

AA British Insurance Premium Index – 2014 quarter 2

23 July 2014

The AA British Insurance Premium Index (Index) has been tracking the quarterly movement of car and home insurance since 1994. It measures the market average premium (an average of all quotes on a UK-representative basket of 'customers') as well as the five cheapest quotes for each 'customer' to provide the Shoparound index.

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Motor insurance premiums – 2014 quarter 2

Another record fall in car premiums

- 19.3% fall in 12 months – biggest annual drop ever
- Is this the last hurrah for cheaper car premiums?

Average car insurance premiums continued to fall for the eighth quarter in succession, over the three months ending 30 June 2014, according to the latest benchmark AA British Insurance Premium Index.

The rate of fall over the second quarter has shown little sign of slowing. The average quoted Shoparound premium for an annual comprehensive car insurance policy fell by 6.1% to £504.29,¹ wiping more than £30 off the average price quoted for a new insurance policy. Over the last 12 months the average quoted premium has fallen by more than £120 or by 19.3%. This is once again the largest annual fall ever recorded by the Index, which started 20 years ago this month, when it simply tracked market average premiums from the direct and broker market.

However, despite this dramatic fall, Simon Douglas, director of [AA Insurance](#), says that there are signs that the rate of fall is about to slow.

"This could be the 'last hurrah' for cheaper car premiums. These falls are now becoming unsustainable as insurers are digging into reserves to maintain their competitive edge. Some insurers are starting to resist pressure to cut premiums," he says.

Taking the market as a whole, rather than the lowest five Shoparound quotes, the rate of fall over the quarter is just 1.6%.

"This suggests that many insurers are starting to increase their prices and I expect the sharp competition, particularly on price comparison sites, will soon evaporate.

"I think that the downward spiral of premiums is bottoming out."

Mr Douglas believes that reforms introduced by the government to curb fraudulent injury claims prompted premium reduction in anticipation that they would deliver cost savings.

Continued

¹ The AA Shoparound index is an average of the five cheapest premiums, quoted from the broker, the direct market and price comparison sites, for each risk in a nationwide basket of risks representative of the insurance buying public.

AA British Insurance Premium Index

"In fact this has not happened," he says. "Although the number of injury-claim lawyers cold-calling potential claimants has sharply fallen thanks to the reforms, the number of claims remains stubbornly high. While there have been modest savings in legal fees, it remains the case that too many people are still prepared to make some money from insurance companies either by deliberately causing crashes or exaggerating whiplash injury for even very minor collisions.

"Industry estimates suggest that insurance fraud adds up to £60 to every car insurance policy.² While the industry and enforcement agencies are getting better at detecting and stopping, more needs to be done to curb this rising tide of whiplash claims."

The House of Commons all-party Transport Committee has just published its latest report on car insurance in which it calls on the government to introduce further measures to remove the temptation to defraud insurers.³

Meanwhile, the 'My Licence' measure – in which insurers will ask policy applicants for their driving licence number, which will be used to obtain the driver's history from the DVLA – has just been introduced. This is expected to improve the application process for drivers as well as help to reduce insurer costs.

"However, I certainly don't anticipate the sharp rises we saw during 2010 and 2011, when premiums rose by more than 40% in just 12 months. But a lot rests on further measures being introduced to stop dishonest people from seeing insurers as a 'soft touch' for personal gain," adds Mr Douglas.

Continued

² Source: Association of British Insurers.

³ Link: <http://www.parliament.uk/business/committees/committees-a-z/commons-select/transport-committee/inquiries/parliament-2010/whiplash1/>

AA British Insurance Premium Index

Shoparound summary*

	2014 Q2	2014 Q1	Change	2013 Q2	Change
Comprehensive	£504.29	£537.33	-6.1%	£624.89	-19.3%
TPFT	£679.32	£740.86	-8.3%	£890.50	-23.7%

Market trends summary*

	2014 Q2	2014 Q1	Change	2013 Q2	Change
Comprehensive	£856.00	£869.97	-1.6%	£1,024.99	-16.5%
TPFT	£1,121.12	£1,186.75	-5.5%	£1,393.53	-19.5%

* TPFT appears to have a higher premium than comprehensive because the basket of risks reflects the type of driver that buys such cover, typically young drivers.

All of the above figures are an aggregation of both price comparison site and direct/broker markets.

The market trends summary is an aggregation of all quotes received for each risk in the AA's nationwide basket of risks. The Shoparound is an average of the five cheapest quotes for each risk.

Winners and losers – Shoparound by age

Over the quarter, the biggest winners in terms of premium reduction have once again been young drivers – those aged 23–29 benefited fractionally more than 17–22 year-olds. The latter saw a 7.5% fall to a Shoparound premium of £1,096.45 – which is nevertheless significantly higher than all other age bands. At the opposite end of the age scale, the smallest movement was a fall of just 2.6% among those aged 70 plus.

Age	2014 Q2	2014 Q1	Change	2013 Q2	Annual
17-22	£1,096.45	£1,184.94	-7.5%	£1,442.91	-24.0%
23-29	£649.70	£704.60	-7.8%	£839.87	-22.6%
30-39	£425.76	£450.34	-5.5%	£512.39	-16.9%
40-49	£401.11	£418.94	-4.3%	£473.89	-15.4%
50-59	£339.22	£361.07	-6.1%	£400.12	-15.2%
60-69	£291.56	£301.98	-3.4%	£334.84	-12.9%
70+	£359.79	£369.43	-2.6%	£400.10	-10.1%

Continued

AA British Insurance Premium Index

Winners and losers – Shoparound by region

The biggest winners were those in the Granada region (north-west England), seeing an average premium fall of 8.2% over the quarter, followed by Anglia with a fall of 7.7%. Nevertheless, with a Shoparound premium of £745.27 those in Granada pay the highest for their car insurance, followed by those in Yorkshire (£598.08).

Region	2014 Q2	2014 Q1	Change	2013 Q2	Annual
Anglia	£463.52	£502.42	-7.7%	560.71	-17.3%
Border & Tyne Tees	£504.97	£546.26	-7.6%	622.90	-18.9%
Central	£514.00	£551.74	-6.8%	642.40	-20.0%
Granada (north-west)	£745.27	£812.15	-8.2%	981.35	-24.1%
London	£596.98	£634.52	-5.9%	738.35	-19.1%
Scotland	£363.54	£387.70	-6.2%	461.79	-21.3%
South	£427.75	£454.77	-5.9%	532.99	-19.7%
Wales	£467.17	£481.06	-2.9%	559.88	-16.6%
West & West Country	£401.92	£430.68	-6.7%	496.24	-19.0%
Yorkshire	£598.08	£631.61	-5.3%	743.42	-19.6%

Note: There are insufficient risks to provide meaningful figures for Northern Ireland.

Continued

Motor insurance premiums – summary tables and charts 2014 Q2

Download the Index (csv file) for motor insurance

[2,800 risks for car insurance](#)

Motor insurance charts – direct market

Quarterly movements for car insurance

Motor insurance average premiums (table)

Motor insurance summary – region and age (table)

Premium changes by region

Premium changes by age

Motor insurance – comprehensive Shoparound premium trends

Motor insurance – TPFT Shoparound premium trends

Motor insurance charts – price comparison market

Motor insurance average premiums (table)

Motor insurance summary – region and age (table)

Premium changes by region

Premium changes by age

Home insurance premiums – 2014 quarter 2

Home insurance premiums slide faster than ever

- Premiums remain competitive but flood concerns remain
- Cost of cover cheaper in real terms than 20 years ago, when Index started

According to the latest benchmark AA British Insurance Premium Index, which this month marks its 20th anniversary, home insurance premiums continued their downward slide over the three months ending 30 June 2014.

The average quoted Shoparound premiums for each of buildings, contents and combined policies fell, continuing a trend that dates back to late 2012.⁴

At the end of June 2014, the Shoparound premium for a buildings policy was £116.51, a fall of 4.6% from £122.18 (and down 8.5% over 12 months). For contents, the average is £64.00, down 0.3% from £64.17 (down 5.7% over 12 months), while for a combined buildings and contents policy the average is £164.27, down 3.9% from £170.93 (9.6% over 12 months).

Simon Douglas, director of [AA Insurance](#), says that notwithstanding the floods at the beginning of 2014, the number of claims for damage caused by the weather have been lower in number and value than the industry was expecting.

"As a result, the home insurance market has been more profitable than for car insurance and this has given insurers the capacity to keep premiums in check.

"Although the cost of claims for homes affected by the most recent floods reached £1bn, this was within the capacity of the industry and it has had no effect on premiums – despite suggestions that it would trigger sharp premium increases.

"But flooding does remain a serious concern for the industry. A proposal to enable householders most likely to be affected by floods to obtain affordable insurance is currently being considered by Parliament. Called Flood Re, it is expected to be introduced during 2015.

"Flood Re will be funded by a levy on all home insurance premiums, and while that may trigger some premium increases, provided there are no severe weather events such as floods or extreme winters over the next couple of years, I expect home insurance competition to remain tough."

⁴ The AA Shoparound index is an average of the five cheapest premiums, quoted from the broker, the direct market and price comparison sites, for each risk in a nationwide basket of risks representative of the insurance buying public.

AA British Insurance Premium Index

Mr Douglas points out that over the 20 years since the Index started, when it simply tracked market average premiums from the direct and broker market, home premiums are now cheaper in real terms. Based on the original Index tracker, buildings cover is now only about 22% higher than when the Index started in July 1994. Overall, contents quotes are about 2% lower.

"Home insurance offers remarkable value for money," Mr Douglas says. "However, I would point out that low premiums – particularly on price comparison sites – may have several benefits stripped out in order to reach the lowest possible price. That doesn't necessarily equate to value for money so buyers should take care to ensure that the cover provides what they expect."

The AA British Insurance Premium Index is the longest-running quarterly tracker of home and car insurance premiums, and the only one to analyse home premiums.

Shoparound summary*

	2014 Q2	2014 Q1	Change	2013 Q2	Change
Buildings	£116.51	£122.18	-4.6%	£127.38	-8.5%
Contents	£64.00	£64.17	-0.3%	£67.89	-5.7%
Combined	£164.27	£170.93	-3.9%	£181.80	-9.6%

* Aggregation of price comparison site and direct/broker markets.

Home insurance premiums – summary tables and charts 2014 Q2

Download the Index (csv file) for home insurance:

[750 risks for home insurance](#)

Continued

AA British Insurance Premium Index

Home insurance charts – direct market

Quarterly movements for home insurance

Home insurance average premiums (table)

Home insurance – buildings average premiums (table)

Home insurance – contents average premiums (table)

Home insurance – combined average premiums (table)

Premium changes by region

Premium changes by age

Premium changes by property type

Premium changes by year built

Home insurance – buildings Shoparound premium trends

Home insurance – contents Shoparound premium trends

Home insurance charts – price comparison market

Home insurance average premiums (table)

Home insurance – buildings average premiums (table)

Home insurance – contents average premiums (table)

Home insurance – combined average premiums (table)

Premium changes by region

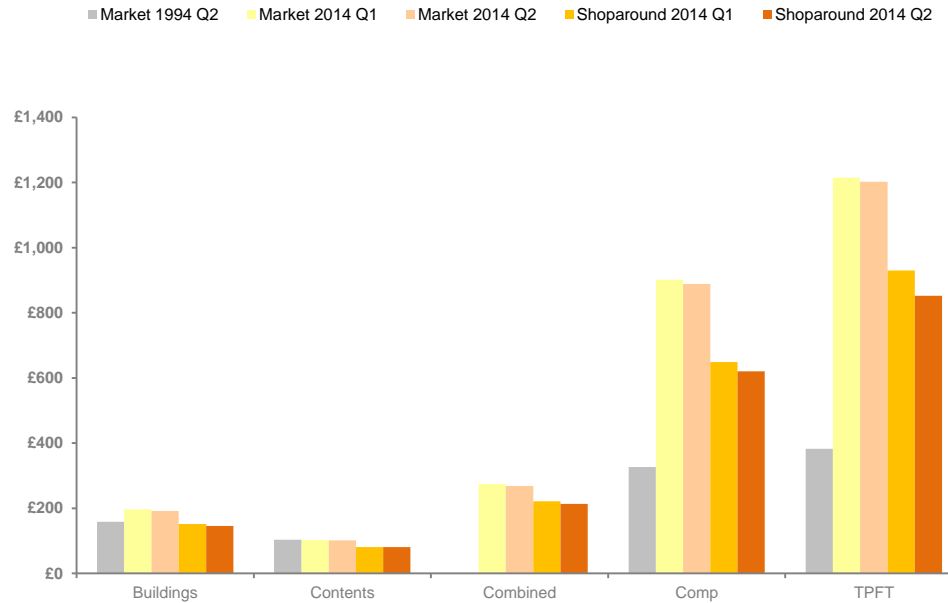
Premium changes by age

Premium changes by property type

Premium changes by year built

AA British Insurance Premium Index - average premiums

	Buildings	Contents	Combined	Comp	TPFT
Market 1994 Q2	£158.02	£103.85		£326.10	£382.91
Market 2014 Q1	£197.06	£102.78	£274.15	£902.07	£1,214.90
Market 2014 Q2	£192.32	£101.89	£269.06	£888.33	£1,202.01
Shoparound 2014 Q1	£151.99	£80.48	£221.50	£648.74	£929.98
Shoparound 2014 Q2	£145.52	£80.56	£213.93	£620.09	£851.98



A base rate of 100 was set at July 1994. The British Insurance Premium Index gives a quarterly update on the movements of home insurance on 750 risks each for buildings and contents, and on 2800 car insurance risks - 2500 comprehensive and 300 TPFT. July 1994 and subsequent premiums are assumed average premiums rebased in line with BIPI production methods over time.

