

Law update: insurance when your car is not being driven

If your car is sitting on your driveway unused or in a garage undergoing substantial repairs, you don't need insurance – Wrong!

Current position – often misunderstood

Thanks to Continuous Insurance Enforcement (CIE) car owners could be looking at a £1,000 fine if they don't have their vehicle insured, even if it isn't being driven.

In June 2011, the law on CIE came into force and yet very few drivers are aware of this law at all, even now four years later. Many car owners only become aware of the law when the DVLA send them a fixed penalty notice. In fact, since it came into force, the DVLA have secured £5,000,000 in fines for this offence alone.

The CIE law means that car owners don't have to be driving to be fined for having no insurance. It covers all vehicles, including motorbikes and mopeds. The Motor Insurers Bureau and the DVLA work together to input and cross-reference all of their data with the Motor Insurance Database. This allows them to find those who do not have insurance but have not declared their car as a vehicle to which a Statutory Off Road Notification (SORN) applies.

The first step the DVLA will take is to send a warning letter. The letter will explain the law fully and advise that unless insurance is obtained or the vehicle is declared SORN, a fine will be issued. Failure to take either of these two steps will result in an automatic £100 fixed penalty and the matter will be referred to the Magistrates Court.

A prosecution for this offence can result in a £1,000 fine. The authorities may also seize the vehicle and dispose of it after 14 days unless further fines are paid to release the car. These release fees can rise to £430 by the end of the 14 day period. On top of all of this, it is most likely that the car owner's insurance premium will rise as a result of the penalty points received.

Advice from us

It is important to be proactive and undertake the following steps:

1. invest in an insurance policy even if it is the minimum level of cover possible in order to avoid having cause to be identified by the DVLA and Motor Insurance Bureau
2. if your car is going to be taken off the road altogether then make sure you notify the DVLA immediately by way of a SORN
3. if you are sent a warning letter make sure you act promptly

It is not a defence to say you weren't aware of this law, especially as a warning letter will have already been sent. It is also important to make sure that the DVLA have your up-to-date address. If they send the warning letter to the wrong address, you could find yourself with a warrant for your arrest for failing to attend a summons to Court.

If you would like further advice on this area of the law, have received a warning letter, fixed penalty notice or summons to Court, our team will be able to advise and assist you.

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