

Car Insurance Costs Driven Up By Uninsured Car Owners

Insurance costs rise because of car insurance dodgers.

September 5, 2008 (FPRC) -- Law-abiding motorists throughout the UK are being hit with inflated car insurance premiums because of the growing number of motorists trying to get away with driving without insurance.

Such is the claim of Graeme Trudgill, the technical and corporate affairs executive at the British Insurance Brokers' Association. In recent comments, he informed motorists that they are commonly spending an additional 30 pounds on their annual insurance policy to cover costs incurred by uninsured motorists. As such, unlawful drivers of this type are costing the UK public around 500 million pounds a year. He claimed that the current situation has arisen largely because of two dominant factors: high insurance costs which consumers find difficult to manage and a perception among some members of the public that they will be able to get away with driving without cover.

As the number of uninsured drivers on the roads has increased over the past few years, the knock-on financial impact for insured motorists has also grown steadily, Mr Trudgill explained.

For those who are struggling with current motoring costs, taking out a cheap personal loan may prove an effective way they can keep their vehicle insured. Furthermore, for those planning the purchase of a new motor, applying for a car loan may allow them to not only buy the car of their dreams but also make sure that it is comprehensively covered against damage as well.

Mr Trudgill warned drivers considering taking to the roads without cover that improved cooperation between police and the insurance industry meant that a growing number of motorists are paying the price for doing so.

He explained: 'The police can now stop a vehicle on the road side and can see whether it's insured or not and they now have powers to seize that vehicle at the road side. Since they've had these powers they have confiscated about a quarter of a million vehicles. So recently we have managed to make a dent in the problem.'

Further legislation introduced recently has also made it a crime to be in the possession of an uninsured vehicle. As such, Mr Trudgill warned: 'If you own a vehicle but don't have insurance and that vehicle is on the road, then you're going to be caught.'

However, despite invigorated efforts to stem the number of motorists driving without cover, the Biba spokesperson conceded that at present, it was still a 'massive problem', with more than two million uninsured vehicles throughout Britain. Further research from Direct Line has shown that around one in twenty motorists currently lack cover, amounting to 1.5 million people.

For those keen to make sure they are well protected when purchasing a new vehicle, taking out a car loan may afford them the financial flexibility to take out comprehensive cover to avoid the risk of being caught out in the event of an accident. Leftover funds from a personal loan may also come in handy covering other expenses such as petrol, with recent figures from uSwitch showing that UK fuel prices are the highest in Europe.

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