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STATUTORY INSTRUMENTS

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**2007 No. 1426**

**ROAD TRAFFIC**

**The Motor Vehicles (Compulsory Insurance) Regulations 2007**

<i>Made</i>	- - - -	<i>10th May 2007</i>
<i>Laid before Parliament</i>		<i>15th May 2007</i>
<i>Coming into force</i>	- -	<i>11th June 2007</i>

The Secretary of State for Transport makes the following Regulations in exercise of the powers conferred by section 2(2) of the European Communities Act 1972<sup>(1)</sup>.

The Secretary of State for Transport is a Minister designated for the purposes of section 2(2) of the European Communities Act 1972 in relation to compulsory insurance in respect of, and other means of providing for, civil liability in relation to motor vehicles and trailers<sup>(2)</sup>.

**Citation and commencement**

1. These Regulations may be cited as the Motor Vehicles (Compulsory Insurance) Regulations 2007 and shall come into force on 11<sup>th</sup> June 2007.

**Amendment of the Road Traffic Act 1988**

2.—(1) The Road Traffic Act 1988<sup>(3)</sup> is amended as follows.

(2) In section 145(4)(b) (requirements in respect of policies of insurance) for “£250,000” substitute “£1,000,000”.

(3) In section 151(6) (duty of insurers or persons giving security to satisfy judgment against persons insured or secured against third-party risks) for “£250,000”, in each place where it occurs, substitute “£1,000,000”.

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(1) 1972 c.68.  
(2) S.I. 1972/1811.  
(3) 1988 c.52.

Signed by authority of the Secretary of State for Transport

10th May 2007

*S. J. Ladyman*  
Minister of State  
Department for Transport

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## EXPLANATORY NOTE

*(This note is not part of the Regulations)*

These Regulations implement provisions of Directive [2005/14/EC](#)(4) of the European Parliament and of the Council of 11th May 2005, amending Council Directives [72/166/EEC](#)(5), [84/5/EEC](#)(6), [88/357/EEC](#)(7) and [90/232/EEC](#)(8) and Directive [2000/26/EC](#)(9) of the European Parliament and of the Council relating to insurance against civil liability in respect of the use of motor vehicles.

Directive [2005/14/EC](#) increases the minimum level of compulsory insurance required for motor vehicles in respect of property damage under Article 1.2(b) of Directive [84/5/EEC](#) to 1 million Euros per claim. In order to ensure compliance with this requirement, in the light of possible currency fluctuations, the sum of £1 million has been substituted.

A copy of the regulatory impact assessment prepared in respect of these Regulations is available from the Licensing, Roadworthiness and Insurance Division, of the Department for Transport, Zone 1/34, Great Minster House, 76, Marsham Street, London SW1P 4DR. A copy has been placed in the library of each House of Parliament. The regulatory impact assessment may also be accessed at the Office of Public Sector Information website at [www.opsi.gov.uk](http://www.opsi.gov.uk).

A transposition note is available and can be obtained from the Department for Transport as above.

A copy of Council Directive [2005/14/EC](#) can be obtained from the Office of Public Sector Information.

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(4) OJ No L149, 11.6.05, p14  
(5) OJ No L103, 2.5.72, p1  
(6) OJ No L8, 11.1.84, p17  
(7) OJ No L172, 4.7.88, p1  
(8) OJ No L129, 19.5.90, p33  
(9) OJ No L181, 20.7.00, p65