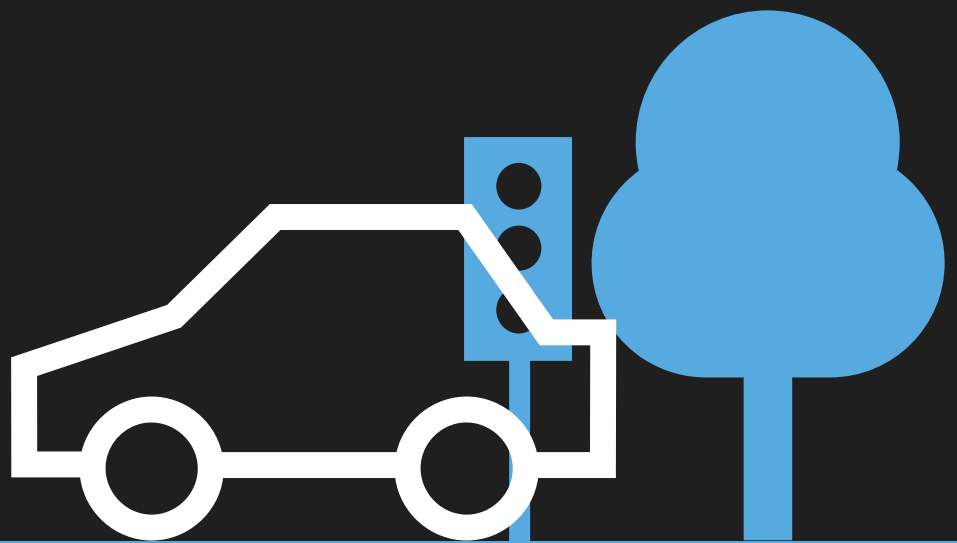




Confused.^{com} car insurance price index

The most comprehensive analysis
of car insurance pricing in the UK

Q1 2025



Executive summary

The average cost of car insurance in the UK is now £777, according to the latest car insurance price index by Confused.com, powered by WTW.

The latest figure of £777, is £164 (-17%) cheaper compared to the average cost of car insurance in March 2024.

Car insurance prices have been steadily dropping since the beginning of last year. In fact, this is the fifth consecutive car insurance price index indicating that the average cost of car insurance has fallen.

The Confused.com car insurance price index, which began in 2006, remains the most comprehensive analysis of car insurance pricing in the UK. It utilises data from over 6 million car insurance quotes per quarter.

The latest index covers the first two months of 2025, showing that the average price of car insurance is now £777 per year. This represents a decrease of £164 (-17%) compared to the average cost of car insurance in March 2024.

Despite a continual decline in car insurance costs, not all drivers are seeing the benefits of savings. 1 in 2 (50%) UK drivers actually received a higher renewal price in the past 3 months of around £81, on average.

This only underlines the importance of shopping around and comparing prices. Drivers who chose not to accept their renewal price saved £77 on average by shopping and switching their insurance³.

Younger drivers in particular are benefiting from recent car insurance price trends. New data shows that some drivers aged 17-20 could pay as much as 23% less annually - equivalent to £711 less, on average.

