



## Issue 13 - October 2016

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### RAC Report on Motoring 2016

#### Study reveals shocking scale of handheld mobile phone use at the wheel

In September, the RAC launched its annual Report on Motoring (full report [here](#)). Now in its 28<sup>th</sup> year, the Report is an extensive nationwide survey of a representative cross-section of UK motorists to find out what is on their mind and where their priorities lie on road policy. It informs Government and policy makers with considerable insight into the attitudes of the UK motorist and what is high on their agenda.

Our launch focused on findings relating to the use of handheld mobile phones at the wheel. This year, the RAC also focused on how motorists were using their handheld phones. Our headline statistics show:



- 31% admit to using a handheld mobile phone (for making or receiving a call) in the last year whilst driving. 49% admit to making or receiving a call while stationary with the engine running.
- One in five (20%) believe it is acceptable to text or check social media when stationary (ie when in congestion or at traffic light).
- One in seven (14%) have taken videos or pictures whilst driving
- One in four (26%) have checked emails, texts and social media whilst driving and one in five (19%) admits to sending texts & emails and posting on social media
- 8% say they do it because everyone else does, 7% say they do because they can get away with it, and 12% do it because they are in the habit. Another 7% say they do it because they didn't realise it was illegal.

In response to the findings and to coincide with the launch of the report, the Daily Mail and Daily Mirror both ran front page campaigns to highlight the problem and two days later, the Transport Secretary announced stiffer penalties of six points on your licence and a £200 fine, to come in next year. Whilst this is welcome, the RAC believes that these will only be effective as a deterrent if complemented by better enforcement and more information and education, as outlined below:

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## Calls to action

- 1 **Better enforcement:** Our findings suggest a number of motorists feel they can break motoring laws because they will not be caught. There has been a 27% drop in full time road traffic police officers (excluding London) since 2010. We urge Government and police authorities to halt the decline in dedicated road traffic police officers and to recognise that the problem will only get worse unless laws are seen to be enforced.
- 2 **Public awareness campaign:** The Government has committed to a Think! campaign to highlight the issue, which is welcome. Going forward, we would like to see the same priority attached to campaigning on the use of handheld mobile phones as has been given to drink driving, so that the use of handheld phones is seen as equally socially unacceptable as drink-driving. And we need to raise awareness of the dangers of handheld phone use at the wheel, particularly amongst younger drivers who appear more likely to use their handheld devices whilst driving.

The full report can be accessed [here](#), but should you would prefer a hard copy, please contact Nicholas Lyes [nlyes@rac.co.uk](mailto:nlyes@rac.co.uk)

## #ROM2016

### Insurance is now the biggest cost concern for motorists

The RAC Report on Motoring also found that the cost of insurance had overtaken the cost of fuel as motorist's top 'cost of motoring' concern in 2016. Whilst pump prices are lower on average than 2014, evidence suggests that costs for vehicle insurance premiums are rising. The headline results reveal:

- 8% of motorists ranked the cost of insurance as their top overall motoring concern (compared to 5% in 2015).
- 26% named the cost of insurance as a top four concern (compared to 18 % in 2015), whilst the cost of fuel was named as a top four concern by 24% (down from 26% in 2015 and 47% in 2014)
- In 2016, 46% of motorists said they felt their insurance premiums had increased over the past 12 months, compared with 34% in 2015. 42% said they had stayed the same.



In summer 2016, industry experts indicated that the cost of car insurance premiums had risen on average by 19% in quarter two 2016 compared to the same period 12 months earlier. They also believed that motorists were facing their highest annual rises in premiums for five years. These increased costs have clearly filtered through to motorists who are clearly concerned at the level of increase that they have faced over the last 12 months.

The RAC has also found that in 2014, motorists were contributing around £624m in Insurance Premium Tax to the Treasury. In 2016, this figure has increased to £1.2bn owing to two recent rises in Insurance

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Premium Tax. So motorists have been hit by a double whammy of increased premiums charged by the insurers and a substantial increase in the IPT levied on the premium by the Treasury.

**Calls to action: How can Government help bring down the cost of motor insurance?**

- 1 **No further IPT increase:** Motorists will feel hard done by that they have suffered a double hike in Insurance Premium Tax over the past year, especially as car insurance is compulsory. The RAC believes the Chancellor should not increase IPT any further. The RAC warns that further increases may encourage some drivers to break the law by failing to insure their vehicles, which inevitably would raise premiums further for law-abiding motorists. It is estimated that there are an estimated one million uninsured drivers in the UK which has resulted in adding around £30 a year to motorist's premiums.
- 2 **Tackle insurance fraud:** In the 2015 Autumn Statement, plans were announced to clamp down on fraud by targeting bogus whiplash claims. However, the RAC is concerned that the Government has been slow to publish proposals on how this will be achieved at a time when insurance premiums are rising. We would encourage Government to initiate consultations with the insurance industry and other stakeholders as soon as possible.
- 3 **IPT reforms for younger drivers:** The Government should consider exempting or cutting IPT for younger drivers who take up telematics (black box) based insurance policies. This would encourage safer driving amongst this age group who are statistically more likely to be involved in road traffic accidents and are faced by what for many are unaffordable premiums. While the Treasury may be concerned by a small loss of revenue from such an exemption, DfT's own estimates state that the cost to the economy of reported road traffic accidents is around £15bn a year, so the social and economic costs of encouraging safer driving by pursuing a policy could be extremely beneficial.



