



# EMBARGOED TO

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**Press contacts:**

Karen Wagg

077 255 58 551 / 020 7632 1452

Karen.wagg@actuaries.org.uk

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### **IFoA research shows a reduction in ‘white van man’ third party personal injury claims in 2012, but they still have more than private car drivers**

- **The frequency of third party injury claims fell by 6% in 2012 for white van men\***
- **Average claim size for commercial non-fleet vehicles (the white van men) was £8,985 in 2012 a decrease of 2.1% on 2011**
- **Commercial fleet vehicles saw an increase in average claim size of 2.4% from 2011, this is still lower than that of the ‘white van men’ at £8,694**

The Institute and Faculty of Actuaries (IFoA) has released its 4<sup>th</sup> annual report looking at ‘third party injury (TPI) and third party damage (TPD)\*\* UK motor insurance claims data’. The report collates and analyses data from across the motor insurance industry for 2012. This year the report includes data analysis for commercial vehicles.

A key finding of the IFoA’s report is the decrease in TPI claims for white vans and a range of other vehicles including vans, cars and goods vehicles insured on an individual basis rather than as a fleet, whilst private car and commercial fleet vehicle injury claims continue to rise (see fig 2 appendix).

David Brown, one of the authors of the IFoA report said;

“Commercial non-fleet vehicles – typically the white van man – was the only sector to see a reduction in the frequency of third party injury claims in 2012, with private car comprehensive and commercial fleet vehicles once again seeing increases. Despite this decrease the frequency of claims for ‘white van men’ still remains higher than for private cars. However as driving is part of their job it is fair to presume that the white van man should be on the road

more than other drivers and as such the likelihood of an accident would be higher. We will be watching with interest to see if this reduction is the beginning of a new trend for this sector or a one off blip.”

“Private car and commercial fleet motor injury claims have increased steadily over the years, whilst property damage claims and road accidents involving casualties reported to the police have decreased. The majority of claims made for motor injuries are what we term ‘small claims’ which means they are for less than £20,000, usually for whiplash or whiplash like injuries. Data suggests that one of the reasons for this increase in injury claims is due to the activity of claims management companies, which have seen steady revenue increases over the last few years\*\*\*.

~ENDS~

*\* Commercial non-fleet vehicles typically personified by the ‘white van man’ can also include a range of other vehicles such as cars and goods vehicles*

*\*\*The ratio of TPI/TPD is the proportion of (third party) insured accidents involving (third party) injury*

*\*\*\*See 2012 report showing claim ‘hot spot’ correlation with claims management company locations*

For further comment, an in-depth summary of the findings of the report inclusive of charts, a full copy of the report, a jpeg image of David Brown or to answer any questions that you may have please contact Karen Wagg at the IFoA on 077 255 58 551 or by emailing [Karen.wagg@actuaries.org.uk](mailto:Karen.wagg@actuaries.org.uk)

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#### Editorial notes:

Please find below data supporting this media release.

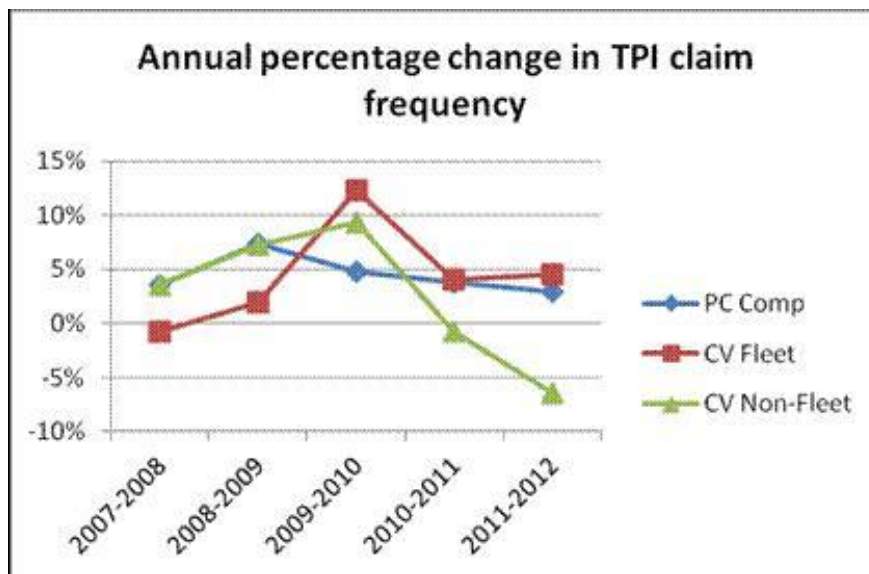
**Fig 1: Ratio of TPI/TPD Claim Numbers from 2007 to 2012: annual percentage change**

Period	Private car %	Commercial fleet %	Commercial non-fleet %
2011 – 2012	4.5	6.8	-3.3

2010 – 2011	18.8	7.9	16.5
2009 – 2010	10.9	7.2	8.2
2008 – 2009	9.3	12.0	10.6
2007 - 2008	8.3	10.4	7.9

Source: the Institute and Faculty of Actuaries, Update from the Third Party Working Party, June 2013

**Fig 2: Annual percentage change in TPI claim frequency**



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2. Members of the IFoA have a statutory role in the supervision of pension funds and life insurance companies. They also have a statutory role to provide actuarial opinions for managing agents at Lloyd's.
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