

FSCS pays out compensation following pressure from law firm Field Fisher Waterhouse



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Press Release Summary: The government's Financial Services Compensation Scheme (FSCS) finally agrees to pay out compensation to workers suffering from asbestos related diseases, following pressure from law firm Field Fisher Waterhouse LLP and others

Press Release Body: The government's **Financial Services Compensation Scheme (FSCS)** has finally agreed to pay out compensation to a group of workers suffering from asbestos related diseases, following pressure from law firm **Field Fisher Waterhouse LLP**, amongst others.

For over one and a half years, successful claimants were not granted their compensation due to a dispute over who should pay. **Rodney Nelson-Jones, Head of [Asbestos Claims](#) at [Field Fisher Waterhouse](#)**, represented one of the claimants, **John Warburton**.

Mr Warburton worked as a lagger for two years for **Cape Darlington Ltd**, formerly known as **Darlington Insulation Company Ltd**, which is one of the largest employers to have used asbestos. Numerous workers were exposed to substantial quantities of asbestos in the 1950s and 1960s.

In January 2006, **Cape Darlington Ltd** was put into administration and ceased to pay damages, and their insurers, Chester Street were also insolvent. This should have meant that 90% of damages awarded against **Cape Darlington** were paid for by the FSCS.

But the **FSCS** refused to pay due to complicated indemnity arrangements between **Cape Darlington** and **William Baird Plc**. In the past, workers suffering from asbestos related diseases received compensation from **William Baird Plc**. But the company refused to make any further payments, on the grounds that the amount of compensation they agreed to pay out had been reached.

For twenty months, successful claimants were not granted their compensation whilst actuaries investigated whether the cap under **William Baird's** Indemnity Agreement had in fact been reached. In July this year, **Rodney Nelson-Jones** wrote to **Peter Hain MP, the Secretary of State for the Department for Work and Pensions**, to draw attention to the case.

In September, the **FSCS** finally accepted that both the insurer and the company are insolvent, and agreed to pay out 90% of the value of the successful claims against **Cape Darlington**.

Rodney Nelson-Jones said: *"I am glad that following pressure from myself and others, this long 20 month stand-off has finally been resolved and that asbestos disease sufferers and their families can finally be paid the compensation against **Cape Darlington** that is due to them."*

This latest decision follows a lengthy and consistent campaign by the **[Asbestos Claims Department](#) at **Field Fisher Waterhouse****. The firm has been working with the Department for Work and Pensions,

the **Association of [Personal Injury](#) Lawyers (APIL)** amongst others.

The **Asbestos Claims Department** at the firm have concluded over 1,750 asbestos compensation claims and recovered over £100 million compensation for [asbestos victims](#) over the past 25 years.

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Notes to editors:
In this case, the **FSCS** refused to pay because of a dispute between the parent company, **Cape Plc**, and **William Baird Industrial Limited** who sold **Darlington Insulation** to **Cape Plc** in 1992. **Cape Darlington's** asbestos victims received compensation from William Baird as part of the sale agreement with **Cape Plc**. But William Baird said the limit on the amount of compensation they agreed to pay had been reached, and so the **FSCS** refused to pay the claims until the dispute between the two companies was resolved.

Web Site: <http://personalinjury.ffw.com/>

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