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Cases reported

Gardner v Moore and Another

HOUSE OF LORDS

LORD HAILSHAM OF ST. MARYLEBONE L.C., LORD DIPLOCK, LORD KEITH OF KINKEL, LORD BRANDON OF OAKBROOK AND LORD TEMPLEMANN

28 FEBRUARY, 5 APRIL 1984

Road Traffic—Third party insurance—Motor Insurers' Bureau—Third party injured by criminal act of driver of vehicle on a road— Whether injury "caused by, or arising out of, the use of the vehicle on a road"—Whether "relevant liability" under M.I.B. agreement—Whether bureau liable to idemnify third party injured by criminal use of vehicle on road—Road Traffic Act 1972 (c. 20), ss. 143(1), 145(1)(3).

Insurance—Public policy—Third party insurance—Criminal use of vehicle on a road—Unsatisfied judgment obtained against uninsured guilty driver—Whether Motor Insurers' Bureau liable to indemnify injured third party under agreement with Secretary of State.

Following an altercation, the first defendant deliberately drove his motor car at the plaintiff, who was walking on the pavement, causing him serious injuries. The first defendant subsequently pleaded guilty to a charge under section 18 of the Offences against the Person Act 1861 of wounding the plaintiff with intent to cause him grievous bodily harm and was sentenced to three years' imprisonment. At the time of the incident, the first defendant had not been insured by any relevant policy of insurance under Part VI of the Road Traffic Act 1972 [Road Traffic Act 1972, ss. 143(1), (3)]. The plaintiff brought an action against him for damages for personal injuries and joined the Motor Insurers' Bureau as second defendants, claiming that by virtue of an agreement dated 22 November 1972 between the bureau and the Secretary of State for the Environment ("the M.I.B. agreement") [Motor Insurers' Bureau (Compenstion of Victims of Uninsured Drivers) Agreement, dated 22 November 1972, cl. 1, 2] the bureau were bound to indemnify him in respect of any judgment that he obtained against the first defendant. At the trial of the action, Caulfield J. awarded the plaintiff damages against the first defendant of £14,823. The bureau accepted that Caulfield J. was bound by the Court of Appeal decision in *Hardy v. Motor Insurers' Bureau* [1964] 2 Q.B. 745 also to grant the plaintiff a declaration that the bureau were bound to indemnify him in respect of his judgment against the first defendant, and Caulfield J. declared accordingly, granting the bureau a certificate under section 12 of the Administration of Justice Act 1969 that the case justified an application for leave to appeal direct to the House of Lords.

On appeal by the bureau by leave of the House of Lords:—

Held, dismissing the appeal, that the judgment obtained by the plaintiff against the first defendant had been a judgment payable in respect of a liability incurred by the first defendant for damages for personal injury "caused by, or arising out of, the use of" the first defendant's motor car within section 145(3)(*a*) of the Road

Traffic Act 1972, despite the fact that the use had been a criminal use, and thus a "relevant liability" within clauses 1 and 2 of the M.I.B. agreement: that the general principle of law relied on by the bureau that a person could not profit from his own wrong could not be invoked against an innocent third party whose claim was not through that of the wrongdoer; and that moreover, its application to deprive the plaintiff of his right of indemnity against the bureau would be contrary to public policy and to the policy manifested in the Act of 1972 and the M.I.B. agreement.

Hardy v. Motor Insurers' Bureau [1964] 2 Q.B. 745, C.A. approved.

Cleaver v. Mutual Reserve Fund Life Association [1892] 1 Q.B. 147, C.A. and *Beresford v. Royal Insurance Co. Ltd.* [1937] 2 K.B. 197, C.A.; [1938] A.C. 586, H.L.(E.) applied.

Per curiam. Remedies under the Criminal Injuries Compensation Scheme and the M.I.B. agreement are not necessarily mutually exclusive alternatives.

Decision of Caulfield J. affirmed.

