



Informing Progress - Shaping the Future

FOIL's Focus for 2025

EXECUTIVE SUMMARY

In the previous FOIL Focus, we predicted further uncertainty in the political, socio-economic, and legal domains, making it harder for FOIL members and their clients to plan and predict the future. As anticipated, the hope for calmer waters did not materialise.

1. Global uncertainty continues with international conflict in Ukraine/Russia and the Middle East showing no signs of a quick resolution.
2. Turmoil and legal action in US political circles seem likely to dominate media headlines beyond the November 2024 election.
3. Domestically, we have a bit more certainty following the General Election, although financial markets are still adjusting to the Autumn budget announcements. The socio-economic and legal implications of the widespread public disorder over the summer months continue to play out in the public domain.
4. Legislative activism and regulatory rule changes are likely to feature in areas that include the public sector, data protection, employment, taxation, housing, and judicial sentencing.
5. The Ministry of Justice remains active, pushing out consultations that the insurance and legal market need to respond to.
6. Expansion of the digitisation project in the pre-and post-action claims spaces is ongoing and will continue throughout 2025.
7. We have a bit more certainty in the RTA space with the latest OIC update and the UK Supreme Court decision on mixed injuries. There is still more work to be done to address behaviours and valuations in this space.
8. We also have greater clarity and certainty around the Personal Injury Discount Rate (at least in Northern Ireland and Scotland) which should help key stakeholders in terms of reserving and settlement.

9. The ongoing effects of the fixed recoverable costs regime will no doubt continue to be felt, challenged, and adjudicated upon in the appellate courts.
10. The Insurance legal market continues to address challenges: with increased regulatory scrutiny from the new FCA Consumer Duty (and impacts on the legal supply chain, as insurers explore ways to deliver good customer outcomes); pressure to alleviate inflationary increases in supplier costs and the need to respond to new cyber threats, ways of working and forms of liability.
11. There is a continued focus on the culture of business life and how corporate entities interpret/apply their legal and socio-ethical obligations following the AI-Fayed scandal. Transparency and good governance remain key themes for members and insurers.
12. Where members have flexed their systems and ways of working – in terms of how they work and communicate with clients; how they continue to motivate, train and supervise staff; how they navigate major changes arising from the digitisation of civil claims and the use of Gen AI – they have continued to thrive and develop the capacity, skills and necessary resilience for the years ahead. FOIL plays a key role in helping members develop their businesses for the future.
13. FOIL has renewed its internal structure, building up the operational arm of the organisation and further developing its external profile with a new website design and format for the VOICE publication.
14. FOIL's priority remains to support members, to strengthen their presence in all areas of specialism and general business and to offer an independent and thought-provoking voice in the insurance market. FOIL's strength remains in its ability to look behind the headlines and in using the combined resources/experience of its member firms and partner organisations to help shape the future legal landscape.

Part A. The business world in 2025 –

Set against the backdrop of the recent General Election, FOIL's work in 2025 will include working with the insurance industry and members to:

1. Navigate the impending changes in the areas of civil justice reform in all UK jurisdictions, providing support and challenge in equal measure, working closely with other key stakeholders and trade associations, such as the Association of British Insurers (ABI) and other members of the Insurance Trade Group.
2. Continue to provide focus and horizon scanning for emerging liabilities as well as established and recognised types of claim.
3. Support the digitalisation of claims and court processes, in the pursuit of a progressive, ethical and sustainable civil justice system that embraces the use of new technologies to drive efficiency savings and optimal outcomes.
4. Nurture and develop talent in our industry, using Tomorrow's FOIL as a vehicle to engage the future leaders of our respective firms, and collaborating to help member firms share experiences in flexible ways of working that maximise productivity and support the well-being of colleagues.
5. Champion diversity and inclusion in the workplace and espouse the benefits of a truly diverse workforce in the delivery of solutions for our clients.
6. Collaborate using the FOIL ESG Board to develop plans to help member firms to deliver on science-based emissions reduction targets.
7. Promote a customer-centric approach, supporting those who are vulnerable and supporting our clients in the delivery of the FCA's Consumer Duty.

