motoring news

welcome

to 'Headlight'
Dolmans Solicitors' motoring news bulletin

In this edition we cover:

articles

- **GTA credit hire alternative dispute resolution**
- **Pre-action protocol in Northern Ireland – Northern Ireland Practice Direction 04/2026**

case summaries

- **alleged data breach**
  Kul v DWF Law LLP
- **contempt proceedings**
  Advantage Insurance v Shaw
- **fundamental dishonesty**
  Timon v Talman
- **late amendments**
  KDP v TXL

Headlight



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DOLMANS SOLICITORS

GTA Credit Hire Alternative Dispute Resolution

A new alternative dispute resolution scheme has been introduced for credit hire disputes under the General Terms of Agreement framework.

Following a pilot involving almost 60 cases, the second phase was prepared for launch in September 2026 as a voluntary process for participating insurers and credit hire organisations.



The scheme is intended to keep suitable claims within the GTA rather than allowing them to fall out of the protocol and proceed towards county court litigation.

The scheme applies to eligible unresolved claims where the hire element is below £10,000 and the matter has not settled within 61 days. Certain cases, including those involving fraud allegations, may be excluded.

Unlike the GTA's previous dispute process, the new scheme is designed to produce a legally binding determination by specialist decision makers familiar with credit hire issues. Disputes may concern the reasonableness of the daily rate, the duration and need for hire, mitigation and ancillary charges.

The process also introduces financial incentives intended to improve early conduct. Where an insurer makes a reasonable and timely offer which is supported by the eventual decision, the settlement may be reduced by 10 percent and the credit hire organisation may bear the resolution fee.

Conversely, where an insurer fails to make a reasonable offer and the invoiced figure is upheld, a 20 per cent uplift may apply and the insurer may be responsible for the fee.

The scheme places increased importance on early disclosure, properly evidenced offers and realistic negotiation before referral.

For claims teams, the practical effect is that files approaching the 61-day point should be reviewed carefully, with liability, need, period, rate and supporting evidence clearly documented.

If widely adopted, the process could produce quicker and more consistent outcomes, reduce litigation costs and limit the need for motorists to provide extensive financial disclosure or attend court.

Pre-Action Protocol in Northern Ireland

Northern Ireland Practice Direction 04/2026

A new framework for personal injury and damage-only civil litigation in the Northern Ireland High Court took effect on 13 October 2026. Practice Direction 04/2026 replaces the 2008 Practice Direction and Personal Injury Pre-Action Protocol and applies to motor claims as well as other injury and property-damage actions in the King's Bench Division.

The Practice Direction is intended to promote earlier communication, fuller investigation and exchange of information, proportionate conduct, rehabilitation and the early resolution of disputes without proceedings where possible.

Parties and insurers are expected to adopt a cards-on-the-table approach throughout both the pre-action and litigation stages.

Claimants should provide sufficient early detail of the accident, injuries, vehicle damage, financial losses and supporting evidence.

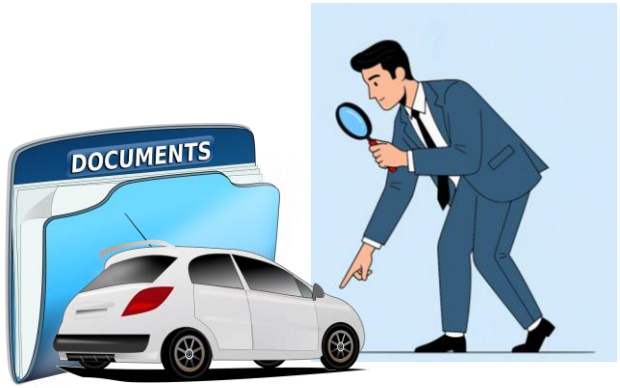
For motor claims, the framework addresses matters including repair documentation, engineers' evidence, vehicle valuation, diminution in value, credit hire and evidence of impecuniosity where relevant.

Defendants and insurers are expected to investigate promptly, provide a reasoned response and disclose material necessary to identify the real issues.

The Practice Direction also encourages early consideration of medical or rehabilitation treatment and warns against issuing proceedings prematurely while meaningful settlement discussions remain active.

Litigants in person remain subject to the framework, with represented parties expected to provide them with a copy at the earliest opportunity.

Compliance is described as best practice rather than altering the parties' substantive rights, but the court may take adherence into account when actively managing proceedings.

