the same taxi company, proceedings were issued.

Hill Dickinson's intelligence unit discovered some interesting facts about both individuals and a few weeks before the trial date, information came to light that both the claimant and first defendant had lived in several of the same addresses during the previous few years and were registered on the electoral roll.

Regardless of this, and with a continued denial of knowing one another, the matter went to trial.

Mr Jahangir failed to turn up, and despite a last minute application to adjourn, the case was heard and struck out with costs for the Co-operative Insurance.

Comment

This case focused on several key moments. Firstly, the Co-operative Insurance claims handler smelled a rather large rat as the claim was reported and the third party claim submitted. This was only a claim for the total loss of two vehicles, and therefore with the claimant in credit hire, it would have been easy for the

insurers to make early payments and settle as quickly as possible. Instead a hard stance was adopted and the instincts of the handler proven correct.

Secondly, rather than just relying on the initial intelligence report which, although indicating some points that supported the contention that the individuals were known to each other and in all likelihood colluding on this claim, persistence prevailed.

Digging deeper into the past of an individual takes time, as information is not always immediately available. Previous addresses and links to addresses can often be established from obscure information such as a telephone number from which a policyholder called from during the early stages of a claim.

That number may not be the number of their current address and close scrutiny of the information contained within a file of papers, combined with good intelligence resources and an experienced intelligence unit can, as in this case, produce excellent results.

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[Jamshidi -v- Whipp](#)

Hill Dickinson reference: 960288. 3325

Case facts

The policyholder collided with the rear of the third party vehicle (TPV). The TPV slammed on at a junction blaming it on a third vehicle in front of him. At the time of the collision the policyholder did not think anything was amiss but with hindsight and upon reflection he believes the two vehicles could have been working together and this was a staged accident.

In addition, images of the damage to the TPV were forwarded to the policyholder for his comments, who confirms he did not cause all of the damage in the images and it was argued that the third party (TP) has exaggerated the vehicle damage as well.

We were granted interview facilities with the TP driver and utilised an interpreter. The TP turned up to the interview with a

friend who boasted that he works for an accident management company and has never lost a rear end shunt claim. The TP and his friend were particularly obstructive and evasive throughout the interview.

Result

In light of the behaviour of the TP during the course of the interview, the damage to the vehicle being exaggerated and the concerns that this accident had the hallmarks of a staged accident, we voiced our concerns to the TP solicitors. They have now abandoned the claim and we successfully saved our clients in excess of £25,000.

Whilst evidence is being gathered in situations such as these, a cautious 'cards close to your chest' approach should be taken. However once evidence is gathered there are benefits to engaging the TP solicitors in discussion, voicing some concerns, to see whether they will abandon the claim.

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[WLD UK Ltd -v- Mr David La Belle](#)

Croydon County Court

Claim no: 7B127051

Hill Dickinson reference: 1012091.64

The claim arose out of an accident that occurred on the northbound carriageway of the A22 East Grinstead Road, East Sussex dated 28 May 2006. The claimant alleged that the defendant vehicle changed lanes, on the duel carriageway, into collision with the near side of the claimant's correctly proceeding vehicle, a Mercedes CLK 280, which resulted in the claimant vehicle impacting into a concrete post. The claimant vehicle suffered damage which required repairs to the sum of £14,922.75, inclusive of VAT.

The claimant utilised the services of Accident Exchange, with regards to a replacement vehicle, while their own vehicle was in for repairs with hire commencing 30 May 2006. The claimant hired a vehicle for 70 days until 7 August 2006 with the rate of hire being claimed amounting to £270.95 per day, excluding VAT. The aforementioned charge included a daily charge for the vehicle being an

automatic at £7.50 per day and a daily collision damage waiver charge of £12.50. There was a one-off charge of £75.00 in respect of collection and delivery of the hired vehicle. The total amount being claimed was to the sum of £22,373.76 plus contractual interest.

Liability was denied and legal proceedings were issued solely in respect of the credit hire charges with the defendant, Mr La Belle, stating that the incident occurred on a single lane carriageway and not a duel carriageway as pleaded. The defendant also stated that he had been stationary, indicating to turn right off the main carriageway into the driveway of a property when, as he began to manoeuvre towards the driveway, the claimant attempted to overtake him at speed when the collision occurred.

All parties were advised of the trial date of 1 April 2009. Less than one week before the trial the claimant requested that the trial be vacated, by consent, as the claimant would not be able to attend. This was agreed subject to the defendants abated fee's being paid in full.

A second date for the trial was set for Monday 27 April 2009, yet on Friday 24 April the claimant's legal representatives, Scott Rees & Co, requested that we, again, consent to the trial being vacated, as the claimant would not be able to attend as they were required for a business meeting while also claiming that they had not received notice of the pending trial date.

Given the timing of the request this could not be agreed and the defendant proceeded to the trial. The matter was adjourned, at court, with the judge stating that, in line with the overriding objective, the claimant should be given the opportunity to present evidence. The matter was eventually re-listed for 11 November 2009 yet, again, the matter was adjourned and re-listed for the first open date on 2010 due to the evidence in relation to spot hire rates being disputed.

The trial date was set for 8 April 2010. Scott Rees & Co contacted Hill Dickinson on 26 March 2010 to request we consent to the trial be adjourned again as the claimant would not be able to attend as he would be abroad on holiday. We confirmed, in writing, that we would

robustly reject any further attempts to vacate the trial given the previous adjournments to the case. The defendant and witness attended the trial.

At court, HHJ Ellis QC rejected the claimant's application to vacate while also rejecting their application to rely on hearsay evidence in relation to hire rates. The claimant's claim was struck out with the claimant ordered to pay the defendants costs in full and to the sum of £7,691.88.

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[Tradewise Insurance -v- Adnan Ahmed](#)

Manchester County Court
Claim no: 9MA13269
Hill Dickinson reference: 960288.2876

Case facts

The claimant, Tradewise Insurance, claimed for recovery of monies paid out to the defendant, Mr Ahmed, by way of without prejudice payment for the total loss of his vehicle.

The defendant, Mr Ahmed, alleged that he was involved in an accident on 25 January 2007 at the junction of the A444 Norton Juxta, Twycross, with Tradewise insured driver. He intimated a claim for personal injury, vehicle damage and hire.

Despite admitting the collision had occurred, the insured driver was adamant that the incident had been deliberately provoked by the defendant when a yellow Citroen performed an emergency braking manoeuvre immediately in front of the defendant without apparent reason. The insured driver was adamant that the occupants of the two vehicles were known to each other and that bogus passenger claims had been intimated in order to ensure that maximum damages could be recovered.

Result

On the basis of the above, all claims were repudiated by Hill Dickinson and were abandoned by the defendant, Mr Ahmed. The two passenger claims were also abandoned.

Hill Dickinson instigated proceedings against the defendant for the recovery of £2,625 paid to him by Tradewise Insurance for the total loss of his vehicle prior to the discovery of the fraud he had perpetrated. The defendant failed to acknowledge proceedings and judgment was entered against him.

At the disposal hearing on 14 January 2010 before the Manchester County Court the court ordered that the defendant repay the above to the claimant. In addition, sums for exemplary damages and indemnity costs were also awarded.

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