The Index shows average car insurance premiums based on open market rates from 80 of the UK's leading insurers and home premiums across 72 insurers. Composites, direct writers and online providers are included.

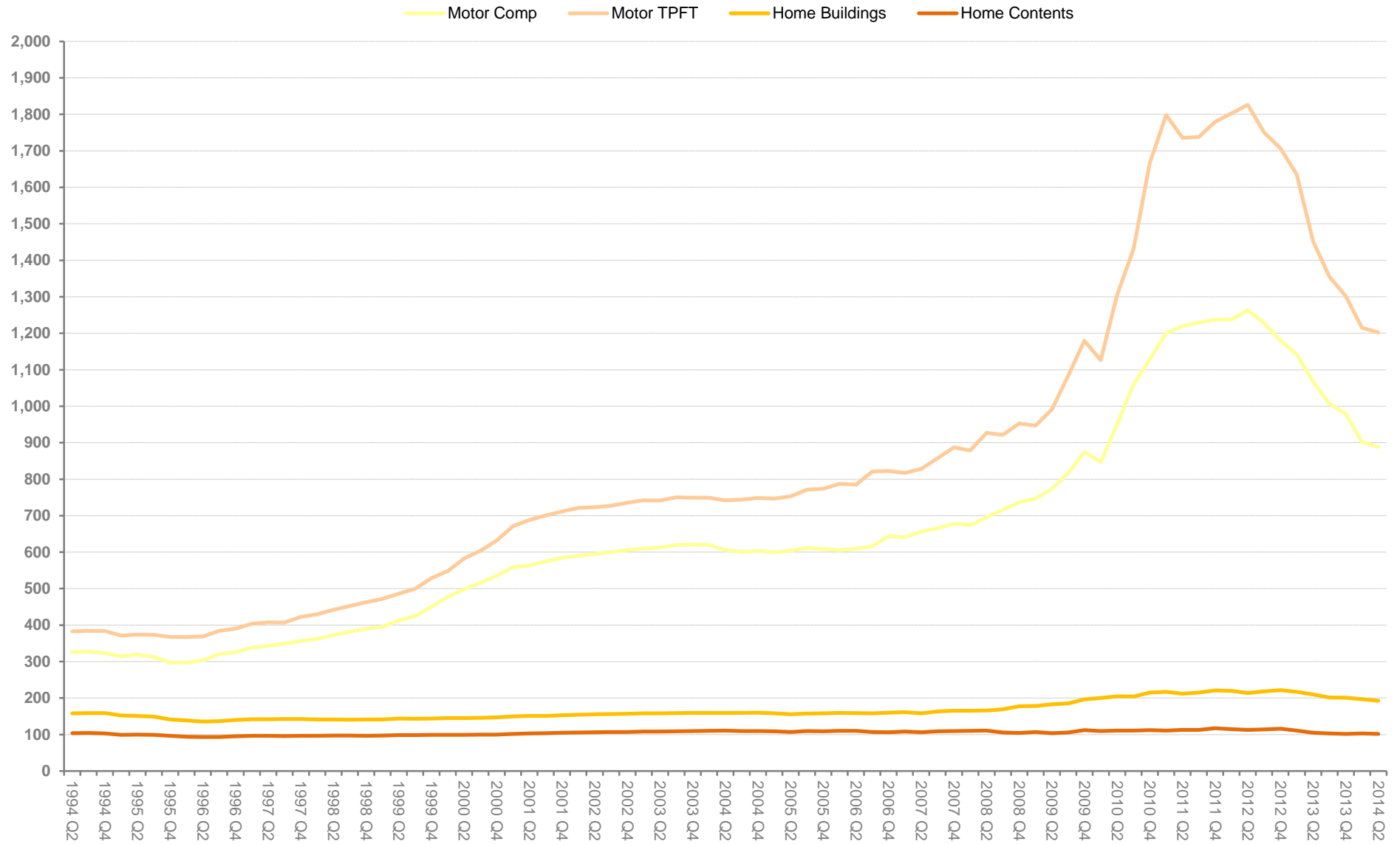
The quarterly move compares the market average premium this quarter with the previous quarter.

The shoparound premium is the average of the five lowest premiums quoted by the insurers in the market survey. This more closely reflects the price paid, but does not take account of discretionary discounts offered.

All premiums shown include Insurance Premium Tax at the prevailing rate.
Premiums shown for July 1994 alone are free of IPT

While it is not possible to include risks from every town in the UK, those selected are typical risks, reflecting a cross section of the insurance market. Movements by specific towns are checked separately using a basket of 250000 risks.

AA British Insurance Premium Index - market average trends

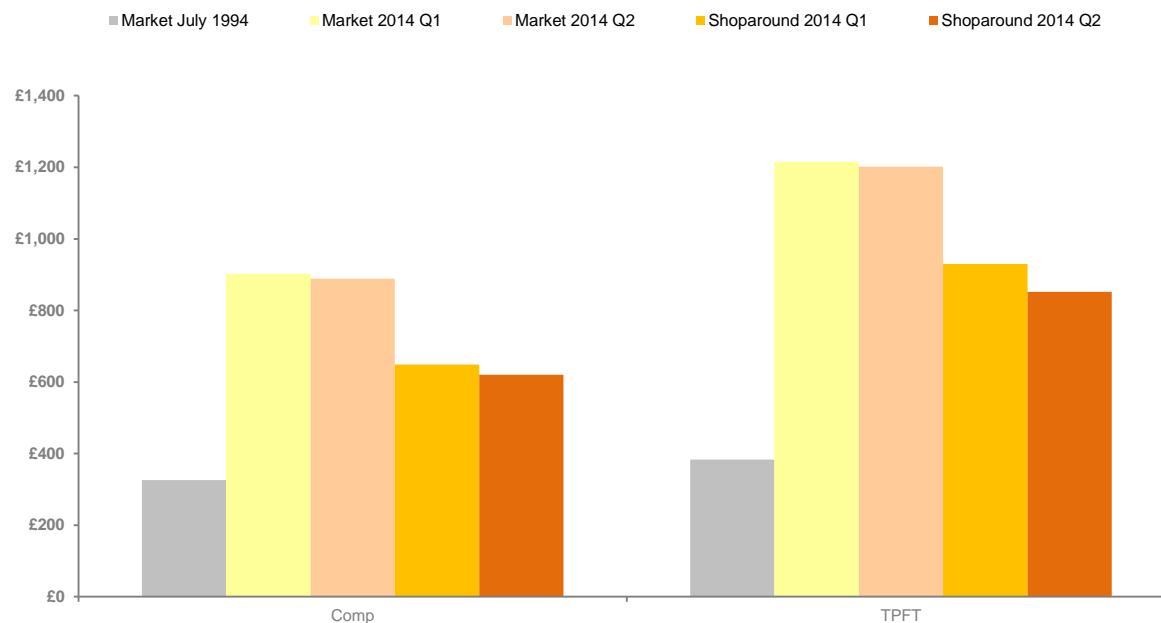


AA British Insurance Premium Index

Motor direct market summaries

AA British Insurance Premium Index - average premiums

	Comp	TPFT
Market July 1994	£326.10	£382.91
Market 2014 Q1	£902.07	£1,214.90
Market 2014 Q2	£888.33	£1,202.01
Shoparound 2014 Q1	£648.74	£929.98
Shoparound 2014 Q2	£620.09	£851.98



A base rate of 100 was set at July 1994. The British Insurance Premium Index gives a quarterly update on the movements of 2800 car insurance risks - 2500 comprehensive and 300 TPFT. July 1994 and subsequent premiums are assumed average premiums rebased in line with BIPI production methods over time.

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Motor average premiums

2014 Q2

Market summary

	2014 Q2	2014 Q1	Change	2013 Q2	Change
Comprehensive	£888.33	£902.07	-1.5%	£1,067.02	-16.7%
Third Party Fire & Theft	£1,202.01	£1,214.90	-1.1%	£1,452.21	-17.2%

Shoparound summary

	2014 Q2	2014 Q1	Change	2013 Q2	Change
Comprehensive	£620.09	£648.74	-4.4%	£762.46	-18.7%
Third Party Fire & Theft	£851.98	£929.98	-8.4%	£1,107.11	-23.0%

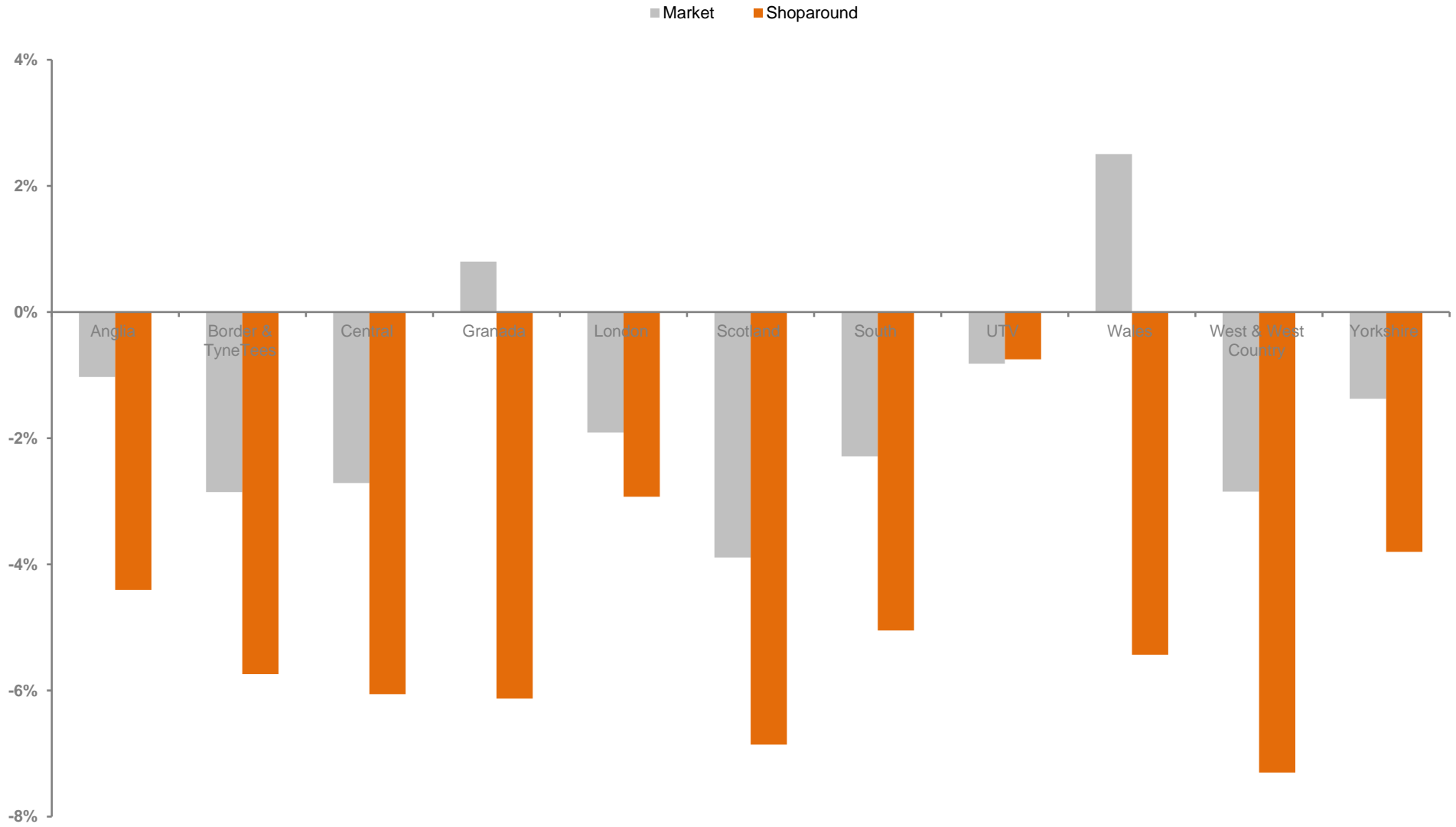
Motor summary by region - market

Region	No. risks	Market			Shoparound		
		2014 Q2	2014 Q1	Change	2014 Q2	2014 Q1	Change
Anglia	214	£781.31	£789.44	-1.0%	£574.01	£600.45	-4.4%
Border & TyneTees	130	£920.77	£947.81	-2.9%	£618.44	£656.08	-5.7%
Central	314	£918.41	£943.99	-2.7%	£623.25	£663.45	-6.1%
Granada	236	£1,318.25	£1,307.75	0.8%	£906.92	£966.14	-6.1%
London	424	£1,057.33	£1,077.93	-1.9%	£714.37	£735.92	-2.9%
Scotland	170	£604.30	£628.76	-3.9%	£438.34	£470.60	-6.9%
South	336	£735.48	£752.68	-2.3%	£542.43	£571.27	-5.0%
UTV	63	£1,144.60	£1,154.02	-0.8%	£778.16	£784.02	-0.7%
Wales	170	£807.22	£787.47	2.5%	£585.43	£619.05	-5.4%
West & West Country	200	£708.33	£729.09	-2.8%	£487.70	£526.11	-7.3%
Yorkshire	217	£1,053.78	£1,068.46	-1.4%	£768.97	£799.34	-3.8%

