

Press Statement

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MIB RESPONDS TO TRANSPORT SELECT COMMITTEE REPORT
TV campaign planned to tell all motorists about new insurance law
Penalties for no insurance should be reviewed

The Transport Select Committee's report concerning the cost of motor insurance recommends that the new Continuous Insurance Enforcement (CIE) scheme should be accompanied by a promotional campaign, aimed at young drivers, to alert them to the requirement to have valid motor insurance. It also proposes a review of the financial penalties for the offences relating to uninsured driving to be carried out next year.

Ashton West, Chief Executive of Motor Insurer's Bureau (MIB) said: "MIB is developing a TV campaign that will be endorsed by the DVLA to raise awareness about the recent changes in motor insurance law. It is the fairest way to help all motorists understand that insurance is required by law before letters are issued under the CIE scheme. Starting in late Spring, anyone who keeps a vehicle without insurance will receive a letter."

The DVLA is already distributing leaflets about the change in law with the V11 car tax reminders and some insurers are including these in renewal notices to customers. A range of promotional activities, to reach all motorists as well as young drivers, are being rolled out over the coming months by the DVLA and MIB to help drivers and vehicle owners understand how the change in the law affects them.

The CIE scheme operates on the systematic checking of the registered keeper details from DVLA with the insurance records on the Motor Insurance Database (MID).

The report recognises that uninsured driving is decreasing due to better enforcement action by the authorities supported by better intelligence, technology and more effective solutions such as seizure of the vehicle. The new scheme, together with the police using ANPR cameras on the road, is expected to have a significant impact on the overall levels of uninsured drivers.

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West continued, “The industry remains committed to working with the Government, Police and DVLA as crucial partners in taking uninsured vehicles from our roads and we know that one of the most effective means is removing the vehicle – however we are also supportive of the proposed review of the penalties. Ultimately the costs for claims arising from accidents with uninsured drivers are transferred to every responsible motorist – this is neither acceptable nor sustainable.”

The report also highlights the problem of insurance fraud and MIB supports the developments to give insurers access to the DVLA licence records to help them validate details at the time of applying for insurance.

West concluded, “MIB will support and encourage this access which prevents insurers being misled as well as removing the opportunity for fraudulent applications for motor insurance being made.”

More information about CIE can be found at www.direct.gov.uk/stayinsured and registered keepers can check their vehicle appears on the Motor Insurance Database for FREE at www.askMID.com.

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Notes to editors

MIB aims to significantly reduce the level and impact of uninsured driving by working closely with partners across government and the insurance industry. The Bureau provides compensation to innocent victims involved in accidents with drivers who have no insurance or failed to stop.

The Motor Insurance Database (MID), introduced in 2001 is the only central insurance record of more than 34 million vehicles in the UK. The MID supports a range of users entitled to different levels of information about insured vehicles, including the police, solicitors, the DVLA and the public.

The MID is being used as part of a new continuous insurance enforcement (CIE) scheme in 2011 to identify registered keepers of vehicles that appear to have no insurance. The registered keeper of a vehicle without insurance will receive a letter reminding them that insurance is a legal requirement and failure to act will result in a fixed penalty. All drivers can check their vehicle is recorded on the MID for FREE - visit www.askMID.com.

The full report can be viewed at the Committee Website: www.parliament.uk/transcom