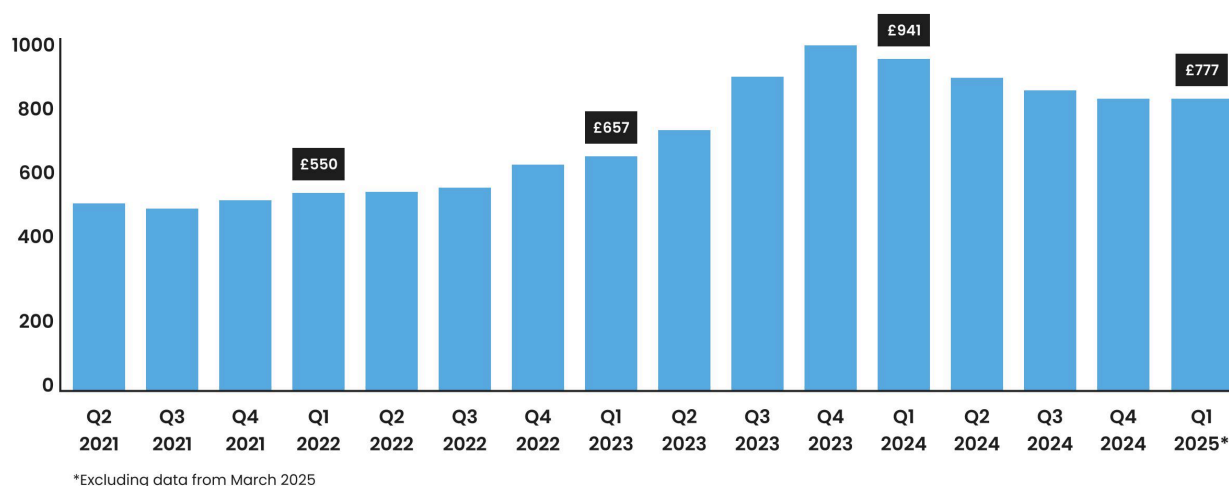
The bigger picture

How prices have changed

The average cost of car insurance in the UK reached a record of £995 in Q4 of 2023. But since then, costs have declined on a quarter-by-quarter basis.

The latest Confused.com car insurance price index reveals that car insurance now costs £777 per year on average.

This is a £164 (-17%) drop compared to March 2024, meaning those who are shopping around are seeing great savings when buying a new policy.



Price Trends

- **Annual Decrease (compared to March 2024) : £164 (-17%)**

Prices are continuing to fall across the board for most drivers. However, car insurance premiums are still higher than they have been in the past. For context, the average UK premium is now 41% higher compared to March 2022.

Prices by gender

Do men or women pay more?



The gender gap between men and women has narrowed slightly according to new data, but men continue to pay more on average than women:

- **Men:** £833, down 17% (£168) compared to March 2024.
- **Women:** £684, down 19% (£157) compared to March 2024.
- **Gender gap:** £149

There are several factors why men tend to pay more than women for car insurance. Due to the EU gender directive (introduced in 2012), insurance providers can't discriminate based on gender.

But, generally men have higher risk profiles. This is because they tend to drive more expensive cars with larger engines and advanced technology. In turn, these factors contribute to more expensive claims.

Because of this, men tend to pay more than women for car insurance, on average.

Prices by age

What do younger and older drivers pay?



Younger drivers typically pay more for car insurance than any other age group. Costs can be unaffordable for many young drivers.

But the latest car insurance price index by Confused.com shows premiums for younger drivers are now up to 23% cheaper compared to March 2024.

- **18-year-olds:** Continue to pay the most of any age group at £2,434 per year. This is a decrease of 23% (£711) compared to March 2024.
- **17-year-olds:** Face the second-highest car insurance premiums of any age group, on average. 17-year-olds now pay £2,258 per year, down 23% (£661).

Younger drivers are benefitting the most from recent car insurance pricing trends. However, these age groups continue to face significantly high prices.

One way of combating sky-high car insurance premiums is by opting for a telematics policy. Data suggests more drivers aged 17 to 20 chose these policies between 2020 and 2024 in a bid to keep insurance costs down¹.

According to Confused.com data, there has been a 21 percentage point uplift in sales of telematics policies for drivers aged 17-20 between 2020 and 2024¹. This is one reason behind steep decreases in premiums for younger drivers.

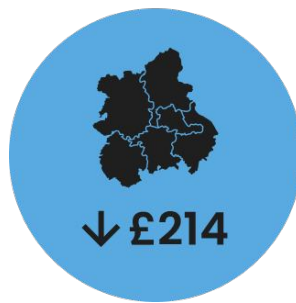
Prices by region

Which areas have seen the biggest rises?

Outer London



West Midlands



Where you live is one of many key factors used to calculate your car insurance premium. Inner London, for example, has significantly higher premiums compared to other UK regions. The average price of car insurance in the region is now £1,208.

