

For immediate release

New data shows motor accident claims down 7% - so why is the average insurance premium up 16%?

Motor insurance premiums have risen by £110, up 16% in since this time last year, and yet the cost of pay outs to injured motorists and workers have all gone down, according to campaigning law firm Thompsons Solicitors.

Data from the claims portal and analysed by insurance law firm Weightmans, shows the number of claims for road accidents, workplace accidents and diseases have all gone down in the last year.

The analysis found that workplace accident and diseases have decreased by 21% in the last year, while road traffic accidents and public liability claims dropped by 7% and 12% respectively.

Thompsons' consumer campaign, #FeedingFatCats, has been tracking the insurance industry's actions since the government announced its intentions to increase the small claims limit in November 2016.

The Ministry of Justice claimed that the measures which will remove injured people's access to free or affordable, independent legal representation would tackle a 'rampant compensation culture', however these figures clearly show that claims are already on the decline.

Thompsons argues that far from putting consumers' financial interests at heart, the government's planned reforms are set to gift £200m a year in additional profit to insurance firms while at the same time robbing the Treasury and the NHS an additional £150m per year.

Tom Jones, head of policy at Thompsons Solicitors said: "These are the numbers the insurers don't want us to see: the number of claims has gone down across the board and most dramatically in workplace accidents.

"The government has no evidential justification on which to progress with these reforms and its increasingly clear that consumers will lose out financially, there will be no real or sustained reduction in car insurance premiums and if they get injured they will, with no lawyer to represent them be offered paltry compensation by insurers.

“It’s clear that the number of claims – whether they’re up or down - has no bearing on the cost of car insurance, and that the industry is set on increasing premiums no matter what. Meanwhile the government is prepared to keep on feeding the fat cats in the industry and swallowing their claims of ‘crisis’ without any challenge.

“The figures prove that the insurers have been stirring up an ‘epidemic’ which doesn’t exist. The end goal is exposed for what it really is - consumers to pay more so that shareholders and CEOs continue to enjoy booming profits and dividends.”