Motor summary by age - market

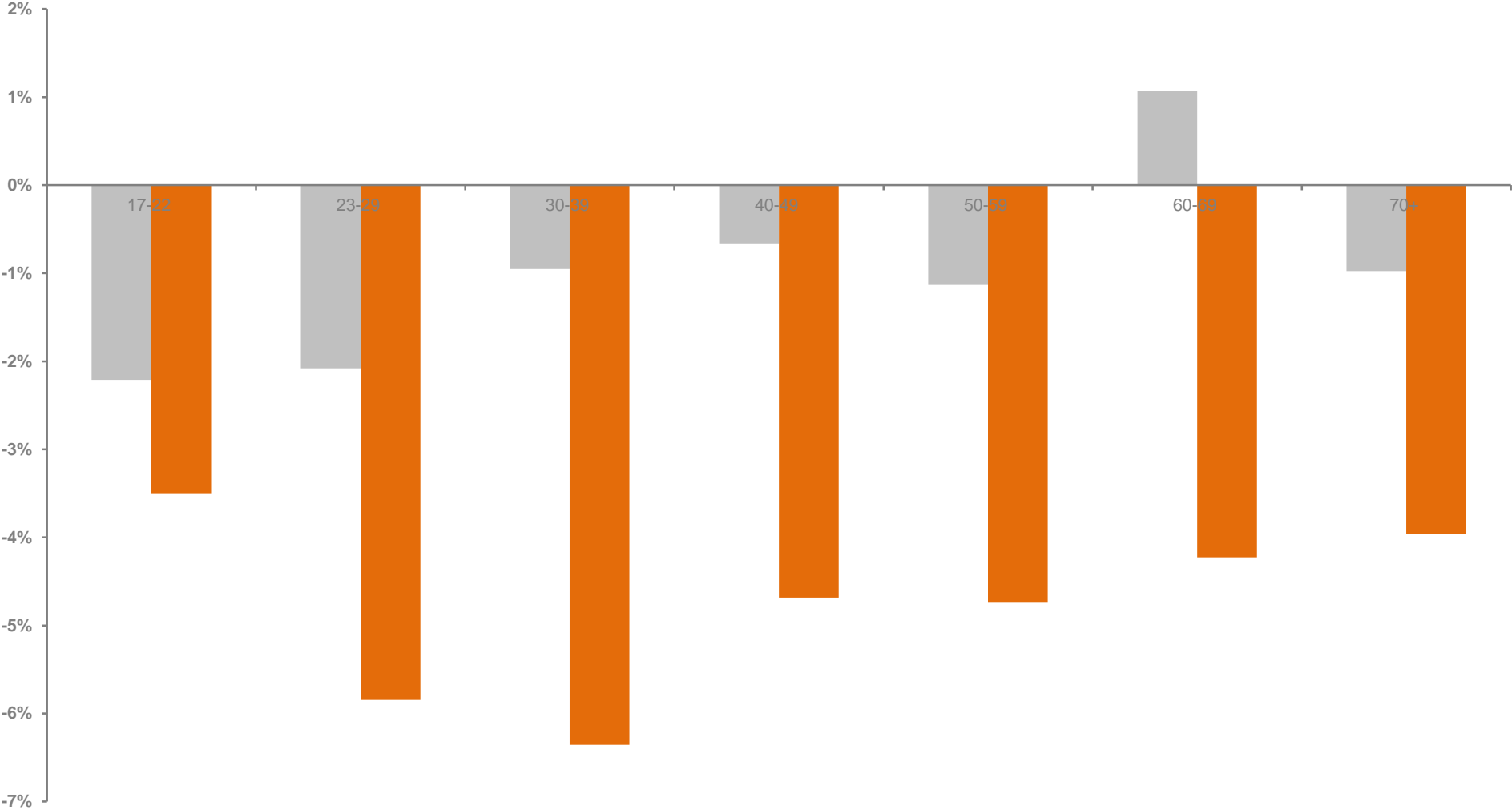
Age	No. risks	Market			Shoparound		
		2014 Q2	2014 Q1	Change	2014 Q2	2014 Q1	Change
17-22	258	£1,944.18	£1,988.11	-2.2%	£1,402.69	£1,453.55	-3.5%
23-29	473	£1,151.31	£1,175.75	-2.1%	£887.82	£942.95	-5.8%
30-39	400	£742.25	£749.40	-1.0%	£566.73	£605.21	-6.4%
40-49	470	£701.78	£706.45	-0.7%	£484.31	£508.10	-4.7%
50-59	358	£546.30	£552.57	-1.1%	£402.13	£422.14	-4.7%
60-69	372	£474.93	£469.92	1.1%	£374.21	£390.72	-4.2%
70+	143	£566.03	£571.61	-1.0%	£463.46	£482.60	-4.0%

AA BIPI - Motor premium movement by region - 2014 Q2

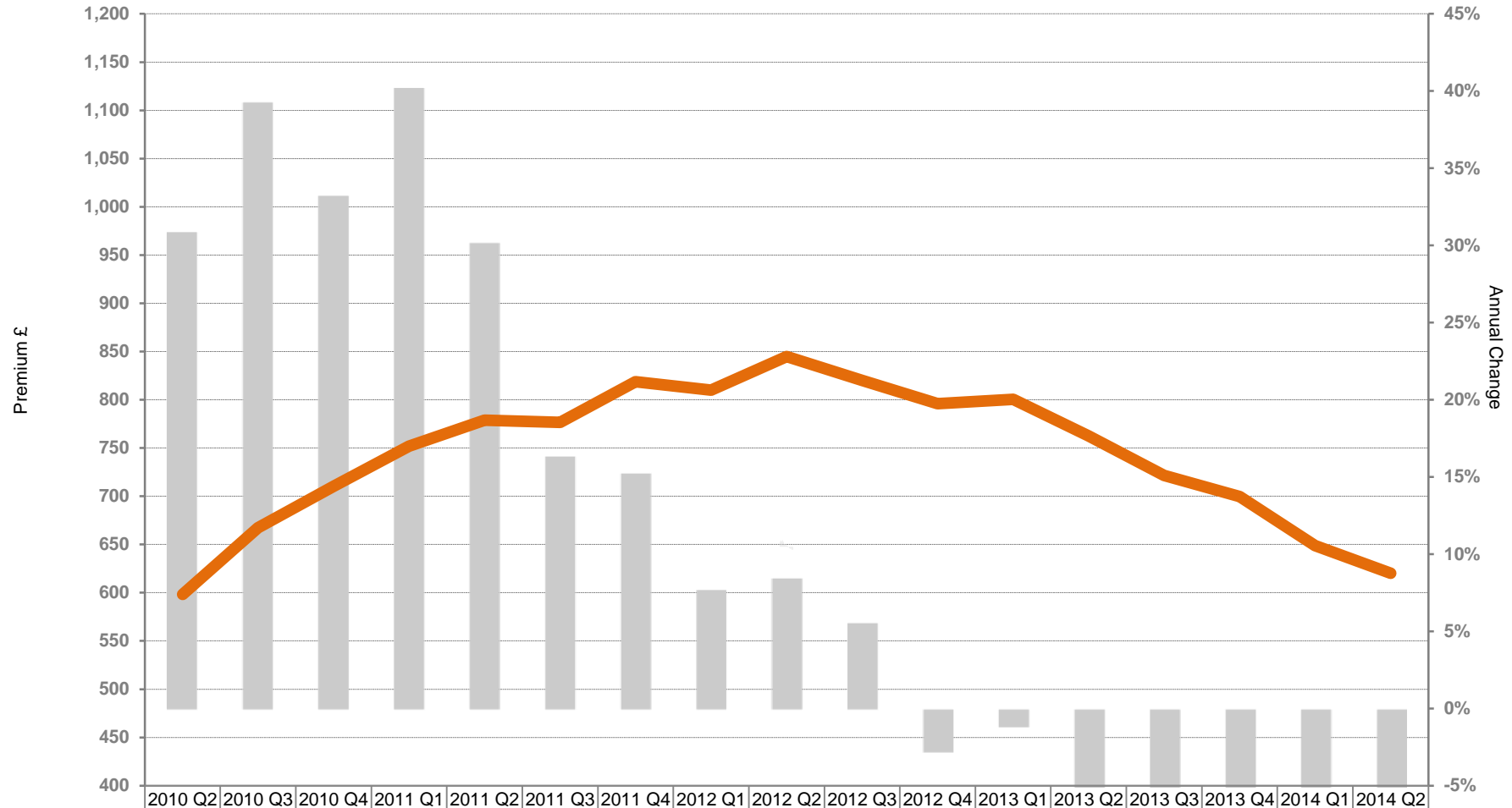


AA BIPI - Motor premium movement by age - 2014 Q2

Market Shoparound

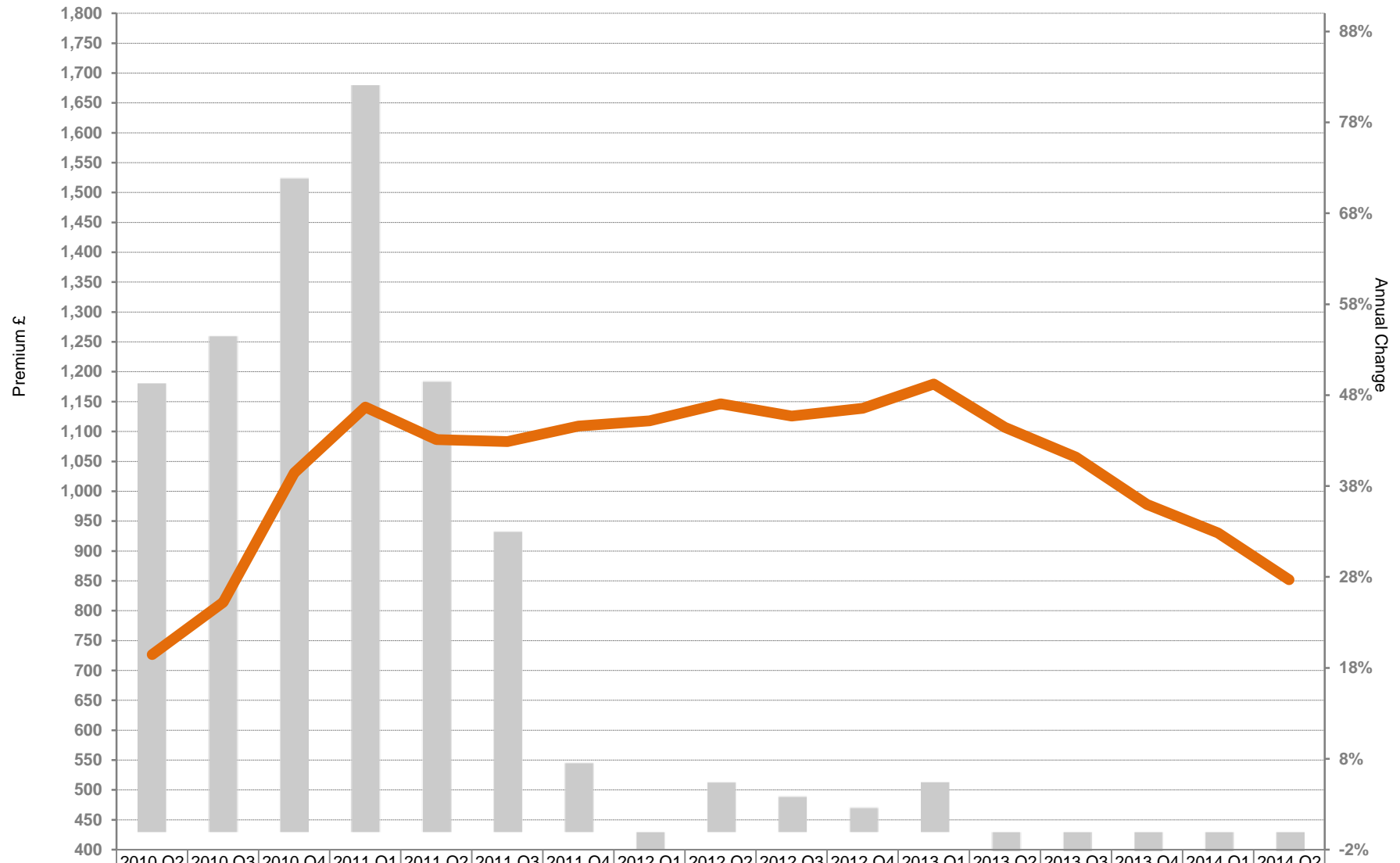


AA BIPI - Motor comprehensive Shoparound premium trends



Annual Change	30.9%	39.3%	33.2%	40.1%	30.1%	16.4%	15.3%	7.7%	8.5%	5.6%	-2.8%	-1.2%	-9.7%	-12.0%	-12.1%	-19.0%	-18.7%
Comp Premium	598.38	667.42	710.30	751.93	778.75	776.62	818.78	809.92	844.78	820.02	796.06	800.53	762.46	721.49	699.54	648.74	620.09