Part B. Technical and legal focus

FOIL's technical work in 2025 will include:

1. Privatisation of Justice – addressing a gradual shift away from a state-provided court process towards 'private' non-judicial means of resolving disputes; responding to advances in digital claims solutions, and the work of the Online Procedure Rule Committee (OPRC); and an increased focus on ADR.
2. Helping members respond to and influence continuing reforms in the civil claims process by working with HMCTS, the MoJ, the CPRC, OPRC and the CJC over the coming year. Over 2025, we expect to see ongoing reform around costs and litigation funding, ADR, online claims portals, digital case management and PAPs. Further process reform is also expected in Scotland, Northern Ireland, and the Republic of Ireland.
3. HMCTS – the new UK government will appraise ongoing court spending/financing, looking for opportunities for costs savings through development of the digitisation reforms. FOIL plays a key role in ensuring that the legacy (offline) resources/estate remain fit for their purposes during this transition period. Our focus is also on longer-term reform and work allocation to the digital courts. The court regimes in Scotland, Northern Ireland and Republic of Ireland will also be under continued review.
4. Official Injury Claim (OIC) is likely to remain in the spotlight, with increasing pressure on the MoJ, MIB and insurers to demonstrate that the platform can deliver upon the original promises of the whiplash reforms and offer real improvements/benefits for represented and unrepresented claimants alike.
5. Civil Justice Council: FOIL continue to contribute and seek to influence the ongoing CJC reviews on PAPs, litigation funding, enforcement, and mental capacity.
6. The ongoing reform of costs – FOIL will remain a key influencer as the claims/insurance market addresses the continuing impact of the extension of the fixed recoverable costs regime, QOCS and anticipated developments in litigation funding. The control of legal costs and the anticipated satellite litigation from the cost reforms will remain a vital lobbying issue for FOIL.
7. FOIL will respond to the statutory reviews on the Personal Injury Discount Rate and begin planning for the next set of reviews in 2029. Multiple discount rate models are likely to be up for consideration again.
8. Harnessing the benefits of cross-industry working and collaboration – there are sound reasons for FOIL to utilise a cross-industry approach to problem solving where that is possible. This includes collaborative working with the ABI, NHS Resolution, Government departments and claimant representative bodies across a range of initiatives from the Damages Claims Portal/OCMC, Serious Injury Guide, and the OIC advisory group and on a

diverse range of projects including Universal Credit, rehabilitation, and vehicle impact claims to name a few.

- 9.** Legal Regulation – FOIL will continue to offer an independent voice on the issue of legal services regulation, with the aim of ensuring that regulation remains fit for the needs of members and their clients in the future.
- 10.** Influencing wider governmental reform following the general election. Key areas of legislative reform include arbitration, transportation, employment, renters’ rights, data protection and digital assets. In Scotland, we anticipate possible legislative reform in respect of damages for personal injury.
- 11.** Challenges and opportunities arising from technological change and innovation – there is a continued impetus to use technology to support new business practices and to provide new claims-handling solutions. Effective digital supervision and case management of claims will remain critical. Technological disruption (including the development and use of generative AI) will give rise to new risks and areas of legal liability and specialism.
- 12.** We also look forward to expanding the technical reach of FOIL as we expand membership into the Gibraltar insurance market.

Part C. FOIL's development

FOIL's strategic focus in 2025 will include:

1. Rationalising the costs base of the new structure within the FOIL secretariat including the pool of technical writing resource.
2. Reviewing practise and policy at FOIL Scotland to see whether there are better ways in which FOIL can support its members in that jurisdiction.
3. Succession planning for 2026.
4. Reviewing the structure of SFTs, in particular the value of the UK wide practice.
5. Developing the Gibraltar insurance market into a separate division of FOIL.
6. Building a new team to look at the opportunities and challenges presented by the increased deployment AI will impact law firms.
7. Implementing the social media strategy.
8. Continuing to increase the focus on the benefits to business that collaboration brings for FOIL members, majoring on the increased importance to investors, regulators, customers and employees of a company's carbon emissions and diversity & inclusion policies.
9. Building new, and reinforcing existing, relationships with other insurance, broking, loss adjusting and risk management trade bodies in the UK and overseas though the Insurance Trades Group.
10. Ensuring that FOIL continues to walk alongside insurers and self-insured corporations, acting as a trusted partner to them, as we all navigate ways forward through uncharted territory.

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