



Together We Can Beat  
Uninsured Driving

Motor Trade and the MID



Don't let the criminals escape

## Why updating the MID can save you money

Uninsured drivers currently cost UK motorists over £500 million per year. That means every time you pay your insurance premium a portion of this amount goes to pay for these illegal road users. To tackle this problem the insurance industry assigned responsibility for the development and operation of the Motor Insurance Database (MID) to the Motor Insurers' Bureau (MIB).

The police make approximately 2 million enquiries per month on the MID to check if vehicles have insurance, and as a result of this seized nearly 180,000 uninsured vehicles in 2009. By making sure your motor trade vehicles are correctly added to the MID when they come on cover,

and are then removed when they go off cover, you are helping the police to concentrate on those vehicles that are actually uninsured. You may also save your drivers the inconvenience and potential embarrassment of being stopped by the police, as well as the costs associated with recovering vehicles that have been seized.

Information on potentially uninsured vehicles, which includes motor trade vehicles that have not been added to the MID but should have been, is provided regularly to the police to feed into their Automatic Number Plate Recognition (ANPR) network. When a potentially uninsured vehicle passes an ANPR camera the police are alerted and the driver may be stopped. If the vehicle and policy details are not up to date, it could be seized.

From 2011 a new law gives the Driver and Vehicle Licensing Agency (DVLA) more power to penalise the registered keepers of vehicles that are not insured. As part of this Continuous Insurance Enforcement (CIE) policy the DVLA will compare its records with details of all the vehicles currently on cover that are held on the MID.

If a vehicle does not have insurance cover, and has not had a Statutory Off Road Notification (SORN) declared, the registered keeper could face:

- a fixed penalty notice of £100
- their vehicle being clamped, seized and disposed of
- a court prosecution with a maximum fine of £1,000

These new measures are in addition to the powers the police already have to seize an uninsured vehicle and fine the driver.

You are advised to check that the records of your vehicles held on the MID are up to date using the free service at [www.askMID.com](http://www.askMID.com). If, having done so, you find that the records are not correct you should contact your broker or insurer immediately.

Alternatively, if you have direct access to the MID via MIDUpdate, you could send the records directly.

Further information regarding CIE can be found on the Department for Transport (DfT) website [www.direct.gov.uk](http://www.direct.gov.uk) under the heading 'stay insured'.

In addition to using the MID as a tool to fight uninsured driving, it is also used to support the 4th EU Motor Insurance Directive (now incorporated in the codified Directive 2009/103/EC). This requires that insurers are readily identifiable using only the registration number, which makes the management of claims involving drivers from different countries more effective. The directive covers all vehicles, including fleet and motor trade vehicles. The UK Regulations passed in 2003<sup>1</sup> place a legal obligation on you, the policyholder, to supply all vehicle information to your insurer, although some insurers ask their policyholders to supply to the MID directly. All vehicle records must be kept for seven years<sup>2</sup>. Non-compliance with the Regulations is a criminal offence, and the maximum fine for not submitting data is £5,000.



<sup>1</sup> Motor Vehicles (Compulsory Insurance) (Information Centre and Compensation Body) Regulations 2003

<sup>2</sup> More information on the detailed requirements can be found on the MIB website <http://www.mib.org.uk>

## How do you supply your vehicle records?

There are two high level options available for submitting data to the MID. You will be asked to either supply the information to your insurance provider, OR you may be asked to update the MID directly using a centralised web service (MIDUpdate)<sup>3</sup>. When you arrange your insurance with your insurer/broker, make sure they advise you on how to provide your vehicle information; you must be ready to do so as soon as the policy is in place.

## When should this be done?

Whether you are supplying vehicle updates to your provider or adding the details directly to the MID yourself, the regulations state that the data must be supplied 'immediately'. It should therefore be done as soon as possible, preferably on the same day, to ensure maximum benefit. The DfT regularly monitors the time taken to supply information to the MID against a set of targets to ensure the system is effective as an enforcement tool.

