

Oct 17, 2016 17:33 BST

RAC calls for swift action to address growing insurance fraud

The RAC is urging the Government to clarify its plans to clamp down on fraudulent whiplash insurance claims.

Significant reforms to tackle illegal claims and strengthen regulation to protect law-abiding motorists were proposed in the last Autumn Statement by former Chancellor George Osborne and an initial consultation was due to be published this summer, but nearly 12 months on little or no progress appears to have been made.

The RAC's latest Report on Motoring highlights that high insurance premiums are a big issue for

motorists and have now become the number-one cost concern ahead of the price of fuel. As bogus claims reportedly cost the industry £3m a day with the knock-on effect impacting motorist's premiums, the RAC is calling on the Government to confirm when its consultation will take place so that motorists are clear that action is underway to prevent further increases.

RAC Insurance director Mark Godfrey said: "Law-abiding motorists are sick to the back teeth with bogus whiplash and other fraudulent activity contributing to higher insurance premiums. We need the Government to step up and accelerate consultation on this so that appropriate changes can be put in place to ultimately help reduce insurance premiums for every motorist.

"We are now almost 12 months on from the Chancellor announcing that these bogus claims would be tackled once and for all, and we don't seem to be any further on. It is difficult to understand what the delay has been, but it essential that the Government works with the industry in a consultation

process to identify actions which will have the desired effect of reducing fraud while, at the same time, providing adequate protection and support for those injured parties with legitimate claims.

"Our latest Report on Motoring identified the high cost of insurance premiums as a top issue for UK drivers, overtaking the cost of fuel as the top motoring cost concern."

Contacts



RAC Press Office

Press Contact

press.office@rac.co.uk

Emails monitored during normal office hours. For breakdown queries, call 0330 159 0740

ISDN number on request