AA BIPI - Motor third party Shoparound premium trends



	2010 Q2	2010 Q3	2010 Q4	2011 Q1	2011 Q2	2011 Q3	2011 Q4	2012 Q1	2012 Q2	2012 Q3	2012 Q4	2013 Q1	2013 Q2	2013 Q3	2013 Q4	2014 Q1	2014 Q2
Annual Change	49.4%	54.6%	71.9%	82.1%	49.6%	33.1%	7.6%	-2.0%	5.5%	3.9%	2.7%	5.5%	-3.4%	-6.1%	-14.1%	-21.2%	-23.0%
3rd Party Prem	726.44	813.99	1,030.7	1,140.9	1,086.5	1,083.2	1,109.1	1,117.9	1,146.2	1,125.8	1,138.8	1,179.6	1,107.1	1,057.0	977.95	929.98	851.98

AA British Insurance Premium Index

Motor aggregator market summaries

**Motor aggregator average premiums
2014 Q2**

Market summary

	2014 Q2	2014 Q1	Change	2013 Q2	Change
Comprehensive	£842.14	£856.22	- 1.6%	£1,006.98	- 16.4%
Third Party Fire & Theft	£1,086.45	£1,174.68	- 7.5%	£1,368.38	- 20.6%

Shoparound summary

	2014 Q2	2014 Q1	Change	2013 Q2	Change
Comprehensive	£454.66	£489.59	- 7.1%	£565.93	- 19.7%
Third Party Fire & Theft	£605.32	£659.81	- 8.3%	£797.67	- 24.1%

No. insurers 116

Motor summary by region - aggregator

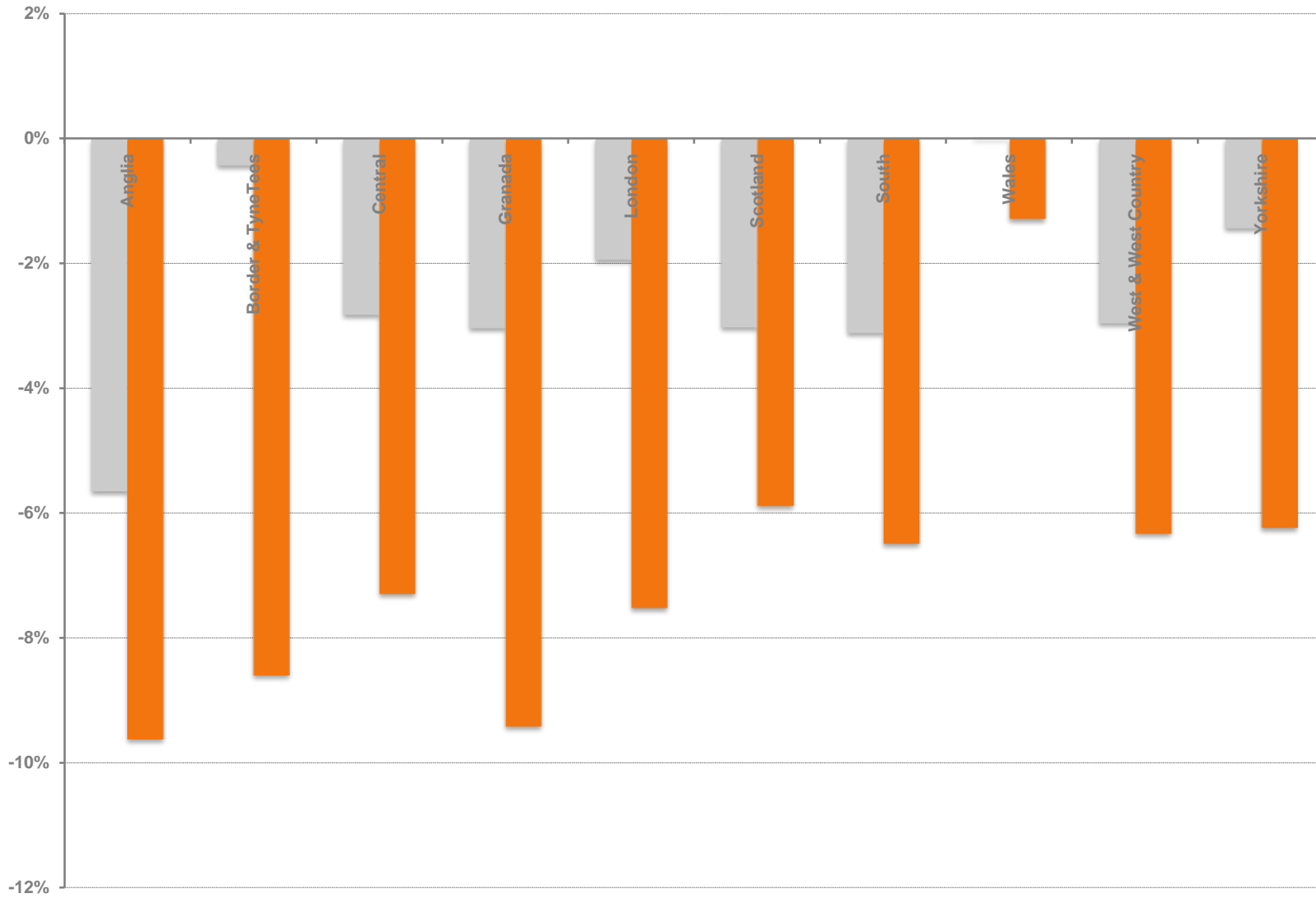
Region	No. risks	Market			Shoparound		
		2014 Q2	2014 Q1	Change	2014 Q2	2014 Q1	Change
Anglia	240	£767.84	£813.71	-5.6%	£416.17	£460.41	-9.6%
Border & TyneTees	148	£841.78	£845.44	-0.4%	£456.34	£499.20	-8.6%
Central	371	£848.72	£873.36	-2.8%	£467.17	£503.87	-7.3%
Granada	290	£1,338.64	£1,380.51	-3.0%	£675.99	£746.16	-9.4%
London	486	£997.94	£1,017.71	-1.9%	£546.67	£591.06	-7.5%
Scotland	188	£575.52	£593.44	-3.0%	£331.48	£352.17	-5.9%
South	370	£675.13	£696.79	-3.1%	£378.60	£404.85	-6.5%
Wales	187	£733.09	£732.95	0.0%	£416.48	£421.92	-1.3%
West & West Country	219	£656.69	£676.68	-3.0%	£365.16	£389.78	-6.3%
Yorkshire	246	£988.42	£1,002.84	-1.4%	£524.84	£559.73	-6.2%

Motor summary by age - aggregator

Age	No. risks	Market			Shoparound		
		2014 Q2	2014 Q1	Change	2014 Q2	2014 Q1	Change
17-22	439	£1,857.23	£1,957.64	-5.1%	£965.21	£1,069.82	-9.8%
23-29	536	£1,057.47	£1,075.95	-1.7%	£547.64	£602.45	-9.1%
30-39	404	£636.22	£644.73	-1.3%	£365.34	£383.97	-4.9%
40-49	482	£645.25	£643.48	0.3%	£365.46	£380.73	-4.0%
50-59	371	£532.09	£536.88	-0.9%	£312.26	£334.90	-6.8%
60-69	381	£445.14	£449.11	-0.9%	£256.14	£263.94	-3.0%
70+	147	£525.36	£534.59	-1.7%	£315.36	£320.92	-1.7%

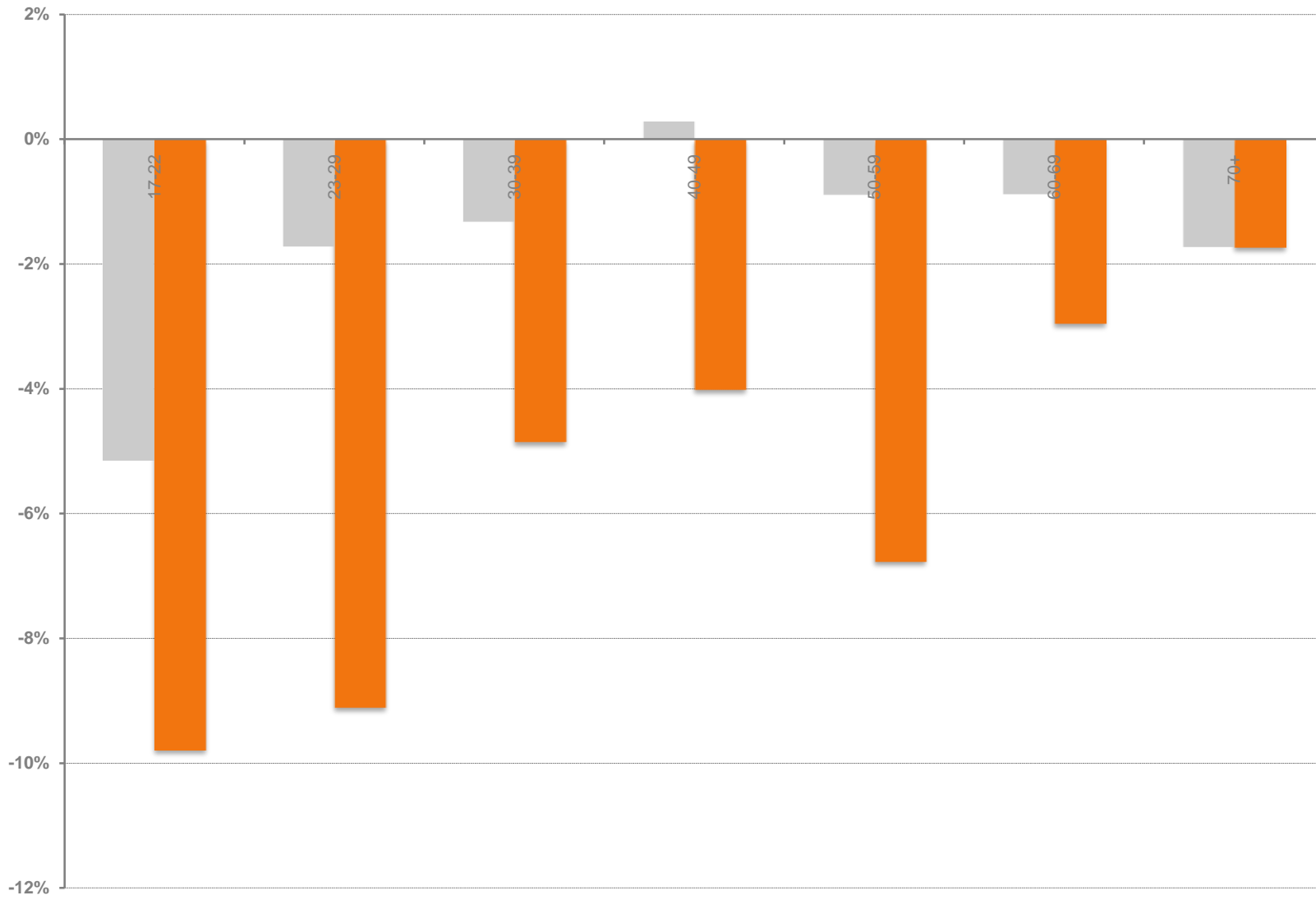
AA BIPI - Motor aggregator premium movement by region - 2014 Q2

■ Market ■ Shoparound



AA BIPI - Motor aggregator premium movement by age - 2014 Q2

■ Market ■ Shoparound

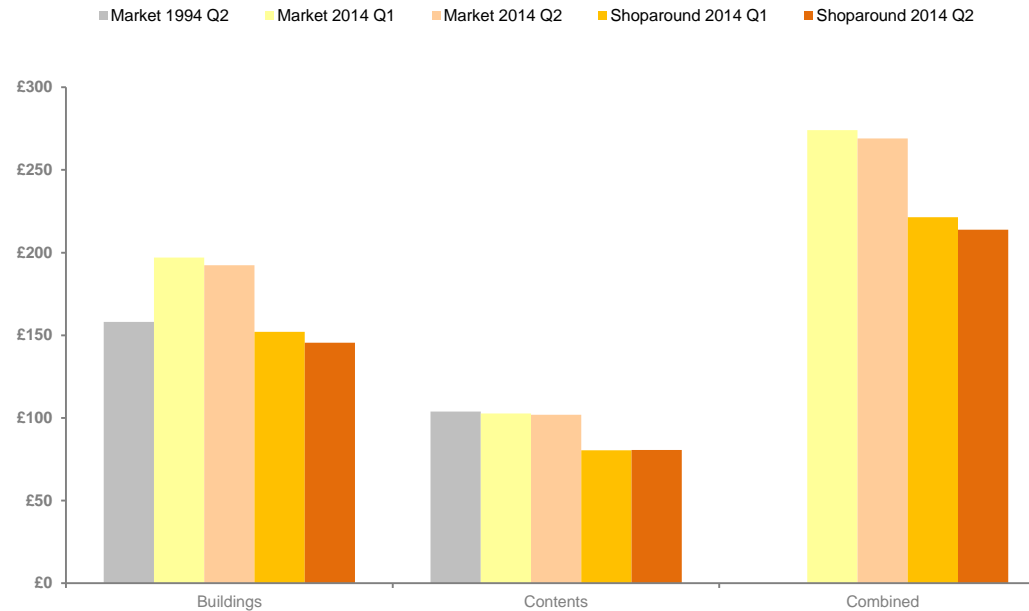


AA British Insurance Premium Index

Home direct market summaries

AA British Insurance Premium Index - average premiums

	Buildings	Contents	Combined
Market 1994 Q2	£158.02	£103.85	
Market 2014 Q1	£197.06	£102.78	£274.15
Market 2014 Q2	£192.32	£101.89	£269.06
Shoparound 2014 Q1	£151.99	£80.48	£221.50
Shoparound 2014 Q2	£145.52	£80.56	£213.93



A base rate of 100 was set at July 1994. The British Insurance Premium Index gives a quarterly update on the movements of home insurance on 750 risks each for buildings and contents. July 1994 and subsequent premiums are assumed average premiums rebased in line with BIPI production methods over time.

