

## **Younger drivers 'more fluid' in their interpretation of insurance fraud compared to older drivers, but ignoring consequences**

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- **This compares to 19% of all adult drivers**
- **Younger drivers 'more fluid' in their interpretation of insurance fraud compared to older motorists, but ignore the consequences**
- **82% of Irish drivers believe a 'claims culture' now exists in Ireland, more so than ten years ago;**
- **Findings and policy reforms to be discussed at Liberty Insurance's 'Driving Motor Insurance Reform' stakeholder event later today**

New research by Liberty Insurance suggests a serious discrepancy in what constitutes insurance fraud between 17- to 29-year-old drivers and their older peers.

Conducted by Red C Research among 750 drivers, the survey found that 31% of young drivers consider being untruthful about the primary driver of their car to be 'mild' insurance fraud or not fraud at all; this compares to 19% of all adult drivers.

Additionally, 56% of young drivers consider being untruthful about your profession to be mild insurance fraud or not fraud at all, and 58% say the same about providing a false estimate of the number of kilometres driven per year.

Despite these discrepancies, almost half, 46%, of all respondents said that being untruthful with your insurer about the number of penalty points on your license constitutes 'extreme fraud'. 43% say providing your insurer with false information about your driving experience is also extreme fraud.

### **Consequences**

In such cases, being untruthful about the primary driver, your profession, annual mileage or penalty points when applying for insurance constitutes fraud. If detected it may prevent an individual from securing insurance cover in the future or invalidate a claim.

### **Claims culture on the rise**

82% of Irish drivers believe a 'claims culture' is more prevalent in Ireland today versus ten years ago, while 88% think those who submit fraudulent claims should face harsher penalties.

Despite this, few are willing to blow the whistle on insurance fraud. 44% would not out of fear of being found out, increasing to 51% among those aged 25-34.

### **Liberty Insurance's *Driving Motor Insurance Reform* stakeholder event**

The research was published in advance of Liberty Insurance's *Driving Motor Insurance Reform* stakeholder event being hosted in Dublin today (26 September). The event will bring together leading Irish and international motor insurance experts to debate the challenges and actions required to successfully deliver motor insurance reform.

Commenting on the research, Liberty Insurance CEO, Sharon O'Brien, said: "Our research reveals a number of interesting findings on the opinions of Irish people on what does and doesn't constitute insurance fraud, particularly among young drivers.

"Ultimately, intentionally misleading your insurer about your driving record, your vehicle and other details on a policy application is a form of fraud. Fraud is a very serious problem for our industry and impacts significantly on cost. It is not a victimless crime and effects the premiums that our customers pay.

"Most Irish people recognise this and want to see these people face harsher penalties. The rapid rise of premiums in Ireland is of course not sustainable, and that's why Liberty Insurance is hosting today's event: we want to work with industry stakeholders and the Government to agree the best ways to combat fraud and make motor insurance in Ireland as fair and affordable as possible. I will be outlining these new proposals at today's event.

"Additionally customers need to understand the importance of checking the details on their documents are correct and that their circumstances have not changed so that they are not unintentionally misleading their insurer".

The Liberty Insurance event will also include keynote contributions from Ben Fletcher, Director of the UK's Insurance Fraud Bureau (IFB), which acts as a central hub for sharing insurance fraud intelligence and seeks to detect and disrupt fraud; and, Sara Costantini of CRIF Decision Solutions, an advisory body to the Central Bank of Ireland and a global leader in providing technology solutions to detect fraud.

Attendees will also hear from Deeksha Joshi, Principle on the Corporate Strategy & Research team at Liberty Mutual, on disruptive trends and transformational technologies and their future impact on the motor insurance sector.