Cases referred to

Amicable Society v. Bolland (1830) 4 Bli. N.S. 194 *Bell v. Carstairs* (1811) 14 East 374

Beresford v. Royal Insurance Co. Ltd. [1937] 2 K.B. 197; [1937] 2 All E.R. 243, C.A.; [1938] A.C. 586; [1938] 2 All E.R. 602, H.L.(E.)

Burrows v. Rhodes [1899] 1 Q.B. 816

Cleaver v. Mutual Reserve Fund Life Association [1892] 1 Q.B. 147, C.A.

Crippen, decd., In the Estate of [1911] P. 108

Hardy v. Motor Insurers' Bureau [1964] 2 Q.B. 745; [1964] 3 W.L.R. 433; [1964] 2 All E.R. 742, C.A.

Haseldine v. Hosken [1933] 1 K.B. 822, C.A.

James v. British General Insurance Co. Ltd. [1927] 2 K.B. 311

Tinline v. White Cross Insurance Association Ltd. [1921] 3 K.B. 327

Cases cited in argument

Gray v. Barr [1971] 2 Q.B. 554; [1971] 2 W.L.R. 1334; [1971] 2 All E.R. 949, C.A.

Leggate v. Brown [1950] 2 All E.R. 564, D.C.

Mackender v. Feldia A.G. [1967] 2 Q.B. 590; [1967] 2 W.L.R. 119; [1966] 3 All E.R. 847, C.A.

Marles v. Philip Trant & Sons Ltd. [1954] 1 Q.B. 29; [1953] 2 W.L.R. 564; [1953] 1 All E.R. 651, C.A.

Mixnams Properties Ltd. v. Chertsey Urban District Council [1965] A.C. 735; [1964] 2 W.L.R. 1210; [1964] 2 All E.R. 627, H.L.(E.)

National Assistance Board v. Wilkinson [1952] 2 Q.B. 648; [1952] 2 All E.R.255, D.C.

Parkin v. Dick (1809) 11 East 502

APPEAL from Caulfield J. at Liverpool.

By writ dated 27 May 1981, the plaintiff, Alan Gardner, claimed against the first defendant, Alan Moore, damages for personal injuries caused to

the plaintiff by the negligence and/or breach of duty of the first defendant arising out of an accident on or about 21 March 1981.

By orders of Mr. District Registrar P. H. Berkson in chambers at Liverpool on 12 October 1981 and of Ewbank J. in chambers at Liverpool on 8 March 1982, the Motor Insurers' Bureau were added as second defendants and the plaintiff's statement of claim was amended to include a claim against the second defendants that they were bound to indemnify the plaintiff in respect of any judgment obtained by him against the first defendant by virtue of an agreement dated 22 November 1972 between the second defendants and the Secretary of State for the Environment. By their defence, the second defendants denied that they were so bound.

On 28 July 1983 Caulfield J. at Liverpool gave judgment for the plaintiff against the first defendant for £14,000 general damages with interest at 2 per cent and costs and £823 special damages with interest at 6¼ per cent and costs.

The second defendants having conceded that the court was bound by *Hardy v. Motor Insurers' Bureau* [1964] 2 Q.B. 745, Caulfield J. granted the plaintiff a declaration that the second defendants should indemnify him in respect of his judgment against the first defendant. With the plaintiff's consent, he granted the second defendants a certificate pursuant to section 12 of the Administration of Justice Act 1969 for application for leave to appeal direct to the House of Lords. On 24 October 1983, the Appeal Committee of the House of Lords pursuant to section 13 of the Act of 1969 granted the second defendants leave to appeal.