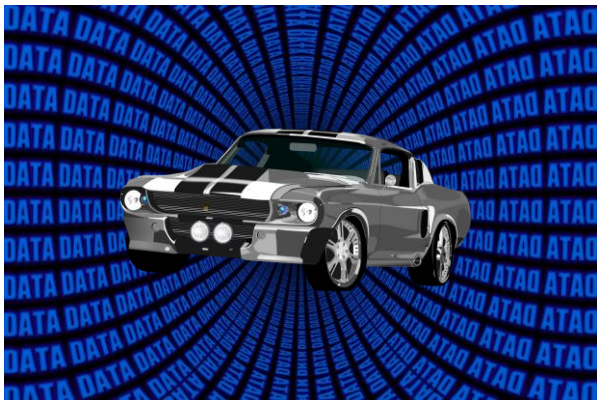


For motor insurers and practitioners, the practical message is that claims should be investigated and documented comprehensively from the outset, with early disclosure and realistic engagement used to narrow disputes over liability, causation, quantum, repairs and replacement vehicles.

Alleged Data Breach
Kul v DWF Law LLP

This Court of Appeal decision concerned data protection proceedings arising from the use of claimants' information in personal injury litigation where fundamental dishonesty was alleged.

DWF Law LLP acted for insurers defending a group of road traffic claims and prepared a spreadsheet identifying patterns across hundreds of claims. It included the appellants' names and information about their medical claims and was deployed as similar-fact evidence in support of allegations that certain claims were fraudulent or dishonestly exaggerated. The appellants brought proceedings under the Data Protection Act 2018 and the UK GDPR, seeking declarations and compliance orders rather than compensation.



Eady J dismissed the claims after trial, finding that DWF's processing was lawful, fair, necessary and proportionate for the establishment, exercise or defence of legal claims and the proper administration of justice. The use of names was justified during the initial identification and verification exercise, and the spreadsheet was subsequently pseudonymised for future use. By the end of the appeal hearing, the appellants sought declarations addressing an alleged risk that DWF might use a non-pseudonymised version in future proceedings.

The Court of Appeal unanimously dismissed the appeal. Warby LJ held that this was a materially new and unpleaded case, inconsistent with the position taken at trial and outside both the grounds of appeal and the permission granted. The appellants had not applied to amend their particulars of claim or grounds of appeal, nor sought the necessary relief from sanctions. Allowing the change would prejudice DWF and potentially require a fresh factual investigation. The explanation that new counsel had brought fresh eyes to the case was insufficient. In any event, the alleged future risk had no sustainable factual basis, an earlier court order was intended to resolve pseudonymisation across the disputed claims and DWF had used only the pseudonymised spreadsheet thereafter.

The decision confirms that an appeal cannot be used to recast a concluded claim into a new factual and legal case. Data protection challenges concerning litigation evidence must be pleaded precisely, and late changes after trial will be scrutinised rigorously for explanation, prejudice, evidential consequences and merits.

The appeal was dismissed, although an application for permission to appeal to the Supreme Court was lodged in October 2026.

Contempt Proceedings
Advantage Insurance v Shaw

This High Court decision concerned an insurer's attempt to obtain permission to bring contempt proceedings against a claimant whose personal injury claim had previously been dismissed for fundamental dishonesty.

Matthew Shaw had suffered serious injuries in a 2018 road traffic accident for which liability was admitted. At the quantum trial, the court assessed his genuine losses at more than £1million but found that the substantially larger claim he had advanced had been seriously exaggerated. The entire claim was, therefore, dismissed under section 57 of the Criminal Justice and Courts Act 2015.

Advantage Insurance, the defendant's insurer, subsequently sought permission to pursue contempt proceedings. The application was issued in the name of its insured, Ms Wilde, but there was no admissible evidence that she had authorised it. Advantage argued that it had controlled the defence of the underlying litigation and should consequently be entitled to pursue the application.

HHJ Pearce, sitting as a judge of the High Court, rejected that submission. Control of the earlier litigation did not itself provide authority to commence punitive proceedings in another person's name. The insurer needed to establish either the insured's express consent or a contractual, subrogated or otherwise recognised legal right permitting it to act without that consent. It established neither. Although an insurer may in principle have standing to bring contempt proceedings in its own name, that did not answer the separate question of its authority to proceed in the insured's name. Advantage's late proposal to amend the application so that it proceeded in the insurer's own name would cause considerable unfairness to Shaw, who had faced the threat of committal for an extended period, and did not cure the procedural defect.

