



## Insurance and long-term savings: Protecting what British families value most



**129,000**

shielded by protection policies



**£20m**

a day in claims to businesses



**£15m**

a day in property claims

The UK's insurance and long-term savings industry is relied on by tens of millions of British households and businesses to protect their families and build for the future. Of the 27.2 million households in the UK in 2015-16, 19.7 million had contents insurance, 20.2 million had motor insurance and 16.6 million had buildings insurance. Meanwhile there were 20.8m individual pension policies in the UK in 2016.

### Spotlight on household protection:

#### Motor insurance.

Insurers paid out 33.3m a day in motor claims in 2016, of which £23.6m was to domestic customers.

#### Property insurance.

A total of £12.9m a day was paid out in property claims, £7.4m of which went to domestic consumers.

#### Travel and health insurance.

Travel claims amounts to £1m a day in 2015, while the average private health insurance claim came to £1,906.

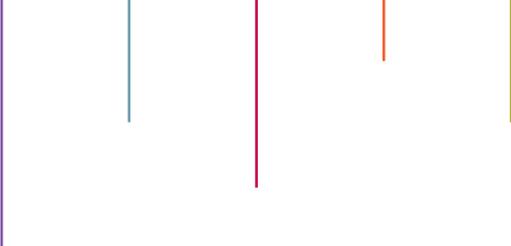
#### Business insurance.

Insurers paid out £23.2m a day in claims to businesses in 2016.

#### Long-term savings and protection.

In 2016, £4.6 billion was paid to 138,000 customers or families as a result of claims on protection insurance policies, shielding families from risks like bereavement or sickness - an average of 12.5m each day.





## Motor insurance

The claims acceptance rate for private motor insurance claims in 2015/16 was around 98%, while the average bodily injury claim was £9,924. The overall average for all types of private car claims was £2,839.

## Property insurance

By Q3 2017, the average premium for a combined building and contents policy had fallen to £304, down 10% from its highest peak in Q3 2012. The average premiums for buildings and contents only, were £287 and £142 respectively. Claims for escaped water damage and weather made up almost half the value of all claims, accounting for 28% and 16% respectively. Fire was 16%.

## Travel and health insurance

In 2016, travel insurers paid out £369m for 480,000 claims to travellers who needed help whilst they were abroad. £199m of this was to cover the cost of emergency medical treatment, and £130m for cancellations.

## Business insurance

Insurers provide a safety net for businesses of all types and sizes, protecting employees, commercial vehicles as well as providing businesses the security to trade abroad.

In 2016, insurers paid out £862m in Employers' Liability claims, and £2.07bn in other types of liability claims. They also paid out £3.5bn in commercial motor claims and £2.4bn in commercial property claims. Trade credit insurers paid out £309m in claims in 2016.

## Long-term savings and protection

Pension annuities provided an income to 6.2m retired people in the UK in 2015. Reforms in the 2014 Budget allowing more flexible use of pension pots saw £8.2bn in cash being withdrawn in the first year the policy was in force and £5.7bn in 2016. There were 25.7m individual term, whole of life, income protection and critical illness insurance policies in force in 2015.

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