Piers Ashworth Q.C. and *Charles James* for the second defendants. (a) The Court of Appeal in *Hardy v. Motor Insurers' Bureau* [1964] 2 Q.B. 745 failed to give sufficient effect to the provisions of section 143 (section 20 of the Act of 1960), which creates the criminal offence. (b) By section 143, it is unlawful to use a motor vehicle on a road, and a person is guilty of a criminal offence if he so uses it, unless there is in force in relation to his use of it a policy of insurance in respect of third party risks that complies with the requirements of Part VI of the Act. (c) Accordingly, if the decision of the Court of Appeal in *Hardy* is correct, a person is guilty of a criminal offence in using a motor vehicle on a road unless there is in force a policy of insurance that insures him in respect of any liability that may be incurred by him not merely in respect of injury accidentally (including negligently) caused but also in respect of injury deliberately caused by him. (d) Under general principles of insurance law, a person cannot validly insure himself in respect of liability for his own intentional act, and an express promise of indemnity to him for the commission of such an act is void. (e) Accordingly, if section 143 requires a person to insure himself against the

consequences of his own deliberate act, it requires him to do something that he cannot validly or lawfully do. (f) It follows that everyone who drives a motor vehicle on a road is guilty of the criminal offence of driving without insurance, because even if the policy expressly purports to indemnify him in respect of his own deliberate act such promise of indemnity is void.

In practice, most policies of motor insurance promise to indemnify the insured only in respect of "accidental injury" or injury arising out of or as a result of an "accident." The courts have repeatedly defined "accident" in the context of insurance policies as including negligence (however gross) but not wilful or deliberate acts.

Part VI of the Act of 1972 gives no greater rights as against the insurer to a third party injured by the insured than the insured himself has against his insurers under the terms of the policy, save only in so far as sections 148 and 149 expressly provided otherwise. Section 148 provides that certain restrictions and conditions contained in a policy of insurance shall be void as against a third party. There is no such provision relating to liability for injuries intentionally inflicted. Section 149 applies only where the liability *both* is required to be covered under section 145 *and* is covered by the policy or would be so covered but for the fact that the insurer is entitled to avoid or cancel or has avoided or cancelled the policy. Accordingly, it affords no protection to a third party who is intentionally injured by the policyholder's deliberate act. A deliberate act does not entitle an insurer to avoid or cancel a policy: in so far as the policy purports to indemnify the policyholder against the commission of a deliberate act it is void ab initio. Accordingly, whatever the terms of the policy, liability in respect of a deliberate injury is not and cannot be covered by the policy (see section 149(5)). Accordingly, Parliament cannot have intended to require, and on the true construction of Part VI of the Act of 1972 did not require, a person to insure himself in respect of liability incurred by him in respect of injury caused by his own intentional and criminal act of violence. The words of sections 143 and 145 are grammatically capable of meaning, and must mean, that it is a *lawful* insurance that is to be effected.

Further, at the date of the judgment of the Court of Appeal in *Hardy* (11 May 1964), there was no Criminal Injuries Compensation Scheme in operation. There is now a comprehensive scheme for the compensation of victims of crimes of violence including injuries attributed to traffic offences where "such injury is due to a deliberate attempt to run the victim down." Although compensation under the scheme is assessed on the basis of common law damages (paragraph 12), the amount of such compensation may be affected by matters that are not relevant to a claim for damages (paragraph 6): for example, provocative behaviour, or if the crime of

violence formed part of a pattern of violence in which the victim had been a voluntary participant. The Criminal Injuries Compensation Board does not think in terms of contributory negligence. It is illogical that the compensation recoverable, and the source of such compensation, in respect of a crime of violence should depend on the weapon used: on the one hand, a motor vehicle; on the other hand, a gun, knife, broken bottle or anything else.

It is necessary to see what the basic law was before *Hardy v. Motor Insurers' Bureau* [1964] 2 Q.B. 745. The second defendants' propositions are as follows.

1. Insurance policies in general can be divided into two broad categories: (A) indemnity policies; (B) non-indemnity policies (e.g. life, accident, sickness). Further, (a) indemnity policies can be subdivided into: (i) liability (e.g. third party claims); (ii) non-liability (e.g. house, goods). While general principles apply to all categories, it may be misleading to transpose particular illustrations from one category to another.

