



NEWS RELEASE

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NO HIDING PLACE FOR CHEATS AS DRIVE TO REDUCE INSURANCE FRAUD MOVES UP A GEAR

The insurance industry's determination to protect honest customers from insurance fraud moved up a gear today with the announcement of a national Insurance Fraud Register. It is estimated that insurance fraud costs £2billion a year, adding, on average, an extra £44 a year to the insurance bill for every UK policyholder.

Funded by ABI members, the register will be an industry-owned database enabling insurers to share information on known cheats. The database will enable insurers to identify anyone who fails to declare a previous fraudulent insurance claim and follows a six month pilot exercise. It should be fully operational by early 2012.

Nick Starling, ABI's Director of General Insurance and Health, said:

"This initiative demonstrates how seriously insurers take reducing insurance fraud, and their determination to protect honest customers. The database will build on existing industry databases that help insurers check previous claims history to ensure that there is no hiding place for anyone caught making a bogus or exaggerated insurance claim."

David Neave, Chairman of the Insurance Fraud Bureau, (IFB) said:

"This important initiative is the next key strategic step in strengthening insurers' tough approach to this problem. The IFB is at the forefront of a

concerted drive to tackle organised insurance fraud. The work of the IFB with insurers and police forces throughout the UK has led to the prosecution of many organised insurance fraud gangs, so helping save money for insurers and honest customers alike.

- ENDS -

Notes for Editors

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2. The Insurance Fraud Bureau (IFB) is a non profit organisation funded by the insurance industry. It is specifically focused on detecting and preventing organised and cross industry insurance fraud.
3. The ABI is the voice of the UK's insurance, investment and long-term savings industry. It has over 300 members, which together account for around 90% of premiums in the UK domestic market.

The ABI's role is to:

- Be the voice of the UK insurance industry, leading debate and speaking up for insurers.
- Represent the UK insurance industry to government, regulators and policy makers in the UK, EU and internationally, driving effective public policy and regulation.
- Advocate high standards of customer service within the industry and provide useful information to the public about insurance.
- Promote the benefits of insurance to the government, regulators, policy makers and the public.

The UK insurance industry is the third largest in the world and the largest in Europe. It is a vital part of the UK economy, managing investments amounting to 24% of the UK's net worth and contributing the fourth highest corporation tax of any sector. Employing over 275,000 people in the UK alone, the insurance industry is also one of this country's major exporters, with a fifth of its net premium income coming from overseas business.

Insurance and businesses protect themselves against the everyday risks they face, enabling people to own their own homes, travel overseas, provide for a financially secure future and run businesses. Insurance underpins a healthy and prosperous society, enabling businesses and individuals to thrive, safe in the knowledge that problems can be handled and risks carefully managed. Every day, our members pay out £155 million in benefits to pensioners and long-term savers as well as £58 million in general insurance claims.

4. An ISDN line is available for broadcasts.
5. More news and information from the ABI is available on our web site, www.abi.org.uk.