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Home average premiums
2014 Q2

Market summary

	2014 Q2	2014 Q1	Change	2013 Q2	Change
Buildings	£192.32	£197.06	-2.4%	£210.08	-8.5%
Contents	£101.89	£102.78	-0.9%	£105.13	-3.1%
Combined	£269.06	£274.15	-1.9%	£292.60	-8.0%

Shoparound summary

	2014 Q2	2014 Q1	Change	2013 Q2	Change
Buildings	£145.52	£151.99	-4.3%	£160.37	-9.3%
Contents	£80.56	£80.48	0.1%	£83.92	-4.0%
Combined	£213.93	£221.50	-3.4%	£237.76	-10.0%

Regional summary

Buildings

Region	No. risks	Market			Shoparound		
		2014 Q2	2014 Q1	Change	2014 Q2	2014 Q1	Change
Border & TyneTees	52	£191.19	£198.32	-3.6%	£143.64	£152.15	-5.6%
Central & Granada	169	£187.44	£190.85	-1.8%	£141.58	£148.05	-4.4%
London & South	216	£201.72	£206.48	-2.3%	£154.92	£161.23	-3.9%
Scotland	65	£184.15	£188.68	-2.4%	£140.07	£143.59	-2.5%
Wales	40	£209.15	£215.42	-2.9%	£160.70	£175.19	-8.3%
West & West Country	55	£182.20	£186.36	-2.2%	£134.07	£140.44	-4.5%
Yorkshire & Anglia	153	£187.52	£192.79	-2.7%	£139.68	£144.91	-3.6%

Age summary

Buildings

Age	No. risks	Market			Shoparound		
		2014 Q2	2014 Q1	Change	2014 Q2	2014 Q1	Change
17-22	17	£215.96	£224.38	-3.8%	£156.12	£164.74	-5.2%
23-29	44	£210.28	£218.03	-3.6%	£159.08	£167.67	-5.1%
30-39	208	£200.07	£205.58	-2.7%	£150.52	£157.35	-4.3%
40-49	243	£199.85	£203.88	-2.0%	£151.09	£158.91	-4.9%
50-59	120	£184.01	£188.24	-2.2%	£141.14	£145.91	-3.3%
60-69	48	£159.45	£163.86	-2.7%	£119.17	£123.42	-3.4%
70+	70	£162.88	£166.16	-2.0%	£125.78	£129.12	-2.6%

Property summary

Buildings

Property type	No. risks	Market			Shoparound		
		2014 Q2	2014 Q1	Change	2014 Q2	2014 Q1	Change
Detached Bungalow	77	£177.54	£189.88	-6.5%	£133.90	£140.41	-4.6%
Detached House	216	£235.77	£238.96	-1.3%	£170.93	£179.04	-4.5%
End Terraced House	19	£177.52	£184.64	-3.9%	£132.81	£141.94	-6.4%
First Floor Flat	34	£166.77	£172.98	-3.6%	£162.59	£165.11	-1.5%
Mid Terraced House	159	£186.71	£190.30	-1.9%	£142.91	£149.12	-4.2%
Semi Detached Bungalow	6	£159.84	£165.11	-3.2%	£120.95	£125.16	-3.4%
Semi Detached House	239	£167.16	£171.21	-2.4%	£127.22	£132.80	-4.2%

Year built summary

Buildings

Year built	No. risks	Market			Shoparound		
		2014 Q2	2014 Q1	Change	2014 Q2	2014 Q1	Change
<1920	194	£260.51	£265.00	-1.7%	£194.16	£206.24	-5.9%
1920-1945	150	£191.43	£196.66	-2.7%	£145.67	£151.32	-3.7%
1946-1979	301	£164.94	£169.81	-2.9%	£125.93	£130.43	-3.4%
1980-1999	100	£146.87	£151.00	-2.7%	£112.24	£115.08	-2.5%
2000+	5	£130.46	£134.52	-3.0%	£97.65	£103.67	-5.8%

Regional summary

Contents

Region	No. risks	Market			Shoparound		
		2014 Q2	2014 Q1	Change	2014 Q2	2014 Q1	Change
Border & TyneTees	52	£96.32	£97.42	-1.1%	£75.13	£74.54	0.8%
Central & Granada	169	£108.19	£109.35	-1.1%	£85.54	£85.39	0.2%
London & South	216	£103.91	£104.39	-0.5%	£82.23	£82.14	0.1%
Scotland	65	£88.60	£90.47	-2.1%	£69.38	£70.01	-0.9%
Wales	40	£98.34	£99.52	-1.2%	£80.99	£81.88	-1.1%
West & West Country	55	£93.40	£93.74	-0.4%	£73.73	£72.98	1.0%
Yorkshire & Anglia	153	£103.59	£104.39	-0.8%	£81.63	£81.55	0.1%

Age summary

Contents

Age	No. risks	Market			Shoparound		
		2014 Q2	2014 Q1	Change	2014 Q2	2014 Q1	Change
17-22	17	£128.59	£134.33	-4.3%	£100.96	£107.35	-6.0%
23-29	44	£126.89	£130.16	-2.5%	£98.38	£99.50	-1.1%
30-39	208	£112.28	£113.48	-1.1%	£87.29	£87.74	-0.5%
40-49	243	£102.29	£102.35	-0.1%	£81.56	£80.67	1.1%
50-59	120	£94.45	£94.52	-0.1%	£75.18	£74.45	1.0%
60-69	48	£81.80	£82.70	-1.1%	£65.52	£65.17	0.5%
70+	70	£73.94	£75.51	-2.1%	£60.44	£60.66	-0.4%

Property summary

Contents

Property type	No. risks	Market			Shoparound		
		2014 Q2	2014 Q1	Change	2014 Q2	2014 Q1	Change
Detached Bungalow	77	£89.78	£90.45	-0.7%	£70.12	£69.65	0.7%
Detached House	216	£105.24	£105.31	-0.1%	£83.91	£83.01	1.1%
End Terraced House	19	£115.24	£118.37	-2.6%	£87.61	£86.76	1.0%
First Floor Flat	34	£104.66	£106.87	-2.1%	£89.58	£91.59	-2.2%
Mid Terraced House	159	£105.48	£107.45	-1.8%	£82.54	£83.50	-1.1%
Semi Detached Bungalow	6	£88.56	£88.01	0.6%	£71.43	£71.46	-0.1%
Semi Detached House	239	£99.25	£99.90	-0.6%	£77.96	£77.84	0.1%

Year built summary

Contents

Year built	No. risks	Market			Shoparound		
		2014 Q2	2014 Q1	Change	2014 Q2	2014 Q1	Change
<1920	194	£115.57	£116.96	-1.2%	£93.40	£93.72	-0.3%
1920-1945	150	£108.91	£109.44	-0.5%	£84.52	£84.42	0.1%
1946-1979	301	£93.28	£94.31	-1.1%	£73.13	£72.97	0.2%
1980-1999	100	£91.33	£91.27	0.1%	£72.50	£71.94	0.8%
2000+	5	£89.34	£92.82	-3.7%	£71.97	£72.30	-0.5%

Regional summary

Combined

Region	No. risks	Market			Shoparound		
		2014 Q2	2014 Q1	Change	2014 Q2	2014 Q1	Change
Border & TyneTees	52	£267.02	£274.99	-2.9%	£207.78	£217.46	-4.5%
Central & Granada	169	£270.97	£275.22	-1.5%	£215.70	£223.35	-3.4%
London & South	216	£278.46	£282.05	-1.3%	£223.42	£228.83	-2.4%
Scotland	65	£247.52	£253.56	-2.4%	£197.02	£201.34	-2.1%
Wales	40	£284.39	£293.18	-3.0%	£229.63	£244.78	-6.2%
West & West Country	55	£253.25	£258.03	-1.9%	£195.04	£202.65	-3.8%
Yorkshire & Anglia	153	£265.19	£271.13	-2.2%	£210.52	£219.74	-4.2%

Age summary

Combined

Age	No. risks	Market			Shoparound		
		2014 Q2	2014 Q1	Change	2014 Q2	2014 Q1	Change
17-22	17	£314.27	£323.17	-2.8%	£241.95	£251.11	-3.6%
23-29	44	£303.99	£311.08	-2.3%	£241.09	£248.18	-2.9%
30-39	208	£283.49	£289.10	-1.9%	£223.16	£233.19	-4.3%
40-49	243	£277.08	£280.85	-1.3%	£220.53	£228.50	-3.5%
50-59	120	£256.59	£261.76	-2.0%	£206.79	£212.97	-2.9%
60-69	48	£222.38	£229.53	-3.1%	£175.63	£180.69	-2.8%
70+	70	£218.77	£223.26	-2.0%	£178.19	£181.13	-1.6%

Property summary

Combined

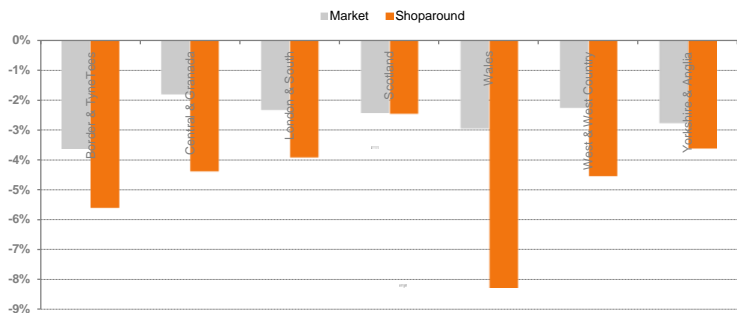
Property type	No. risks	Market			Shoparound		
		2014 Q2	2014 Q1	Change	2014 Q2	2014 Q1	Change
Detached Bungalow	77	£246.74	£260.98	-5.5%	£195.91	£203.04	-3.5%
Detached House	216	£312.67	£316.78	-1.3%	£241.94	£250.79	-3.5%
End Terraced House	19	£266.57	£275.74	-3.3%	£207.35	£217.80	-4.8%
First Floor Flat	34	£229.69	£221.23	3.8%	£218.45	£205.09	6.5%
Mid Terraced House	159	£266.85	£271.77	-1.8%	£213.96	£225.87	-5.3%
Semi Detached Bungalow	6	£224.37	£228.45	-1.8%	£180.85	£185.76	-2.6%
Semi Detached House	239	£245.23	£250.02	-1.9%	£195.11	£201.59	-3.2%

Year built summary

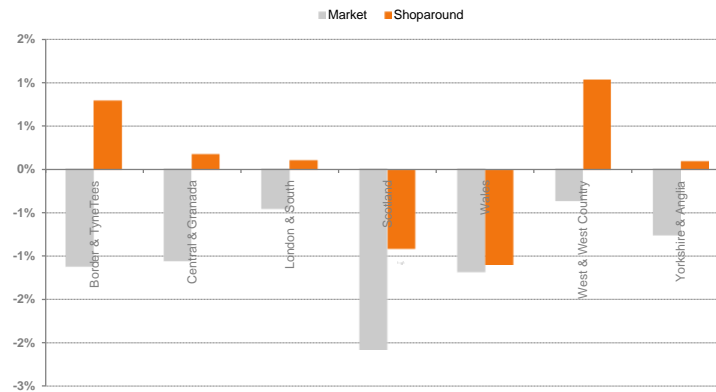
Combined

Year built	No. risks	Market			Shoparound		
		2014 Q2	2014 Q1	Change	2014 Q2	2014 Q1	Change
<1920	194	£341.51	£347.99	-1.9%	£270.60	£286.28	-5.5%
1920-1945	150	£276.12	£280.75	-1.6%	£218.87	£225.57	-3.0%
1946-1979	301	£236.91	£241.69	-2.0%	£188.35	£192.78	-2.3%
1980-1999	100	£218.02	£221.96	-1.8%	£176.12	£178.71	-1.5%
2000+	5	£202.39	£209.44	-3.4%	£162.22	£170.82	-5.0%

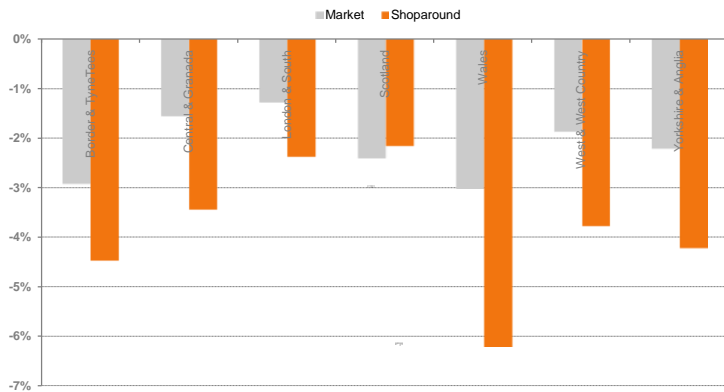
AA BIPI - Home buildings premium movement by region - 2014 Q2



