



NEWS RELEASE

21 January 2010

EMBARGOED UNTIL 22.00 HRS, 21 JANUARY 2010

Zero tolerance policy towards fraud now needed says the ABI

Commenting on the publication today of the National Fraud Authority Annual Fraud Indicator, which shows that fraud costs the UK over £30 billion a year, Nick Starling, the ABI's Director of General Insurance and Health, said:

“Fraud costs every family in the UK. In these tough economic times, the last thing people need is to be paying for fraudulent activity. Dishonest insurance claims alone cost around £2 billion year, which adds on average an extra £44 a year to every household's general insurance budget. The insurance industry's zero tolerance policy towards fraud means we are making it harder than ever for cheats to succeed, and detecting more of the fraud that is committed.

“Today's report shows that such a policy is needed by all agencies involved in tackling fraud, to protect potential victims better and reduce the financial cost to honest UK households.”

John Beadle, a member of the board of the Insurance Fraud Bureau (IFB), set up in 2006 to combat organised insurance fraud, said:

“Insurance fraud is not a victimless crime and, in the case of ‘crash for cash’ scams, innocent lives can be put risk. The insurance industry is no longer an easy target and takes this criminal activity very seriously. Through working closely with law enforcement agencies, the IFB has been instrumental in over 300 arrests and this drive will continue.

“We urge anyone with information on insurance fraud to call the free and confidential Cheatline on 0800 328 2550, or report online at: www.insurancefraudbureau.org/report.”

- ENDS -

Notes for Editors

1. Enquiries to:
Malcolm Tarling 020 7216 7410 (Mobile: 07776 147 667)
Erfan Hussain 020 7216 7411 (Mobile: 07712 841 184)
Kelly Ostler-Coyle 020 7216 7415 (Mobile: 07968 364 302)

2. The ABI is the voice of the insurance and investment industry. Its members constitute over 90 per cent of the insurance market in the UK and 20 per cent across the EU. They control assets equivalent to a quarter of the UK's capital. They are the risk managers of the UK's economy and society. Through the ABI their voice is heard in Government and in public debate on insurance, savings and investment matters.

3. An ISDN line is available for broadcasts.

4. More news and information from the ABI is available on our web site, www.abi.org.uk.