2. An insurance policy on an illegal object is itself illegal and void. This is *not* based on "ex turpi causa non oritur actio"; the policy is void ab initio: see *Parkin v. Dick* (1809) 11 East 502. The *whole contract* is illegal and void from the beginning in a case such as this. "Ex turpi causa" only applies where there is a valid policy in the first place. The second defendants are not relying on public policy: they are saying that as a matter of law this contract is void.

3. The assured cannot recover under the policy if the event has been caused by the assured's own deliberate act; again, this is *not* based "ex turpi causa" but is based on an implied term of the policy in accordance with the presumed intention of parties; accordingly, it can be negatived by an express term of the policy. Suicide is an obvious example.

Authority is not needed for proposition 3, but see *Bell v. Carstairs* (1811)14 East 374, 394, *per* Lord Ellenborough C.J., *Amicable Society v. Bolland* (1830) 4 Bli. N.S. 194, 211, *per* Lord Lyndhurst L.C., and *Burrows v. Rhodes* [1899] 1 Q.B. 816.

4. In (B) (non-indemnity policies) and (A) (ii) (non-liability indemnity policies), the insurance money becomes payable on the happening of a particular event (e.g. death, damage to or destruction of property) however caused (subject to any restrictions in the policy). It is the happening of the event and not the cause of it that is material. Unless that event is inevitably illegal (when proposition 2 applies), the insurance *is not* illegal and accordingly the policy is valid even though the event may be caused in an illegal manner. If, however, the event is caused by the assured himself in an illegal manner (e.g. suicide (pre-1961), arson), the courts will not assist him to recover under the policy because "ex turpi causa non oritur actio."

(For the same reason, no one can recover a benefit resulting from his own deliberate, criminal act, e.g. murder.)

Propositions 2, 3 and 4 are the basic principles governing insurance policies. The cases get them blurred, but it is essential to distinguish them.

5. As proposition 4 does not invalidate the policy, anyone who has obtained an interest in the policy prior to the illegal act, and who is not a party to the illegal act, can recover the benefit arising under the policy (e.g. the purchaser of a life policy). In practice this will be limited to (B) (non-indemnity policies), because an indemnity policy requires an insurable interest at the time when the event occurs. (It might also apply to (A) (ii) (non-liability indemnity policies) if it is possible to assign the interest in both property and policy.) It can *never* apply to (A) (i) (liability indemnity policies) because one can never assign the benefit of these policies before the happening of the event that gives rise to the liability.

6. In (A) (i) (liability indemnity policies), it is not the happening of the event but the cause of it that is material; i.e. it must be an event that gives rise to legal liability on the part of the assured. Further, the insurance money becomes payable on the happening not of one particular event but of an infinite variety of events. As these events are caused by the assured's intentional and criminal act, proposition 2 applies. In so far as they are caused intentionally but not criminally by the assured, proposition 3 applies. There is *no* room for proposition 4, because the event is caused either legally or illegally. The only question that may arise is whether the illegality of one or more of the possible events renders the whole policy illegal and void, or only illegal and void pro tanto—i.e. is the policy severable?

7. A policy of motor insurance is generally a composite policy, containing (A) (i) indemnity—liability (e.g. third party risks); (A) (ii) indemnity—non-liability (e.g. damage to car); (B) non-indemnity (e.g. personal accident). Further, it may insure persons other than the name assured in respect of one or more of these contingencies (but usually only in respect of (A) (i)). Such a policy should be regarded as providing many severable insurances. It would be possible to effect separate insurances in respect of each of these matters. One can also say that the policy on its true construction is not intended to cover an illegal risk (rather than saying that it is intended to but is void).

8. In respect of (A) (i), the indemnity afforded by the policy may purport to cover liability to any person for injury (a) caused carelessly; (b) caused recklessly; (c) caused intentionally but non-criminally; (d) caused intentionally and criminally. (a) & (b) fall within the definition of negligence. (c) is not negligence, but will be governed by proposition 3. (d) is illegal, and so is governed by proposition 2. Therefore, in so far as the policy purports to cover (d), it is void ab initio.