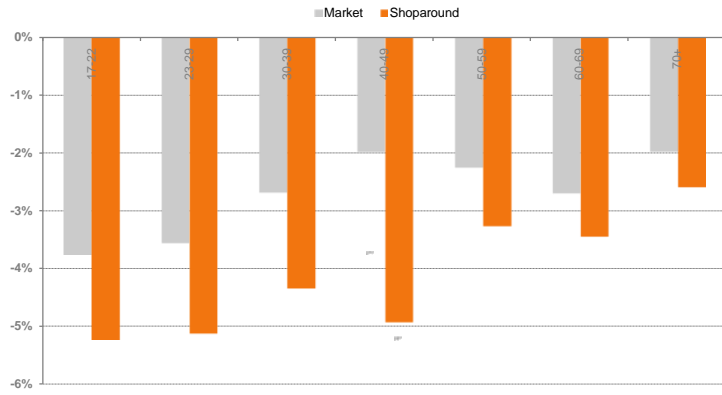
AA BIPI - Home contents premium movement by region - 2014 Q2



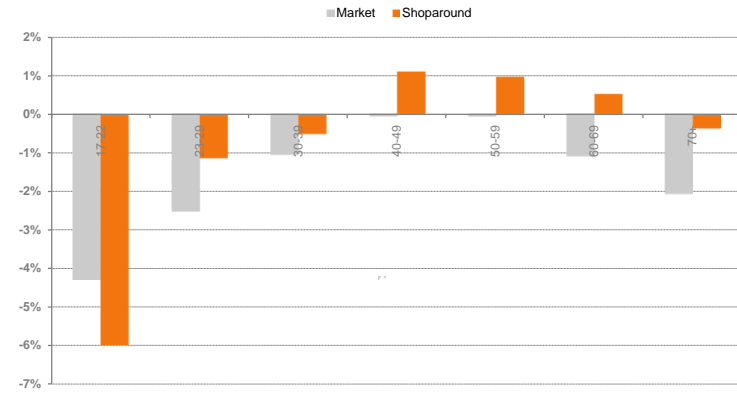
AA BIPI - Home combined premium movement by region - 2014 Q2



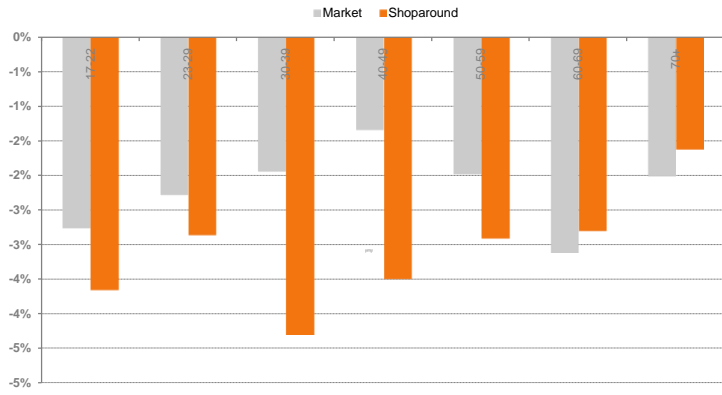
AA BIPI - Home buildings premium movement by age - 2014 Q2



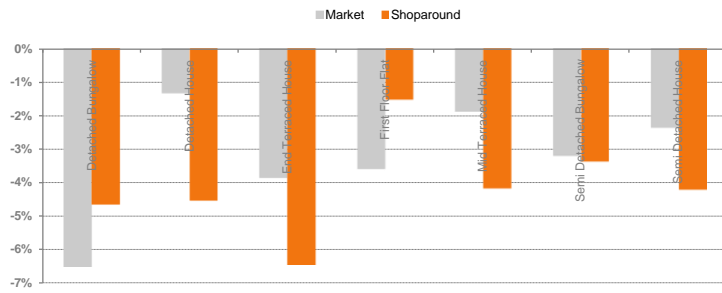
AA BIPI - Home contents premium movement by age - 2014 Q2



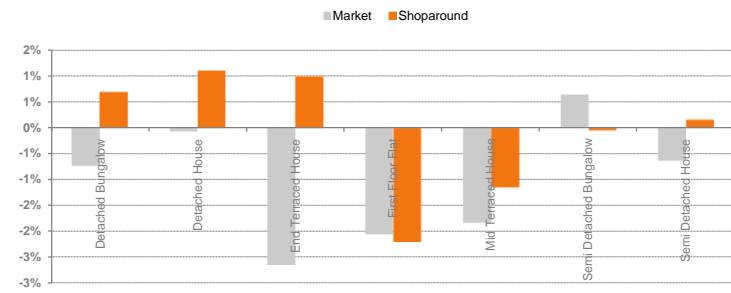
AA BIPI - Home combined premium movement by age - 2014 Q2



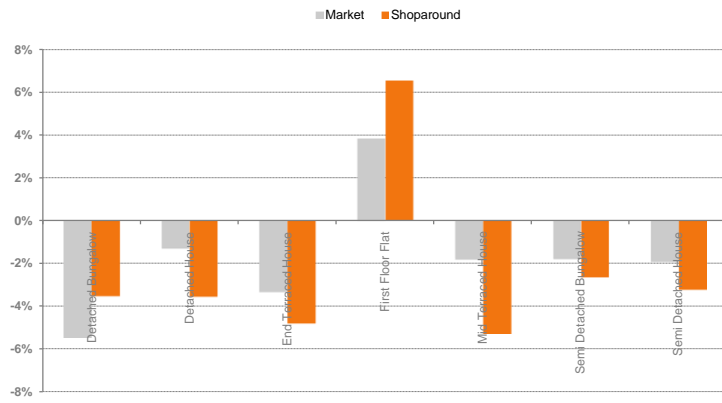
AA BIPI - Home buildings premium movement by property type - 2014 Q2



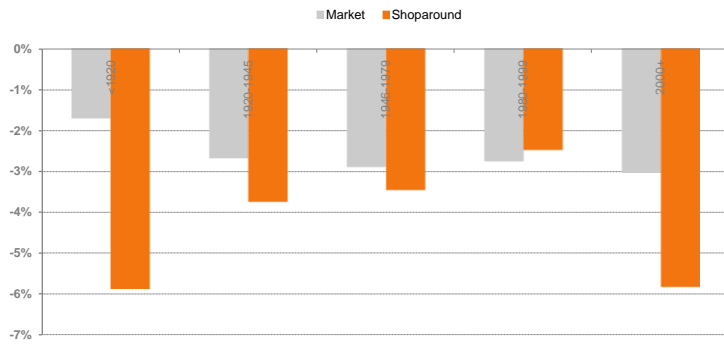
AA BIPI - Home contents premium movement by property type - 2014 Q2



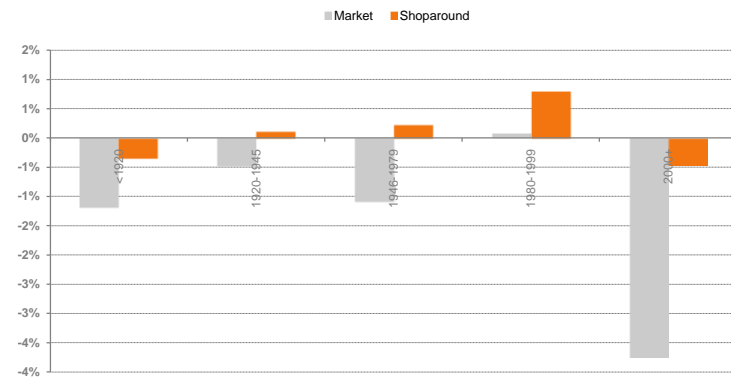
AA BIPI - Home combined premium movement by property type - 2014 Q2



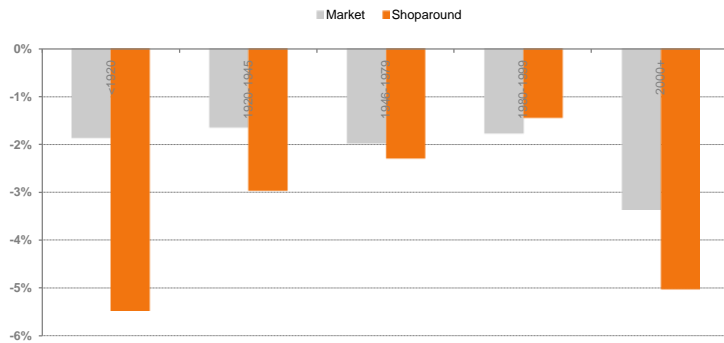
AA BIPI - Home buildings premium movement by year built - 2014 Q2



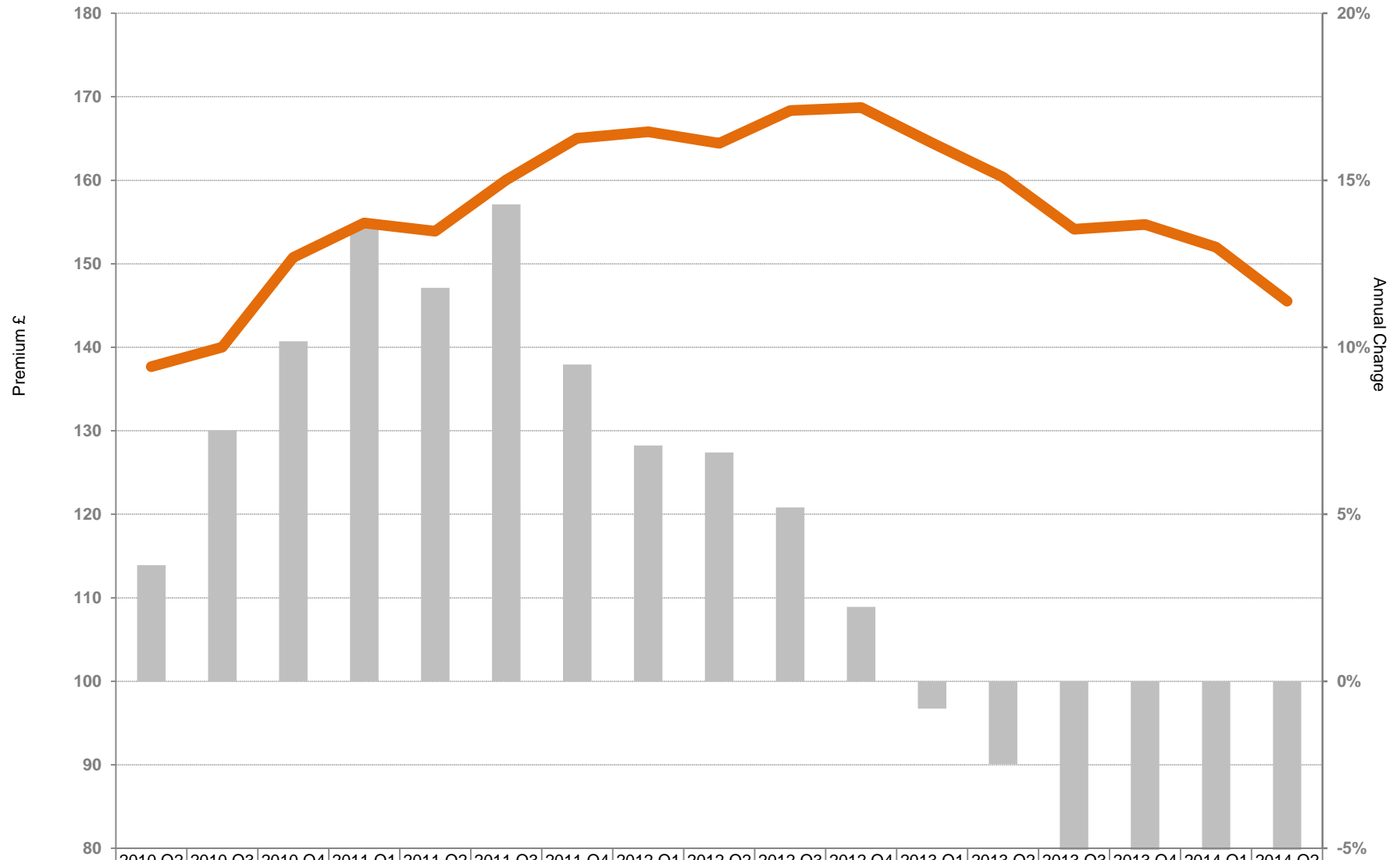
AA BIPI - Home contents premium movement by year built - 2014 Q2



