



Regulatory Update

The MIB's Continuous Insurance Enforcement Scheme

Provided by **Crendon Insurance Brokers Ltd**

Quick Facts

To address the costly consequences of uninsured driving, the government introduced the Continuous Insurance Enforcement scheme, which helps target and penalise uninsured drivers.

Currently, there are an estimated 1 million Britons driving uninsured. Financially compensating victims of uninsured drivers adds about an extra £30 to the standard motor policy.

According to the MIB, uninsured drivers are:

- **3 times more likely to have been convicted of driving without due care and attention**
- **6 times more likely to drive an unsafe vehicle**
- **9 times more likely to be involved in a road traffic collision**
- **10 times more likely to have a drink-driving conviction**

Uninsured British motorists annually generate about £400 million in claims costs, according to industry estimates. In an effort to reduce the potentially damaging impact of these drivers, the Department for Transport introduced the Continuous Insurance Enforcement (CIE) scheme in 2011. The scheme requires that motorists insure each of their vehicles if they are to be driven on the road or in public places. However, motorists do not need to insure any vehicle that has been declared as 'off the road' with a Statutory Off Road Notification (SORN).

Under the legislation, upon purchasing a vehicle or changing their insurance, motorists have 10 to 14 calendar days to provide the Motor Insurance Database (MID) with their vehicle and insurance information. Businesses—regardless of whether they own one vehicle or a fleet—are generally responsible for updating the MID, even though some brokers or insurers may update the MID as a courtesy.

CIE is enforced through a partnership between the Motor Insurers' Bureau (MIB) and the Driver and Vehicle Licensing Agency (DVLA). Together, the organisations work to identify uninsured vehicles by comparing vehicle records against the MID. For any

registered vehicle that is found to be uninsured, the MIB will send an Insurance Advisory Letter to inform the owner of the vehicle's uninsured status and provide guidance on complying with the CIE scheme.

However, if the appropriate actions are not taken to ensure that a vehicle is compliant, the DVLA could discipline motorists with the following penalties:

- A fixed penalty fine of £100
- Their vehicle being clamped, seized and disposed of
- A court prosecution and maximum fine of £1000

In addition to the penalties issued by the DVLA, motorists could face the following additional penalties from the police:

- A fixed penalty fine of £200
- £150 in addition to car pound fees to recover their vehicle
- Six penalty points and/or disqualification

For more information on how to properly submit your vehicle's information to the MID and/or how to best comply with CIE, contact **Crendon Insurance Brokers Ltd** today.



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