



Confused.^{com} car insurance price index

The most comprehensive analysis of
car insurance pricing in the UK

Quarter 3 – 2022

Executive summary

Motorists see the biggest annual increase in 5 years – but drivers could make savings by shopping around

The Confused.com car insurance price index began in 2006 and is the most comprehensive analysis of car insurance pricing in the UK. Published every three months, it looks at more than six million car insurance quotes per quarter to provide insight and analysis across the market.

The latest index covers the third quarter of 2022 and shows that UK drivers can now expect to pay £586 on average for an annual car insurance policy.

That's a £72 (14%) rise in comparison with this time last year⁽¹⁾. Not only that, it's the sharpest rise of the year, with premiums increasing by £32 (6%) in the last three months alone. The research shows this is the most expensive quarter of 2022.

Louise O'Shea, Confused.com's Chief Executive Officer, comments: "As we head into winter, money is going to be tight. With concerns over the rising costs of energy, fuel and even food, millions of us will be looking for new ways to number-crunch and save money where we can."

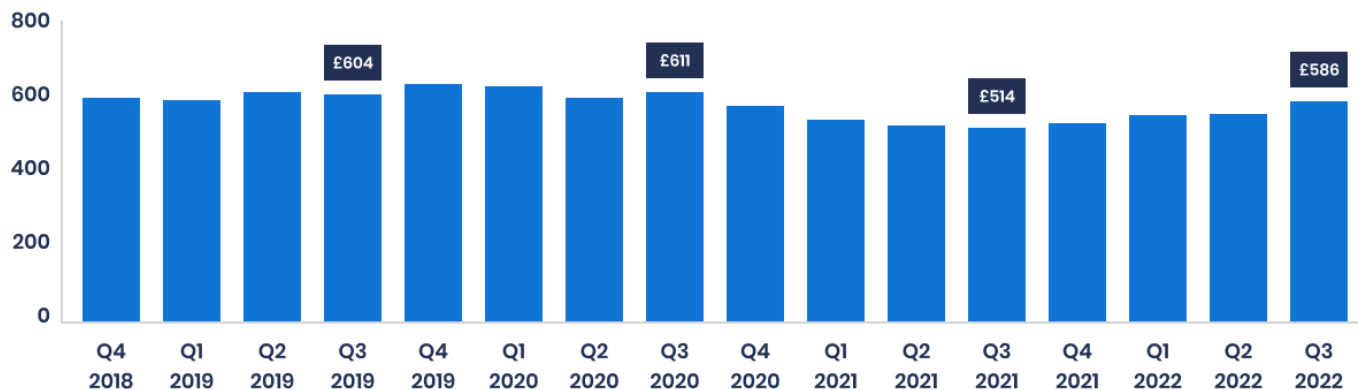
At times like these, it's good to know that there are some fantastic rewards available to drivers if they switch insurers using Confused.com. A £20 voucher could pay towards a food shop in Lidl or even go towards an MOT or service at Halfords.

Confused.com is also so confident that there are lower car insurance prices out there that we're making a valuable promise to drivers. We guarantee to beat drivers' car insurance renewal prices, or give them the difference, plus £20⁽²⁾.

The bigger picture

How prices have changed

The latest Confused.com price index reveals car insurance now costs **£586 on average**



Powered by Willis Towers Watson, the Confused.com price index for the third quarter of 2022 reveals the average price of car insurance in the UK is now £586. This is £72 higher compared to this time last year, on average.

This may come as bad news for many drivers, but further research by Confused.com shows how some insurers don't seem to be doing enough to protect their existing customers from rising costs. A survey of 2,000 UK drivers⁽³⁾ found that more than 2 in 5 (41%) of those who considered sticking with their current insurer received renewal quotes that were £38 more expensive than the previous year, on average.

This is despite the fact that more than a quarter (28%) of drivers who have renewed so far this year thought that their insurance quote would be cheaper this time around.

The bigger picture

What's new this quarter?

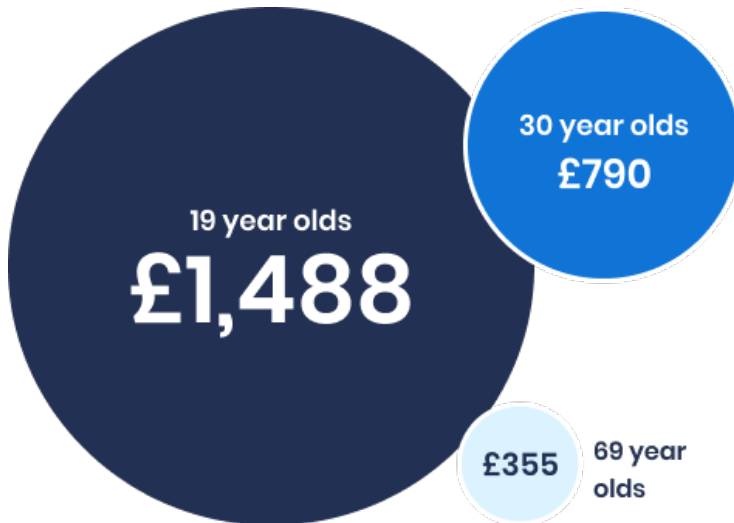
Earlier this year, the Financial Conduct Authority (FCA) made important changes to stop 'price walking' and ensure all customers were treated fairly⁽⁴⁾. But it seems some motorists remain complacent as a result. In fact, 1 in 5 (20%) told Confused.com that they were less inclined to shop around because of these changes⁽⁵⁾.

However, these regulations don't mean that better deals can't be found elsewhere. Some motorists are taking action after receiving a more expensive renewal and are really seeing the benefits of switching.