AA BIPI - Home combined premium movement by year built - 2014 Q2

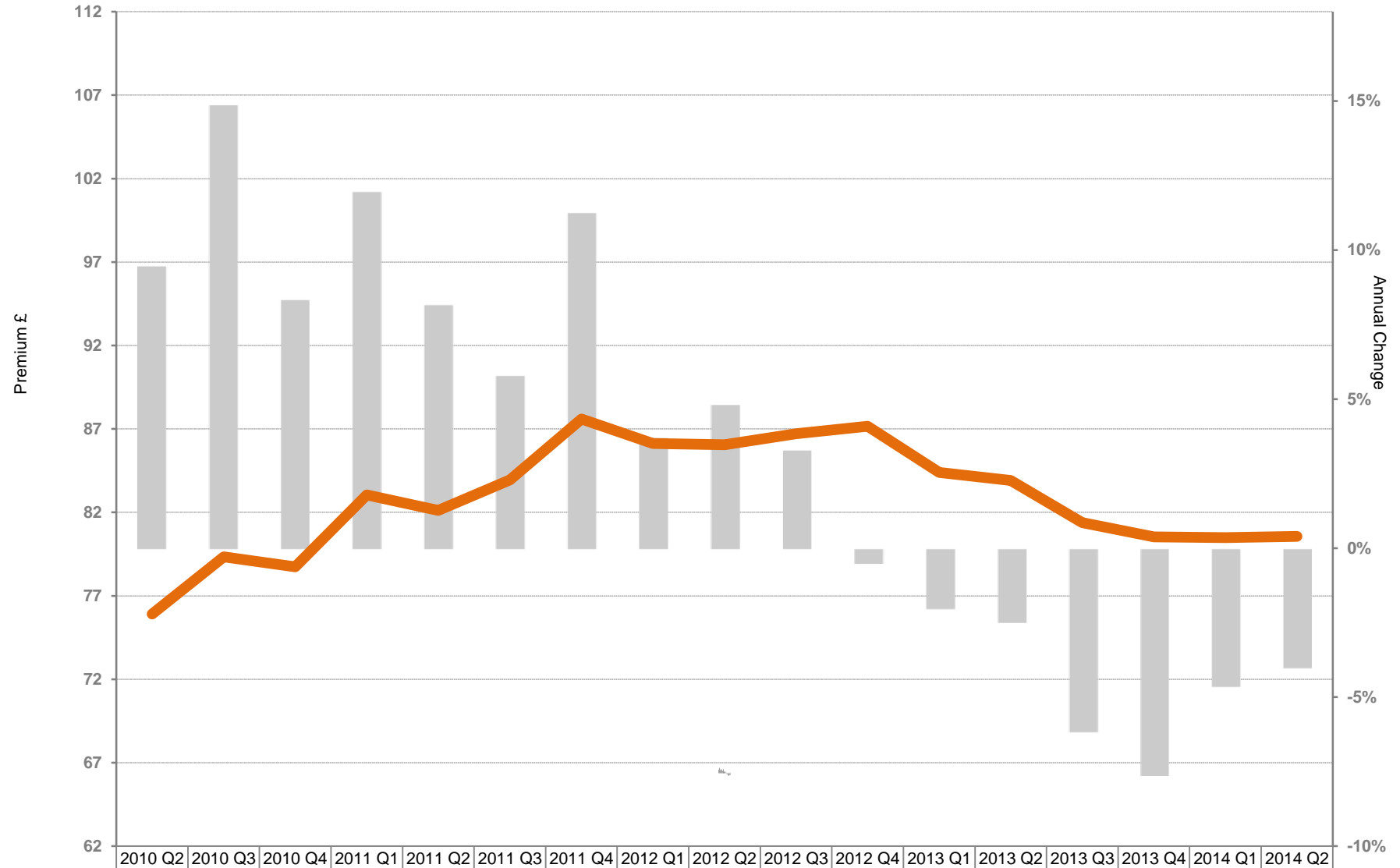


AA BIPI - Home buildings Shoparound premium trends



Annual Change	3.5%	7.5%	10.2%	13.6%	11.8%	14.3%	9.5%	7.1%	6.9%	5.2%	2.2%	-0.8%	-2.5%	-8.4%	-8.3%	-7.6%	-9.3%
Buildings Premium	137.68	140.03	150.74	154.88	153.89	160.02	165.04	165.82	164.44	168.35	168.70	164.46	160.37	154.13	154.71	151.99	145.52

AA BIPI - Home contents Shoparound premium trends



Annual Change	9.5%	14.9%	8.3%	11.9%	8.2%	5.8%	11.2%	3.7%	4.8%	3.3%	-0.5%	-2.0%	-2.5%	-6.2%	-7.6%	-4.6%	-4.0%
Contents Premium	75.90	79.34	78.74	83.04	82.11	83.94	87.59	86.13	86.06	86.71	87.16	84.39	83.92	81.38	80.53	80.48	80.56

AA British Insurance Premium Index

Home aggregator market summaries

**Home aggregator average premiums
2014 Q2**

Market summary

	2014 Q2	2014 Q1	Change	2013 Q2	Change
Buildings	£159.16	£162.77	- 2.2%	£185.25	- 14.1%
Contents	£101.55	£102.75	- 1.2%	£119.34	- 14.9%
Combined	£203.00	£208.76	- 2.8%	£240.12	- 15.5%

Shoparound summary

	2014 Q2	2014 Q1	Change	2013 Q2	Change
Buildings	£97.17	£102.31	- 5.0%	£105.38	- 7.8%
Contents	£52.97	£53.29	- 0.6%	£57.21	- 7.4%
Combined	£131.16	£137.21	- 4.4%	£144.50	- 9.2%

No. buildings insurers	73
No. contents insurers	73
No. combined insurers	81

Aggregator regional summary

Buildings

Region	No. risks	Market			Market		
		2014 Q2	2014 Q1	Change	2014 Q2	2014 Q1	Change
Border & TyneTees	52	£154.46	£157.81	-2.1%	£94.15	£98.47	-4.4%
Central & Granada	169	£152.82	£155.62	-1.8%	£93.20	£98.19	-5.1%
London & South	215	£171.98	£177.79	-3.3%	£104.79	£111.25	-5.8%
Scotland	65	£152.71	£153.78	-0.7%	£92.90	£94.48	-1.7%
Wales	40	£159.50	£162.47	-1.8%	£98.61	£104.94	-6.0%
West & West Country	55	£149.56	£152.08	-1.7%	£92.37	£98.52	-6.2%
Yorkshire & Anglia	153	£155.83	£158.96	-2.0%	£95.03	£99.60	-4.6%

Aggregator age summary

Buildings

Age	No. risks	Market			Shoparound		
		2014 Q2	2014 Q1	Change	2014 Q2	2014 Q1	Change
17-22	17	£178.30	£183.99	-3.1%	£105.59	£109.53	-3.6%
23-29	44	£178.00	£184.19	-3.4%	£106.89	£113.40	-5.7%
30-39	208	£163.55	£168.00	-2.6%	£100.25	£105.61	-5.1%
40-49	243	£160.26	£163.38	-1.9%	£98.32	£103.88	-5.3%
50-59	120	£155.38	£158.35	-1.9%	£96.09	£101.46	-5.3%
60-69	48	£140.57	£143.99	-2.4%	£84.29	£86.86	-3.0%
70+	69	£144.80	£146.65	-1.3%	£86.41	£90.20	-4.2%

Aggregator property summary

Buildings

Property Type	No. risks	Market			Shoparound		
		2014 Q2	2014 Q1	Change	2014 Q2	2014 Q1	Change
Detached Bungalow	77	£148.69	£148.50	0.1%	£92.21	£95.73	-3.7%
Detached House	216	£178.80	£182.40	-2.0%	£107.41	£112.95	-4.9%
End Terraced House	19	£161.40	£166.33	-3.0%	£93.91	£99.47	-5.6%
First Floor Flat	34	£167.28	£173.19	-3.4%	£102.54	£109.10	-6.0%
Mid Terraced House	159	£157.19	£162.29	-3.1%	£95.23	£100.14	-4.9%
Semi Detached Bungalow	6	£140.67	£142.75	-1.5%	£90.34	£90.59	-0.3%
Semi Detached House	238	£145.15	£148.61	-2.3%	£90.44	£95.78	-5.6%

Aggregator year built summary

Buildings

Year Built	No. risks	Market			Shoparound		
		2014 Q2	2014 Q1	Change	2014 Q2	2014 Q1	Change
<1920	193	£189.64	£195.09	-2.8%	£112.03	£118.49	-5.4%
1920-1945	150	£164.92	£169.24	-2.6%	£102.02	£108.36	-5.9%
1946-1979	301	£145.01	£147.91	-2.0%	£90.57	£94.87	-4.5%
1980-1999	100	£136.27	£137.16	-0.7%	£82.32	£85.49	-3.7%
2000+	5	£118.82	£126.75	-6.3%	£72.23	£80.16	-9.9%

Aggregator regional summary

Contents

Region	No. risks	Market			Shoparound		
		2014 Q2	2014 Q1	Change	2014 Q2	2014 Q1	Change
Border & TyneTees	52	£96.68	£97.61	-1.0%	£49.75	£50.36	-1.2%
Central & Granada	168	£106.62	£108.69	-1.9%	£56.30	£57.29	-1.7%
London & South	214	£103.46	£104.61	-1.1%	£53.29	£53.33	-0.1%
Scotland	65	£91.29	£91.27	0.0%	£47.56	£47.15	0.9%
Wales	40	£97.00	£98.16	-1.2%	£51.65	£51.66	0.0%
West & West Country	55	£95.04	£95.79	-0.8%	£50.32	£50.46	-0.3%
Yorkshire & Anglia	152	£102.84	£103.96	-1.1%	£53.54	£53.91	-0.7%

Aggregator age summary

Contents

Age	No. risks	Market			Shoparound		
		2014 Q2	2014 Q1	Change	2014 Q2	2014 Q1	Change
17-22	17	£127.51	£132.73	-3.9%	£62.28	£63.65	-2.2%
23-29	44	£120.29	£123.53	-2.6%	£61.81	£61.51	0.5%
30-39	207	£107.76	£109.27	-1.4%	£56.42	£56.53	-0.2%
40-49	242	£101.17	£102.45	-1.3%	£54.31	£55.01	-1.3%
50-59	119	£97.47	£97.19	0.3%	£51.15	£51.41	-0.5%
60-69	48	£84.99	£84.98	0.0%	£42.47	£42.71	-0.6%
70+	69	£84.36	£85.48	-1.3%	£40.39	£40.37	0.0%

Aggregator property summary

Contents

Property Type	No. risks	Market			Shoparound		
		2014 Q2	2014 Q1	Change	2014 Q2	2014 Q1	Change
Detached Bungalow	77	£92.35	£91.29	1.2%	£49.38	£49.25	0.3%
Detached House	214	£104.11	£105.37	-1.2%	£54.76	£54.86	-0.2%
End Terraced House	19	£110.48	£114.59	-3.6%	£52.38	£53.44	-2.0%
First Floor Flat	34	£102.03	£103.00	-0.9%	£51.62	£52.30	-1.3%
Mid Terraced House	158	£106.32	£108.71	-2.2%	£54.94	£55.13	-0.3%
Semi Detached Bungalow	6	£84.03	£85.67	-1.9%	£45.16	£45.39	-0.5%
Semi Detached House	238	£98.68	£99.58	-0.9%	£51.63	£52.30	-1.3%

Aggregator year built summary

Contents

Year Built	No. risks	Market			Shoparound		
		2014 Q2	2014 Q1	Change	2014 Q2	2014 Q1	Change
<1920	190	£113.24	£114.85	-1.4%	£58.79	£59.42	-1.1%
1920-1945	150	£107.07	£107.99	-0.9%	£55.96	£56.27	-0.6%
1946-1979	301	£94.06	£95.37	-1.4%	£49.14	£49.26	-0.2%
1980-1999	100	£94.28	£94.30	0.0%	£49.24	£49.59	-0.7%
2000+	5	£84.72	£96.64	-12.3%	£46.55	£47.74	-2.5%

Aggregator regional summary

Combined

Region	No. risks	Market			Shoparound		
		2014 Q2	2014 Q1	Change	2014 Q2	2014 Q1	Change
Border & TyneTees	52	£194.31	£197.94	-1.8%	£125.74	£131.22	-4.2%
Central & Granada	169	£202.24	£207.57	-2.6%	£130.75	£136.82	-4.4%
London & South	215	£217.91	£226.61	-3.8%	£138.39	£145.00	-4.6%
Scotland	65	£188.40	£192.21	-2.0%	£124.09	£128.32	-3.3%
Wales	40	£199.23	£204.31	-2.5%	£130.05	£136.17	-4.5%
West & West Country	54	£184.71	£190.30	-2.9%	£123.20	£128.40	-4.1%
Yorkshire & Anglia	152	£199.47	£203.37	-1.9%	£129.39	£135.88	-4.8%

Aggregator age summary

Combined

Age	No. risks	Market			Shoparound		
		2014 Q2	2014 Q1	Change	2014 Q2	2014 Q1	Change
17-22	17	£233.69	£244.62	-4.5%	£145.65	£154.03	-5.4%
23-29	44	£234.70	£243.43	-3.6%	£143.71	£154.08	-6.7%
30-39	208	£211.79	£219.20	-3.4%	£135.44	£143.36	-5.5%
40-49	242	£204.50	£209.10	-2.2%	£132.85	£138.03	-3.7%
50-59	119	£196.02	£200.44	-2.2%	£129.15	£134.24	-3.8%
60-69	48	£174.04	£178.04	-2.2%	£114.75	£118.52	-3.2%
70+	69	£175.74	£180.94	-2.9%	£115.63	£119.03	-2.9%