The application was struck out as an abuse of process, with indemnity costs awarded against the applicants. The decision confirms that even serious findings of fundamental dishonesty do not displace the strict procedural safeguards governing contempt proceedings. Insurers contemplating committal must identify the correct applicant and establish the necessary authority and legal basis from the outset.

Fundamental Dishonesty
Timon v Talman

This High Court decision concerned an insurer's application following the discontinuance of a serious personal injury claim.

The claimant had suffered a traumatic brain injury and fractured spine when, aged 19, he was struck by a car in 2020.

He alleged continuing physical and cognitive disability, including significant back pain, restricted walking and an inability to return to sporting activities or pursue his intended career as a junior stockbroker. The claim required expert evidence across nine disciplines and the insurer made an interim payment of £25,000. However, social media and surveillance evidence later showed that the claimant had played competitive football from the 2020/2021 season and had completed the 2023 London Marathon in 4 hours 20 minutes. Three days after the marathon, he told a case manager that he had withdrawn from his sporting hobbies and that walking to a local shop and back had left him fatigued.

After the claimant discontinued, the insurer sought a finding of fundamental dishonesty under CPR 44.16, permission to enforce its costs - stated to exceed £150,000, and repayment of the interim payment. Ritchie J applied the dishonesty test in *Ivey v Genting Casinos UK Ltd* and the approach to fundamental dishonesty in *London Organising Committee v Sinfield* and *Muyepa v Ministry of Defence*.



The judge found that the claimant had knowingly made false statements about his physical capabilities to medical experts, the case manager and in formal litigation documents. Those lies were neither minor nor peripheral, they substantially affected the presentation and value of the claim, particularly the pleaded loss of earnings, and led to an expansion of the expert evidence.

The dishonesty was, therefore, fundamental. The court removed the claimant's qualified one-way costs shifting protection, permitted enforcement of the costs order and ordered repayment of the £25,000 interim payment.

The decision demonstrates that discontinuance does not prevent the court from determining fundamental dishonesty and that objective evidence of activity inconsistent with a claimant's account can expose the claimant to substantial costs and repayment consequences.

Late Amendments
KDP v TXL

This High Court decision arose from an insurer's recovery proceedings following a catastrophic road traffic collision in Ramsgate in 2022.



TXL, driving an Alfa Romeo while under the influence of drugs, mounted the pavement and killed two members of a family group, including a pregnant woman, while seriously injuring others. He was subsequently convicted of causing death and serious injury by dangerous driving and sentenced to 16 years imprisonment.

The underlying civil claims were advanced on the basis that the Alfa was owned and insured by TXL's father, RXS, who had permitted TXL to drive it. TXL was not named on RXS's policy with UK Insurance Ltd (UKIL), although he had a separate policy with Haven Insurance which included limited cover to drive other vehicles. Haven disputed liability because its policy had been avoided and because TXL had been using the car for drug dealing, an excluded purpose.

Shortly before a preliminary trial between the insurers, UKIL agreed to satisfy the judgments under section 151 of the Road Traffic Act 1988 and later brought Part 20 proceedings under section 151(8) to recover its outlay from TXL and RXS. Both men then sought to amend their defences, while RXS also sought to withdraw his admissions concerning ownership, control and permission to use the vehicle. Their proposed account materially contradicted positions maintained over several years and RXS accepted that his original defence had deliberately presented a false account in an attempt to protect his son.

Master Stevens refused the applications. The proposed changes were late, inadequately explained and unsupported by sufficiently persuasive new evidence. The shifting accounts seriously undermined their credibility and prospects of success, while allowing the amendments would cause prejudice extending beyond costs, drive the litigation backwards and undermine the efficient administration of justice. Self-representation did not justify a lower standard of truthfulness or compliance with court rules. The court also rejected reliance on *Ian Whyte v David Arthur* because that decision concerned the former statutory regime and an Article 75 insurer acting for the Motor Insurers' Bureau, whereas UKIL asserted liability as a section 151 insurer.

The ruling did not determine UKIL's outstanding summary judgment application or TXL's strike-out application, which remained for a later hearing. Its practical importance lies in confirming that admissions and statements of truth cannot be treated as provisional narratives capable of being rewritten when financial exposure becomes clear, particularly where an insurer has already paid substantial third-party claims in reliance upon them.



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