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## RAC reacts to news that car insurance premiums are rising faster than ever

Reacting to [news from the Association of British Insurers that motor insurance premiums are now rising at their fastest rate ever](#), RAC Insurance director Mark Godfrey said:

“This inflation-busting increase in average car insurance premiums is a serious concern and one that demands urgent action from the Government.

“There are two main variables at play that are causing the jump in premiums – the change to the discount rate for life-changing personal injury

compensation claims that was made in February, and successive rises in insurance premium tax, the latest stealth tax to affect drivers. Both of these have been brought about as a result of decisions by the Government, and are therefore within its power to review and change.

“The result is that every motorist is paying substantially more for insurance, a mandatory requirement for driving on our roads. New drivers whose premiums are naturally higher are especially hard hit, and if ever there was a time for the Government to consider lower levels of insurance premium tax for those drivers that opt for a telematics-based ‘black box’ insurance policy, now is surely it.

“These figures should be a wakeup call to the Government that, without action, premiums risk spiralling out of control.”

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The press office email address is [press.office@rac.co.uk](mailto:press.office@rac.co.uk) and media centre is at [media.rac.co.uk](http://media.rac.co.uk). **Please note:** the press office is unable to help with individual customer enquiries - please visit the [RAC contacts page](#) to find the right contact.

## About the RAC

The RAC, an iconic UK brand, provides complete peace of mind to nearly 14 million UK private and business drivers, whatever their motoring needs. As well as its premium nationwide breakdown assistance service – with an expert branded patrol workforce attending more than two million breakdowns every year – it offers a wide range of market-leading products across insurance, legal services, vehicle inspections and service, maintenance and repair. Included in this is the first-of-its-kind nationwide Mobile Mechanics service which brings the garage to homes and workplaces.

At the forefront of new solutions for business fleets and consumers, the RAC’s breakdown service is electric-ready with mobile EV charging technology and can be called on using [myRAC](#) – the all-in-one route planner, fuel finder and breakdown reporting app.

Visit the [RAC website](#).

## Contacts



### **RAC Press Office**

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