9. Although the Road Traffic Acts have provided that certain terms in a policy of motor insurance shall be void, and have restricted the right of insurers to avoid a policy, they have not altered the law as set out in proposition 2 and applied at 8(d).

For early motor insurance cases, see *Tinline v. White Cross Insurance Association Ltd.* [1921] 3 K.B. 327 and *James v. British General Insurance Co. Ltd.* [1927] 2 K.B. 311 (the plaintiff in the former case would still have been covered if he had been breaking the law by driving at 32 miles per hour, but not if he had done so with intent to injure); *Haseldine v. Hosken* [1933] 1 K.B. 822; *Beresford v. Royal Insurance Co. Ltd.* [1937] 2 K.B. 197; [1938] A.C. 586 (where Lord Atkin's words were expressly restricted to life policies: see p. 596) and *Marles v. Philip Trant & Sons Ltd.* [1954] 1 K.B. 29. There is all the difference in the world between deliberate injury and negligent injury, however reckless. There is no difference in principle between being deliberately injured by a motor car and being beaten up by a gang of thugs. The plaintiff cannot legitimately pray sections 148 and 149 in aid in the construction of sections 143 and 145 because this is a consolidating Act (as was the previous Road Traffic Act of 1960) and the original Road Traffic Act of 1930 did not contain sections 148 and 149. One cannot say that, because sections 148 and 149 exclude certain things, they do not follow the general rule that one cannot insure against one's own wrong. It is accepted that the Criminal Injuries Compensation Scheme cannot affect the meaning of the Act of 1972 (and could not affect the meaning of the Act of 1960). The words in section 143(1) "unless there is in force" must mean an enforceable policy. That must mean enforceable by the parties to the policy. [Reference was made to *Leggate v. Brown* [1950] 2 All E.R. 564.] *Mackender v. Feldia A.G.* [1967] 2 Q.B. 590 shows what is meant by "enforceability." If this contract is illegal in any respect it is at least to that extent unenforceable (see at p. 600). [Reference was made to *Gray v. Barr* [1971] 2 Q.B. 554.]

There was no section in the Act of 1930 equivalent to sections 148 or 149. It was impossible in 1930 to insure against one's own wrongful act, and Parliament would not have so enacted in the Road Traffic Act 1934. The requirement of insurance under the Act of 1930 can be split under various heads. Using a vehicle as a weapon is illegal, so insurance against it would have been void ab initio. [Reference was made *to National Assistance Board v. Wilkinson* [1952] 2 Q.B. 648; *Mixnams Properties Ltd. v. Chertsey Urban District Council* [1965] A.C. 735 and *Cleaver v. Mutual Reserve Fund Life Association* [1892] 1 Q.B. 147.] The distinction between a liability and a non-liability policy is vital. Under a non-liability policy recovery depends on the event. Under a liability policy it depends on the cause of the event. Words could have been put in the Road Traffic Act similar to those in section 11 of the Defamation Act 1952. It is not

impossible that someone might take out a policy specifically against deliberate acts. Generally, however, policies insure only against accident. See the reference to "accident" in section I.1(a) of the specimen Sun Alliance Insurance Group policy. One might say that because of *Hardy* that was not good enough; the insurers would say that they would not give such insurance. One is not required under the Road Traffic Act to insure against pure accident.

The plaintiff will not be compensated under the Criminal Injuries Compensation Scheme, so long as *Hardy is* the law. [Reference was made to paragraph 26 of the Seventeenth Report of the Criminal Injuries Compensation Board (1981) (Cmnd. 8401).]

Andrew Rankin Q.C. and *R. A. Fordham* for the plaintiff were not called on.

Their Lordships took time for consideration.

LORD HAILSHAM OF ST. MARYLEBONE L.C. My Lords,

Judgment appealed from

This is an appeal by the Motor Insurers' Bureau (second defendants) using the so-called "leap-frogging" procedure from a judgment of Caulfield J. given on 28 July 1983 whereby it was adjudged that the first defendant should pay to the plaintiff £15,526.35 damages and interest and the costs of the action and that judgment should be entered against the second defendants for a declaration to the effect that the second defendants are liable to indemnify the plaintiff in respect of the judgment against the first defendant.