Aggregator property summary

Combined

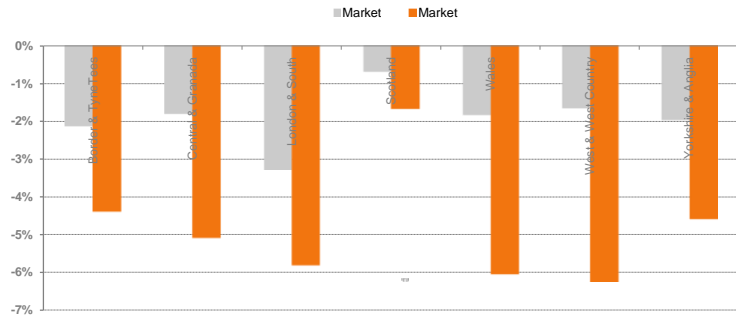
Property Type	No. risks	Market			Shoparound		
		2014 Q2	2014 Q1	Change	2014 Q2	2014 Q1	Change
Detached Bungalow	77	£182.51	£183.95	-0.8%	£121.98	£127.60	-4.4%
Detached House	215	£221.60	£227.08	-2.4%	£140.01	£145.41	-3.7%
End Terraced House	19	£212.18	£223.13	-4.9%	£132.39	£137.13	-3.5%
First Floor Flat	34	£225.39	£231.23	-2.5%	£139.63	£146.51	-4.7%
Mid Terraced House	158	£205.46	£213.56	-3.8%	£132.40	£139.61	-5.2%
Semi Detached Bungalow	6	£169.56	£175.23	-3.2%	£113.41	£119.09	-4.8%
Semi Detached House	238	£188.02	£193.45	-2.8%	£124.46	£130.44	-4.6%

Aggregator year built summary

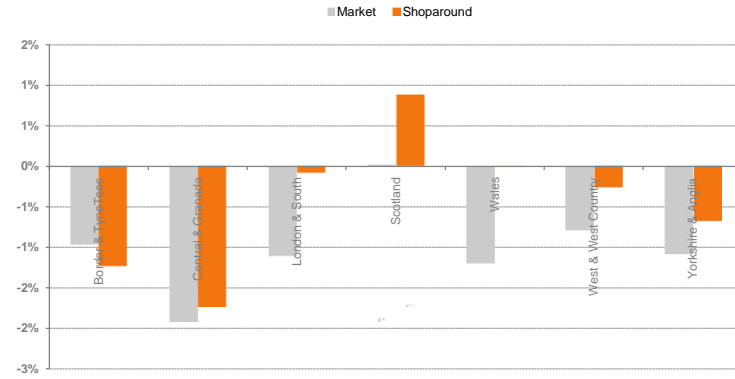
Combined

Year Built	No. risks	Market			Shoparound		
		2014 Q2	2014 Q1	Change	2014 Q2	2014 Q1	Change
<1920	192	£241.08	£247.96	-2.8%	£148.48	£155.99	-4.8%
1920-1945	150	£210.94	£217.41	-3.0%	£135.87	£143.02	-5.0%
1946-1979	300	£185.00	£190.49	-2.9%	£123.30	£128.58	-4.1%
1980-1999	100	£174.64	£177.85	-1.8%	£115.67	£119.71	-3.4%
2000+	5	£152.45	£161.32	-5.5%	£106.40	£109.84	-3.1%

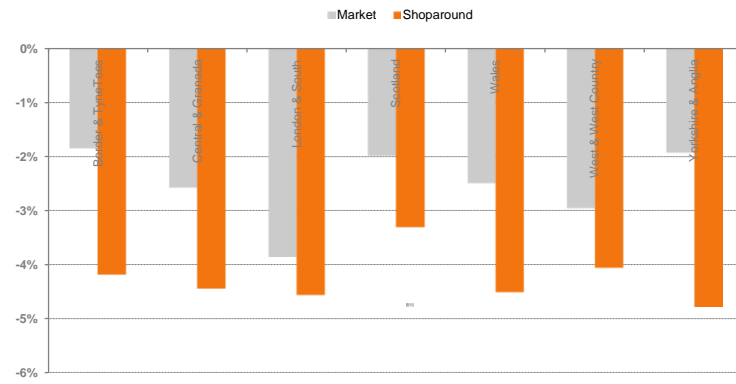
AA BIPI - Home buildings aggregator premium movement by region - 2014 Q2



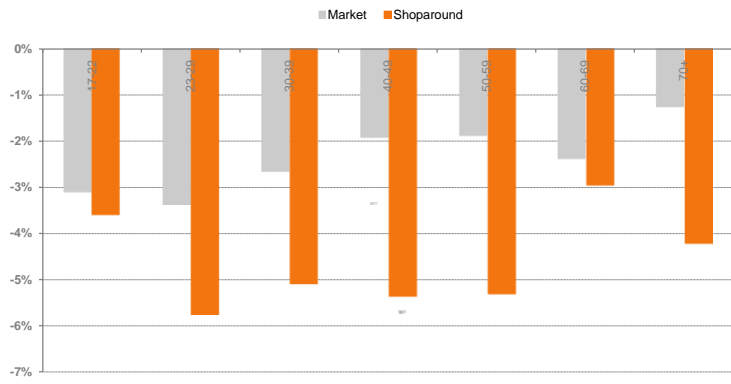
AA BIPI - Home contents aggregator premium movement by region - 2014 Q2



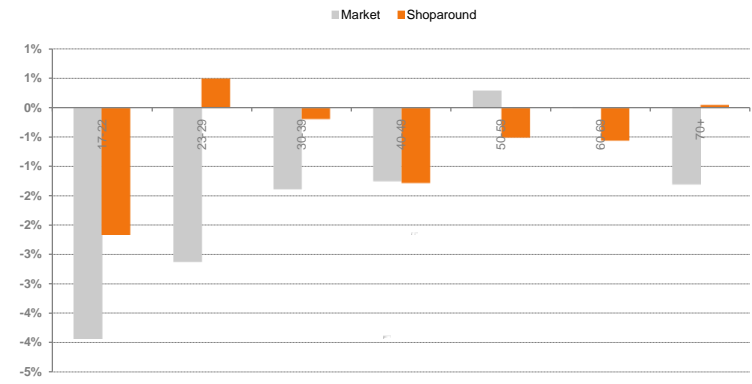
AA BIPI - Home combined aggregator premium movement by region - 2014 Q2



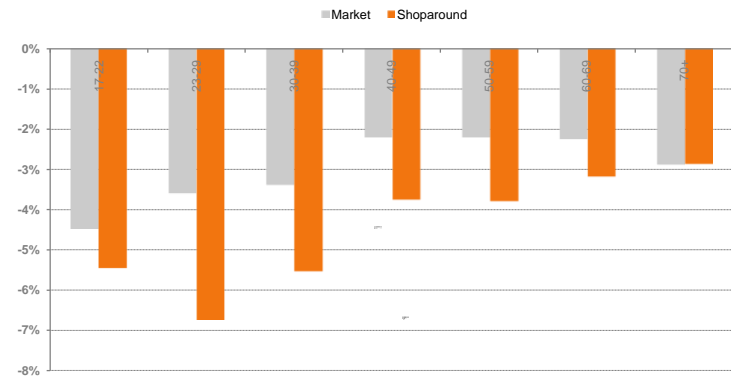
AA BIPI - Home buildings aggregator premium movement by age - 2014 Q2



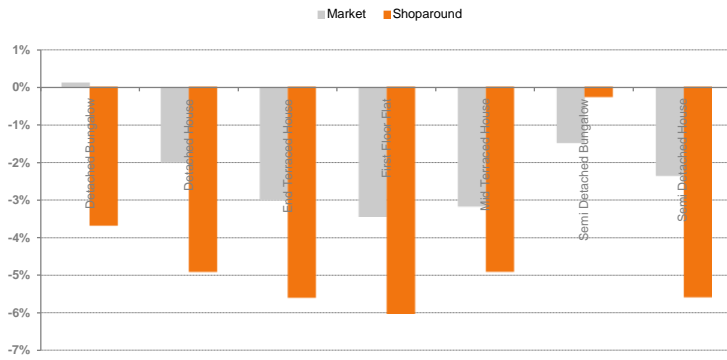
AA BIPI - Home contents aggregator premium movement by age - 2014 Q2



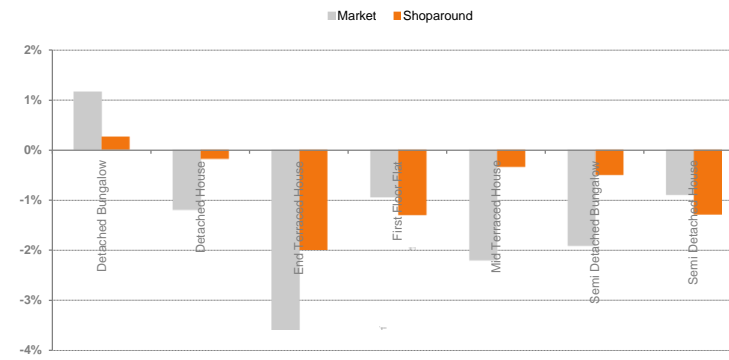
AA BIPI - Home combined aggregator premium movement by age - 2014 Q2



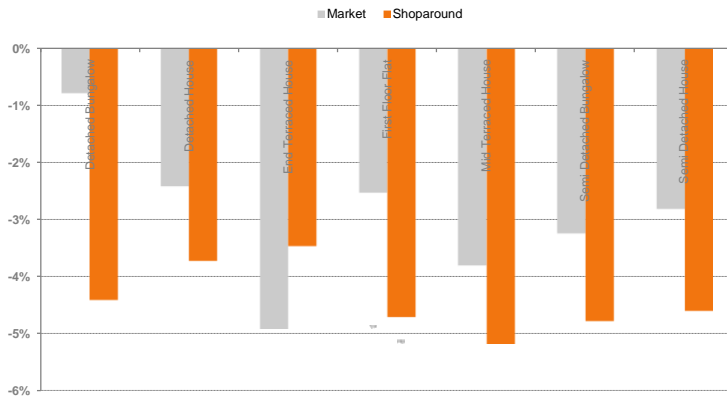
AA BIPI - Home buildings aggregator premium movement by property type - 2014 Q2



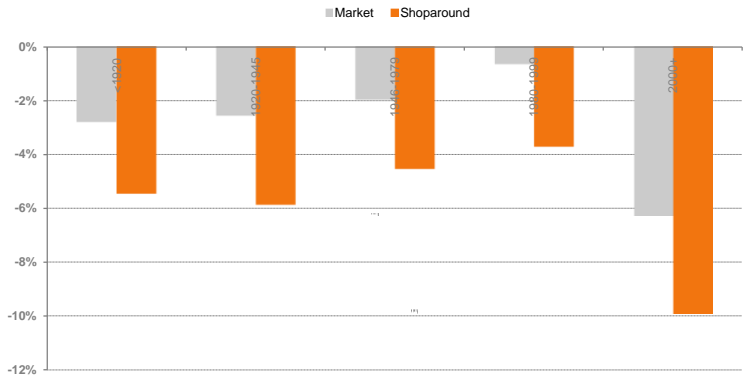
AA BIPI - Home contents aggregator premium movement by property type - 2014 Q2



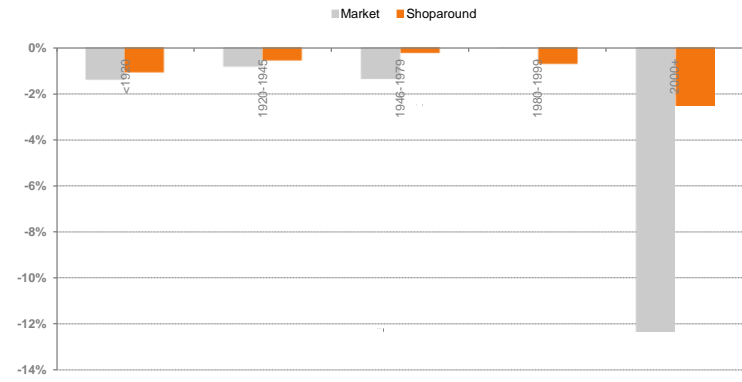
AA BIPI - Home combined aggregator premium movement by property type - 2014 Q2



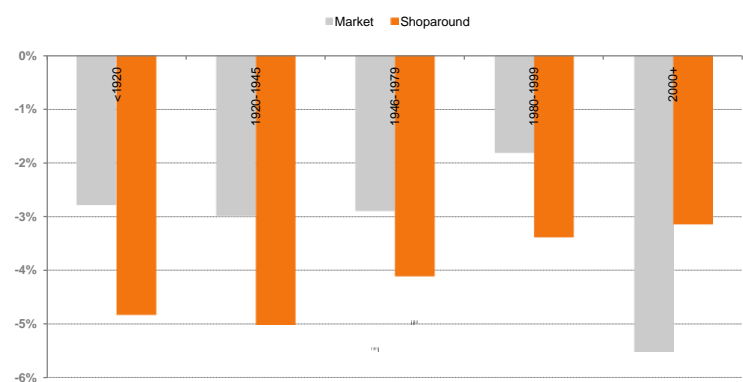
AA BIPI - Home buildings aggregator premium movement by year built - 2014 Q2



AA BIPI - Home contents aggregator premium movement by year built - 2014 Q2



AA BIPI - Home combined aggregator premium movement by year built - 2014 Q2



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Note: IPT at 2.5 per cent was introduced to premiums between July and October 1994
IPT was increased to 4% on 1 April 1997 and then to 5% on 1 July 1999 and then to 6% on 4 January 2011
Figures shown include IPT, whereas on July 1994 premiums IPT did not apply

All figures are market average premiums

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