



Insurance

Feb 03, 2017 00:01 GMT

RAC Insurance comments on ABI data showing motor premiums are at a high

A new report from the Association of British Insurers published today says motor insurance premiums have reached the highest levels on record with the average price paid in the fourth quarter of 2016 for private comprehensive cover standing at £462.

RAC Insurance director Mark Godfrey said: "We urge the Government to quickly publish its proposals from the whiplash reforms consultation which closed at the start of this year. We would specifically like to know how they will ensure savings from the reforms are passed on by insurers, especially as the Government has been a significant contributor to rising costs through two recent increases in Insurance Premium Tax as well as another hike due in June.

"Insurance costs are now listed as a significant concern by 26% of motorists surveyed for the 2016 RAC Report on Motoring, and with fuel prices having increased 17p a litre in the last year, motorists are facing a double whammy of rising costs this year.

"The Government needs to start thinking about how it can incentivise take-up of black box insurance products which reward careful drivers as they could help to reduce insurance costs for new and young motorists and in doing so create a new generation of better, safer drivers."

Notes to Editors

The press office email address is press.enquiries@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.

ISDN radio studio facilities are available for interviews Monday to Friday.

About the RAC

The RAC provides complete peace of mind to 12m UK private and business drivers, whatever their motoring needs. Its services include:

- **[Breakdown assistance](#)**. Its highly-skilled, 1,600-strong branded patrol workforce attends more than two million breakdowns every year, fixing on average four out of five vehicles at the roadside. The RAC's patrol fleet is one of the most advanced in the UK, and was the first to roll out both an [All-Wheels-Up recovery system](#), allowing the vast majority of vehicles to be recovered from a single patrol van, and [EV Boost](#) mobile electric vehicle charging units
- **[Insurance](#)**. The RAC is a top-five [car insurance](#) broker having surpassed the 500,000 policies-in-force milestone in 2018. It also offers '[black box](#)' [telematics policies](#), as well as home and travel insurance
- **[Other motoring services](#)**. The RAC leads in the development of new solutions for business, fleets, electric vehicles and future car technology. Its additional products and services include a [personal](#)

[loans offering](#), a [used car buying website](#), [vehicle inspections and checks](#), [legal services](#) or up-to-the-minute [traffic and travel information](#). It also has a network of [Approved Dealers](#) and [Approved Garages](#) which combine the trust of RAC brand with local service and convenience

The RAC also works to support the interests of its members and UK drivers on the most important motoring issues which it identifies via the annual [RAC Report on Motoring](#) and the RAC Opinion Panel. The Report on Motoring is the longest running analysis of driver opinion in the UK having been published every year since 1989.

For more information about the RAC, visit the [RAC website](#).