But premiums are falling across the board, regardless of region. Drivers in Outer London and West Midlands are paying 18% less for their insurance, compared to March last year. This represents a £224 and £214 decrease in annual car insurance premiums respectively, on average.

- **Outer London:** £996, down 18% (£224) Since March 2024
- **West Midlands:** £943, down 18% (£214) Since March 2024

Expert view

Rhydian Jones, motoring expert at Confused.com car insurance comments:



We're starting to see a consistent trend of prices decreasing, and this is great news for drivers! This could be because insurers are paying out fewer claims than before. Paying out on less claims means more savings to pass on to customers. But this doesn't mean that prices won't start to increase again in the future, especially if claims start to increase.

"In particular, younger drivers are seeing the biggest savings when shopping around. Just over 12 months ago, prices increased by as much as 98% for some. So these latest drops could be great for young drivers buying insurance. It's interesting to see that young drivers have been shopping around for their insurance, with more drivers looking to buy telematics, or basic level policies. These could work out as a cheaper option, so we'd always encourage younger drivers to compare different policy types to see what works best for them.

"But staying on top of your insurance is key to getting the best price. You'll often see a better price if you shop around at renewal time. Even if your renewal price from your insurer is cheaper than last year, it's likely there will be another insurer out there offering a better price. Doing this ahead of time can save you even more too. Our data shows that if you shop around about 3 weeks before your policy is due to renew, you could benefit from the biggest savings. Leaving it too late, or simply accepting your insurer's renewal price could mean you lose out on great savings."



Rhydian Jones

Motoring expert

Confused.com

Note to editors

More than 6 million quotes are used in the construction of each quarter's insurance price index. This makes it the most comprehensive insurance index in the UK. Unless otherwise stated all prices referred to are for comprehensive cover.

The following web pages will be updated to reflect the new figures. Please use this as credit for the data: www.confused.com/car-insurance/price-index

1. Data based on the total volume and proportion of car insurance policies purchased through Confused.com in 2020 vs 2024.
2. Data based on the average premium paid by drivers aged 21-25, 20 days before renewal vs. on the day. This is based on Confused.com internal data, not the Confused.com Price Index.
3. Research carried out by One Poll on behalf of Confused.com of 2,000 UK drivers who have car insurance policies. This was conducted between 7 and 10 March 2025.

Media information

About Confused.com

Launched in 2002, Confused.com was the UK's first digital marketplace for car insurance and is one of the leading brands in the sector, generating over one million quotes per month. It has expanded its range of comparison products over the years to include home insurance, van insurance, motorcycle insurance, and car finance comparison, as well as a number of tools designed to save consumers money.

Confused.com is not an insurance company or lender. It provides an objective and unbiased service. By using cutting-edge technology, it has developed a series of intelligent web-based solutions that evaluate a number of risk factors to help customers with their decision-making, subsequently finding them great deals on a wide-range of insurance products, financial services, utilities and more. Confused.com's service is based on the most up-to-date information provided by UK suppliers and industry regulators. Confused.com is authorised and regulated by the Financial Conduct Authority.

Media information

About the index

The index is compiled using anonymous data from all enquiries submitted on Confused.com. In line with the draft Office of Fair Trading (OFT) commitments on the use of competitor price data, the prices used for calculating the index are based on an average of the best five quotes received on Confused.com. The OFT closed on 1 April 2014 and the commitments are now governed by the Competition and Markets Authority (CMA).

About Willis Towers Watson

WTW (NASDAQ: WLTW) is a leading global advisory, broking and solutions company that helps clients around the world turn risk into a path for growth.

With roots dating to 1828, WTW has 45,000 employees in more than 140 countries and markets. We design and deliver solutions that manage risk, optimise benefits, cultivate talent, and expand the power of capital to protect and strengthen institutions and individuals.

Our unique perspective allows us to see the critical intersections between talent, assets and ideas – the dynamic formula that drives business performance. Together, we unlock potential. Learn more at willistowerswatson.com