In fact, more than a quarter (27%) of drivers who chose to shop around using a price comparison site were able to save £50, on average.

Price by age

What do younger and older drivers pay?



All drivers faced increases in the past 12 months, but research shows that drivers aged 19 seem to be facing the biggest financial hit. Their premiums have reached £1,488, on average. This was the biggest annual and quarterly increase of any age bracket, with prices rising by £233 (19%) year-on-year.

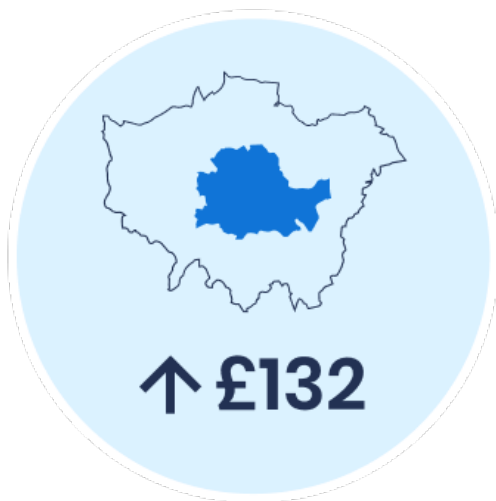
The data shows that 30-year-olds saw their average price increase by £101 (15%) in comparison with last year, while 69-year-olds face an average increase of £32 (11%) year-on-year.

Prices by region

Which areas have seen the biggest rises?

As always, the price motorists pay will vary depending on where they live.

Inner London



Northern Ireland



The data shows that drivers in central London have seen the biggest increases in the past 12 months. Drivers here are now paying £936 for their car insurance, on average. That's an annual increase of £132 (16%).

Drivers in Northern Ireland have also seen some of the biggest annual increases, with the average cost now £631. That's £106 (20%) more expensive than 12 months ago.

Prices by region

Where have prices risen the most?

Manchester & Merseyside



East England



There have been similar rises across most areas of the country. In Manchester and Merseyside, prices have increased by £91 (14%) to reach £737, while in East England there's been an increase of £66 (16%) which means the average price is now £492.

Prices by gender

Do men or women pay more?



The research shows that men are still paying more for their insurance than women.

Male drivers pay an average of £628 for their cover, while women pay £516 for their cover, on average. That's a difference of £112.

Insurers cannot calculate insurance prices based on a person's gender, following to the stipulations of the EU Gender Directive(6).

However, men normally pay larger premiums. This is because men tend to choose more expensive cars with bigger engines and more technology. So if they have an accident then their insurance claim will tend to be for a higher amount.

Expert view

Louise O'Shea, CEO at Confused.com, says:



"If you switch insurers using Confused.com, there's some fantastic rewards available that could help during a difficult time. A £20 voucher could pay towards a food shop in Lidl or even go towards an MOT or service in Halfords. And we even guarantee to beat your renewal(7). If we can't, we'll give you £20, plus the difference. Either way, you're better off just by using a price comparison service.

"I cannot emphasise enough just how important it is to take time, do your research and compare insurance prices. You might be missing out on fantastic deals and it will really help in the long run."

Note to editors

More than six million quotes are used in the construction of each quarter's insurance price index – this makes it the most comprehensive insurance index in the UK. Unless otherwise stated all prices referred to are for comprehensive cover.

(1, 3 & 5) Research carried out by One Poll on behalf of Confused.com of 2,000 UK drivers who have car insurance policies. This was conducted between 3 October and 6 October 2022.

(2 & 7) Terms & conditions apply. Must be a like-for-like policy.

<https://www.confused.com/beat-your-renewal/terms-and-conditions-car-insurance>

(4) <https://www.fca.org.uk/news/press-releases/fca-confirms-measures-protect-customers-loyalty-penalty-home-motor-insurance-markets>

(6) While the EU gender directive prohibits insurers from assessing a driver based on their sex, there are other risk factors which cause men to have higher premiums. For example, men tend to drive more expensive cars with larger engines and loaded with new technology, on average, which makes for higher-value claims. They also tend to have significantly more motoring convictions than women.

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About Confused.com

Launched in 2002, Confused.com was the UK's first digital marketplace for car insurance and is one of the leading brands in the sector, generating over one million quotes per month. It has expanded its range of comparison products over the years to include home insurance, van insurance, motorcycle insurance, and car finance comparison, as well as a number of tools designed to save consumers money.

Confused.com is not a supplier, insurance company or broker. It provides an objective and unbiased service. By using cutting-edge technology, it has developed a series of intelligent web-based solutions that evaluate a number of risk factors to help customers with their decision-making, subsequently finding them great deals on a wide-range of insurance products, financial services, utilities and more. Confused.com's service is based on the most up-to-date information provided by UK suppliers and industry regulators.

About the Index

The index is compiled using anonymous data from all enquiries submitted on Confused.com. In line with the draft Office of Fair Trading (OFT) commitments on the use of competitor price data, the prices used for calculating the index are based on an average of the best five quotes received on Confused.com. The OFT closed on the 1 April 2014 and the commitments are now governed by the Competition and Markets Authority (CMA).

Media information

About Willis Towers Watson

Willis Towers Watson (NASDAQ: WLTW) is a leading global advisory, broking and solutions company that helps clients around the world turn risk into a path for growth. With roots dating to 1828, Willis Towers Watson has 45,000 employees in more than 140 countries and markets. We design and deliver solutions that manage risk, optimize benefits, cultivate talent, and expand the power of capital to protect and strengthen institutions and individuals. Our unique perspective allows us to see the critical intersections between talent, assets and ideas — the dynamic formula that drives business performance. Together, we unlock potential. Learn more at willistowerswatson.com.