

No Kidding – Average Age of Child on Parent's Car Insurance is 31



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In the past year the average age of a child named as a second driver on their parent's [car insurance](#) policy has shot up from 25 to 31 years old, according to new research from uSwitch.com. As the recession takes its toll on the Bank of Mum and Dad, 10 million drivers (39%) have a second named driver on their policy and 2.5 million (10%) of these are offspring.

Being named on a parent's policy is a legitimate practice, providing that the child in question is not the main driver of the vehicle. However, with insurance premiums on the up, high petrol prices and other escalating costs, keeping a car on the road has become challenging for many young motorists. As a result, many are putting themselves on the wrong side of the law by indulging in a fraudulent practice known as 'fronting'.

'Fronting' takes place when a young person buys and registers a car in their own name, but the insurer is falsely told that a parent is the main driver – and cases have shot up since the onset of the recession. According to the Association of British Insurers (ABI), 'fronting' and other forms of insurance fraud have increased by 30% since 2007 and the cost of undetected fraudulent general insurance claims is now estimated at £1.9 billion a year, up 24% from £1.6 billion two years ago.

Ultimately consumers end up paying the price for this activity - insurance fraud now adds an average of £44 a year to every household's general insurance costs.

In addition to 'fronting', some young motorists are taking cost cutting to an extreme with as many as one in five (250,000) 17-20 year olds [driving without insurance](#), according to the Motor Insurers' Bureau (MIB). In the current economic climate it's also unsurprising that many feel forced to downgrade their type of cover to the more affordable 'Third Party'.

[Young drivers](#) are not alone in this - one in five (20%) of all third party policy holders have opted for a reduced level of cover because they are simply unable to afford fully comprehensive cover in the current financial environment.

Mark Monteiro, insurance expert at uSwitch.com, comments: "Not only are hard-up 'kidults' living at home for longer, but they are hanging around on their parents' insurance policies for longer too. It is no secret that younger drivers pay far higher premiums than older motorists because of the higher risk involved – but many are now getting around it by becoming a named driver on their parents' policy instead. The practice becomes illegal though when a younger motorist buys and registers a car in their own name, but the insurer is told falsely that a parent is the main driver.

"'Fronting' is a serious fraud and penalties for being caught could be severe. If detected, insurers can refuse to pay out for any claims or can settle a third-party claim and recover the cost from the parent as the policyholder. If the insurer declines a claim, the young driver could be treated as uninsured and could be fined heavily and receive six penalty points – resulting in an automatic ban for new drivers as well as setting them up for higher insurance costs in the future.

"Insurance fraud simply adds to the overall cost of insurance – in other words consumers end up picking up the tab. And ultimately, committing insurance fraud is not worth the risk. If affordability is an issue, there are steps you can take: look at increasing your excess, downgrade your cover, trade your car in for one in a cheaper insurance class, but above all shop around for the best deal. You could save up to £160 by taking this last step alone."

[See the full version of this press release.](#)

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