## Which vehicles should be added?

All vehicles insured on your motor trade policy and all trade plates owned by you should be added to the MID, including:

- All permanent vehicles (i.e. vehicles registered to, owned by, or leased to you) and any vehicles whose use is regularly covered by the policy (e.g. employees' vehicles)
- Temporary vehicles such as courtesy or short term hire vehicles

The MIB recommendation is that all vehicle records that have road cover included are sent to the MID regardless of the period of cover in order to minimise the risk of being stopped by the police and a possible vehicle seizure.

Untaxed stock vehicles (i.e. driven on trade plates) need not be notified, although if it is easier simply to notify every vehicle, this is acceptable – in fact this is MIB's preferred approach.

## What information do you need to provide?

The information that you are legally obliged to provide for each vehicle is as follows:

- Policy number
- Vehicle Registration Mark (Please ensure the VRM is accurate as this is used for police search purposes and by the DVLA for Continuous Insurance Enforcement)
- The date on which the vehicle was first insured on the policy (probably either the start date of the policy or the date the vehicle was acquired, if later)
- The date on which the vehicle ceased to be covered on the policy (which might be the day on which the vehicle was sold, or the date declared under a SORN to the DVLA)

MIB encourages policyholders to provide, wherever possible, the optional vehicle data such as vehicle type, make and model. This will help the police with more accurate vehicle identification at the roadside.

In addition to being a legal requirement, most insurers have made the notification of vehicle information a condition of their insurance policies. This means that if one of your motor trade vehicles is involved in an accident and it does not appear on the MID there may be a delay in settling the claim while this is investigated.

## What happens at renewal time?

If you stay with the same insurer you should check whether you have to update your vehicles yourself to make sure they appear on the MID for the new policy period or whether this will happen automatically. If you change insurer at renewal time then you must provide the details of all your vehicles again - your new insurer may request that you supply the details to them or add them to the MID directly yourself.

Failure to carry out these actions means that the vehicle details will not appear on the MID after the renewal date of your policy and as such your vehicles may suddenly appear to be uninsured. This may cause problems with Continuous Insurance Enforcement as noted above, and in the event of a roadside stop by the police the vehicle may be seized.

<sup>3</sup> For further details about MIDUpdate, please visit [www.midupdate.com](http://www.midupdate.com) 'Overview'





## Removing vehicles

When you sell any vehicles, or return temporary vehicles, you must remember to update the MID or inform your insurer/broker to take them off cover as soon as possible.

If you don't update the MID or inform your provider regarding vehicles that you no longer own, you may be contacted about insurance claims that have nothing to do with you. Failing to provide updates may also help uninsured drivers evade detection as the vehicle will be incorrectly linked to your insurance policy and they may not be stopped by the police when they should be.

## Correcting vehicle information

The accuracy of the vehicle information you provide is vital, and especially the Vehicle Registration Mark (VRM). If you realise that some of your vehicle details are wrong, you need to correct them as soon as possible, preferably the same day. If you are unsure how to do this, contact your insurance provider to determine whether you are able to make the correction yourself.

If you have lost track of what vehicle information is on the MID you can get a record of this. Please ask your insurer/broker how this is done.

## Where can I get help?

Your initial point of contact for enquiries and/or assistance should always be your insurance provider. Make sure you are aware of the correct contact details. General information can be found at the MIB website [www.mib.org.uk](http://www.mib.org.uk).



### Summary of what you need to do

#### Getting started

If you are not already aware, contact your insurer or broker to find out how and when you should add your vehicle information. There are several ways that you can notify your vehicle details, and different insurers will offer different options. Then submit your initial list of vehicles.

#### Ongoing

Update your vehicle details whenever there is a change to any vehicles covered by your policy, e.g. when a licensed vehicle comes into stock, enter it onto the MID. When a licensed vehicle leaves stock, remove it from the MID.

#### Continue to meet your legal requirement

Updating your vehicle details regularly should be a standard practice within your business. More than one person should be aware of the process, and training should be given to new staff to ensure that your company retains this knowledge.

#### Key messages

- Ensure you know the contact details for your insurer/broker
- Data quality is important - make sure information is up to date and accurate

Defeating uninsured drivers will help limit the cost of your insurance  
and make our roads safer