## RAC predicts fuel prices rises following sterling's slump

After spending much of the summer around the \$45-a-barrel mark, oil prices have risen above \$50 at the start of October, buoyed by a preliminary agreement amongst OPEC members to cut production and also signals that Russia will also cut production. The pound has continued to slide further against the dollar, and on 11<sup>th</sup> October was registering \$1.23, its lowest value in over 30 years. A combination of both of these factors has seen prices at the pumps increase for the second month in a row, with diesel now at its highest price since Summer 2015. We anticipate further modest rises at the pumps for both petrol and diesel throughout October.

### Year On Year: Prices now the highest since August 2015

Year on year comparison 11<sup>th</sup> October 2015 to 11<sup>th</sup> October 2016

The average UK price of unleaded on 11<sup>th</sup> October 2016 was 4.8ppl more expensive than it was on 11<sup>th</sup> October 2015. This represents a 4.4% price rise in the year. The average UK price of diesel on 11<sup>th</sup> October 2016 was 4.9ppl more expensive than it was on the 11<sup>th</sup> October 2015 representing a 4.5% price rise in a

year.

	11 <sup>th</sup> October 2015	11 <sup>th</sup> October 2016
Fuel Type	Average pump price ppl	Average pump price ppl
Unleaded	109.29	114.08
Diesel	110.51	115.46



### Monthly Price Comparison: Pump prices rise sharply

Monthly price comparison 11<sup>th</sup> September 2016 to 11<sup>th</sup> October 2016

The average UK price of unleaded on 11<sup>th</sup> October 2016 was 2.2ppl more expensive than it was on 11<sup>th</sup> September 2016. This represents a 2% price rise in a month. The average UK price of diesel on 11<sup>th</sup> October 2016 was 2.5ppl more expensive than it was on 11<sup>th</sup> September 2016 representing a 2.2% price rise in a month.

	11 <sup>th</sup> September 2016	11 <sup>th</sup> October 2016
Fuel Type	Average pump price ppl	Average pump price ppl
Unleaded	111.84	114.08
Diesel	112.94	115.46

The facts - the cost of filling a typical family car:

Fuel	Petrol	Diesel
Fuel tank in litres	55	55
Avg forecourt price in per litre	114.08	115.46
Total cost to motorist	£62.74	£63.50
Duty	£31.87	£31.87
VAT @ 20%	£10.46	£10.58
Cost of fuel	£20.41	£21.05
Exc VAT	£52.29	£52.92
VAT & duty	£42.33	£42.46
% tax of fuel cost	67%	67%

\*Source: Experian Catalist – UK prices as of 11<sup>th</sup> October 2016

For further information, please visit our fuel pages: <http://www.rac.co.uk/advice/fuel-prices-explained>



# What is the RAC doing in your constituency?

## RAC supporting the Veteran Car Run

The RAC is again supporting the Veteran Car Run in November in its 120th anniversary year, continuing our long association with the London – Brighton event.

Today, the RAC supports the event by providing Breakdown services, technical support and advice to owners of veteran cars, as they embark upon the 60 mile trip from Hyde Park all the way to the Brighton seafront.



## Rally of the Tests

This November marks the RAC's return to the motorsport calendar with the organisation once again putting its name to the Rally of the Tests. The reborn RAC Rally of the Tests 2016, which runs from 3-6 November, will feature 100 classic cars taking part in a range of regularity and skills' tests.

The rally starts in Bournemouth with a prologue event on Thursday 3 November and the 750-mile drive to Chester begins on Friday 4 November when the competitors head to the West Country, with day one finishing in Bristol. Day two sees the rally re-start at the RAC's iconic building on the edge of the M5, with competitors making their way to Stoke-on-Trent before travelling along the Welsh Borders to the finish in Chester the following day.



## Horace's continues to rack up visits

The RAC's Child Road Safety Charity has had a busy summer with over 100 visits to Cubs and Beaver groups up and down the country, educating youngsters on road safety.

The lovable canine mascot, Horace, visited the Scout Association's big jamborees to test the young people with some exciting challenges. But it's not stopping there. Horace himself is still on a mission to get to as many local groups around the country as he teams up with our local patrols to help deliver our road safety workshops for Cubs hoping to earn their Road Safety Badges this year. There have been over 700 requests which will keep Horace busy right up until 2017!



As the Motorist's Champion, the RAC is expertly placed to advise and guide effective road and motoring policy. Should you wish to discuss anything within this newsletter or any wider policy issues, please contact:

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