

Financial losses following an accident

When pursuing a claim for an accident, most people think of compensation being purely for the injury. In fact, compensation is the sum of two elements – which broadly speaking are general damages which are for your injury and special damages which make up financial losses.

Often, the financial aspect of the claim can be equal to or greater than the amount awarded for the injury. This is often true in cases involving high-value complex injuries where there will be a future loss of earnings claim where potential future earnings have been affected by the injury sustained. If substantial care, round-the-clock care or household alterations are required, these can also make up a substantial element of the claim.

Generally, in most cases, financial losses comprise loss of earnings for time taken off work following the accident, this can include a loss of overtime and even a loss of opportunity if the claimant has missed out on the chance of increasing their salary by way of promotion or further training within their role. Special damages also often include care and assistance which is generally provided by friends and family members if the Claimant is restricted in the tasks they are able to undertake day-to-day such as personal care, cooking, cleaning and driving.

The Claimant should bear in mind that generally, care and assistance provided by friends and family members is gratuitous in nature and a Defendant will often argue that care provided by family members is part of a loving relationship and this is generally provided to people within that relationship without an expectation of monetary reward.

Making up smaller elements of the financial losses claim can be any financial loss which is incurred as a result of the accident. This can be travel to medical appointments, medication and prescriptions, medical expenses such as hiring wheelchairs and crutches, items to protect a plaster cast in the bath/shower.

It is always worth keeping a diary when pursuing a claim. This can detail any expenses incurred along the way, details of various appointments attended and care and assistance provided which may be forgotten if the information is requested months or years after the accident.

It is also worth noting that the Defendant often will not pay any financial losses which are not documented and is therefore important that receipts and invoices are retained wherever possible.