



# Uninsured drivers:

what happens when there's an accident on the road?

With 1.2 million of motorists driving without insurance, what happens when there's a collision? Does the uninsured party have any rights if they weren't at fault? What chance do you have of claiming for damages if you're hit by an uninsured driver? And how do you go about proving who was at fault?

We get to the heart of the matter in this helpful PDF.

**Hastings** DIRECT

# Uninsured drivers on the roads

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The Institute of Advanced Motorists (IAM) has revealed that 226,803 people have incurred points on their licence for driving without insurance. The data shows that young people aged from 25-35 are most likely to drive a car without insurance, while drivers over 65 are least likely to commit an offence.

The IAM's chief executive, Simon Best, commented on the figures in July 2013:

“These findings are shocking. Those 200,000 individuals who drive whilst uninsured place the burden back on those who abide by the law through higher premiums and potentially the cost of vehicle repair.”

“The most concerning fact is that this could just be the tip of the iceberg, as these numbers only represent those who have been caught and penalised. Insurance fraud and uninsured driving are also growing problems that need to be tackled through a coordinated approach from enforcement authorities. It is not acceptable that drivers pay up to £70 in higher premiums to compensate for those who ignore the law.”

The IAM reports that one in 200 drivers are uninsured and those drivers are statistically more likely to get into an accident than an insured driver. Government ministers have recently warned that uninsured drivers are a serious danger to motorists and pedestrians, killing 130 people and injuring 26,500 every year.



## Bad news: the insured driver doesn't have to pay out

If an uninsured driver is hit by a driver with insurance, things can get a bit tricky. Even if they aren't at fault, the law isn't always going to be on their side.

Technically speaking, the uninsured driver would have the same rights as an uninsured pedestrian who has been hit by a car, and the insurance company of the party who caused the accident would be obligated to pay compensation to the victim. But it may be unclear who is liable for the damage because it can be very difficult to prove who caused the collision. To do that, the insured driver would need to get the police involved as soon as the accident happens and have witnesses on hand to give a statement. If no police report is filed then it is impossible to prove who was at fault, meaning the insured driver's insurance company could contest the claim.

If they refuse to accept liability, the uninsured driver could look at taking them to a small claims court, but they would be liable for any costs associated with this.

Pursuing the insured driver could open up a can of legal worms by getting the police involved. Although they would be happy to take statements and photographs of the scene, they would also be obligated to charge the uninsured party for being on the road illegally, resulting in points on their licence as well as a fine or even a driving ban.

Even if the uninsured driver wasn't at fault, they may have to fork out for their own medical costs.

## So what happens if the other driver was at fault?

The only way an uninsured driver could expect to see a pay-out is if the other driver admits their liability or if the evidence proves that they weren't at fault. After getting their insurance details, the uninsured driver has a legal right to make a claim against them.

## What if an insured driver is hit by an uninsured driver?

If the accident was your fault, you can't claim anything from the other party, but they are likely to face a fine if they are caught driving without insurance. If you have a fully comprehensive policy, you could choose to make an at-fault claim to cover your costs.

If the uninsured driver was at fault, they will be personally liable for any damages. But in practice, it may be difficult to get this money from them if they don't have the funds or assets.

The Motor Insurers' Bureau (MIB) is a not-for-profit organisation which is funded through all insurance premiums. If there's an accident, it will compensate an insured driver (who wasn't at fault) for things like property damage and personal injury, regardless of the level of cover they have taken out (comprehensive, third party fire and theft or just third party cover).

The MIB may also be able to help assess the level of personal injury to the driver, how much future rehabilitation might cost and what the appropriate level of compensation would be.

Many insurers include an 'uninsured driver promise' to protect the no claims discount of a victim of an uninsured driver which will also cover the excess, so drivers should check their individual policy terms. Again, the liability (who was responsible for the accident) has to be proven through witness statements and police evidence.

## Driving without insurance and the law

It's illegal to drive without car insurance, so although an uninsured driver may have legal rights with regards to the accident, they will still be charged by the police for being on the road illegally.

Uninsured drivers cost the insurance industry £500 million a year and insurance fraud adds £39 to the cost of every car insurance policy. The law is there to protect drivers, but the police are strict when it comes to dealing with drivers who choose to flout insurance laws and 300,000 convictions for uninsured driving are handed out each year.

If you're caught driving without car insurance, the police can give you an on-the-spot fine of £300, plus you could incur 6 to 8 penalty points on your licence. If you end up in court you could find yourself getting a fine of up to £5,000 or even driving ban. The police are also allowed to seize your car, and in some cases they can even destroy the vehicle entirely.

Even if the car is just sitting out on the street, not being driven, you could still face trouble. If the police spot your car they can give you a £100 spot fine, charge you up to £1000 if you're taken to court and your vehicle could be clamped. On top of this, you will also be forced to buy car insurance and pay for that too. So if your vehicle is off the road, you need to inform the DVLA as soon as possible.

## Which policy?

Between the hefty fines, clamping costs and having to pay for any accidental damage out of your own pocket, not having the right insurance policy could end up costing you a lot of money. There are three types of cover to choose from:

- Comprehensive
- Third party fire and theft
- Third party only

Third party only car insurance is the most basic level of cover, but will give you protection if you're involved in an accident and keep you on the right side of the law.

Although third party insurance will only cover accidental damage to other people's property, and not to your own vehicle, it's a good safety net.



## Insurance and driving: statistics at a glance

- Uninsured drivers are 10 times more likely to have been convicted of drink-driving and five times more likely to have been involved in a road traffic accident
- Police officers confiscate around 1,500 uninsured vehicles each week
- 300,000 convictions for uninsured driving are handed out each year
- Uninsured drivers add an average of £30 to the cost of an insurance premium while insurance fraud adds an additional £39 to the average premium
- One in 200 drivers with a full UK driving licence have incurred penalties for driving without insurance
- Uninsured drivers cost the insurance industry £500 million a year
- 226,803 drivers across the UK have points on their licence for driving without insurance
- Drivers aged 25-35 are most likely to drive uninsured
- Drivers aged over 65 are least likely to drive without insurance
- There are 1.2 million uninsured drivers on UK roads

## Useful contacts

### Hastings Direct car insurance:

Website: <http://www.hastingsdirect.com/car-insurance/>

Tel: 0844 879 3033

### The Motor Insurers' Bureau

Website: <http://www.mib.org.uk>

Tel: 01908 830001

### Car insurance and the law

Website:

<https://www.gov.uk/vehicle-insurance/uninsured-vehicles>

### The Institute Advances Motorists:

Website: <http://www.iam.org.uk/>

Tel: 0845 126 8600