The facts and course of proceedings

The proceedings arise from the personal injuries which the plaintiff sustained on 22 March 1981 as the result of being run down by a motor vehicle driven by the first defendant. From first to last the first defendant has played no part in the proceedings and has never disputed his liability to the plaintiff. No question arises as to the quantum of damages.

The injuries sustained by the plaintiff were caused by the intentionally criminal act of the first defendant who deliberately drove his vehicle on to the pavement where the plaintiff was walking and intentionally ran him down. There is no dispute about this. On 24 July 1981 at the Liverpool Crown Court the first defendant pleaded guilty to a charge under section 18 of the Offences against the Person Act 1861 of wounding the plaintiff with intent to cause him grievous bodily harm, and was sentenced by Judge Temple Q.C. to serve a term of imprisonment of three years.

At the time of the collision the first defendant was not insured by any relevant policy of insurance under Part Vl of the Road Traffic Act 1972. The writ was issued on 27 May 1981 against the first defendant, and the present appellants were added by order dated 12 October 1981 of Mr. District Registrar P. H. Berkson in chambers and the statement of claim amended accordingly so as to include the claim against which the present appellants were bound to indemnify the plaintiff by virtue of the current agreement (that dated 22 November 1972) between the appellants and the Secretary of State for the Environment.

At the hearing before Caulfield J. it was not disputed that the learned judge was bound by the decision of the Court of Appeal in *Hardy v. Motor Insurers' Bureau* [1964] 2 Q.B. 745, and the learned judge gave judgment for the plaintiff accordingly with a certificate pursuant to section 12 of the Administration of Justice Act 1969 for application for leave to present a petition to your Lordships' House. Leave to appeal was subsequently granted by the Appeal Committee of your Lordships' House.

The question for appeal

The sole question for decision by the House is accordingly whether *Hardy v. Motor Insurers' Bureau* was correctly decided. This depends primarily on the true construction of the agreement relating to uninsured drivers of 22 November 1972 between the appellants and the Secretary of State for the Environment ("Motor Insurers' Bureau (Compensation of Victims of Uninsured Drivers)") ("the M.I.B. agreement"), Part VI of the Road Traffic Act 1972, and the proper application of any relevant rule of law or public policy arising from the fact that the actions alleged against the first defendant were not caused by negligence or recklessness but by his deliberate act amounting to an offence under section 18 of the Offences against the Person Act 1861.

Before proceeding further it is perhaps relevant to point out the function of the M.I.B. agreement and the sister and similar agreement of the same date between the same parties relating to untraced drivers. Part VI of the Road Traffic Act 1972 is designed to protect the innocent third party from the inability to pay of a driver who incurs liability by causing him death or personal injuries. This it does partly (sections 143 and 145) by imposing an obligation on all drivers to insure against third party liability under sanction of the criminal law, and partly by conferring on a successful plaintiff a right of direct recourse in the civil courts against the judgment debtor's insurers if he is insured in the manner prescribed (e.g. sections 148 and 149). This by itself leaves a gap in the protection afforded to the innocent third party by Part VI since a guilty driver may either be uninsured altogether or turn out to be untraceable so that it is not known whether he

is insured or not and if so by whom. It is to fill this gap that the two agreements between the M.I.B. and the Secretary of State for the Environment have been voluntarily entered into. Their foundations in jurisprudence are better not questioned any more than were the demises of John Doe and the behaviour of Richard Roe in the old ejectment actions.

The relevant material

By clause 1 of the M.I.B. agreement (the definition clause) it is provided:

> "In this agreement—. . . 'relevant liability' means a liability in respect of which a policy of insurance must insure a person in order to comply with Part VI of the Road Traffic Act 1972."

The sole question for decision in this appeal accordingly depends on the answer to the question whether the events which happened constitute a "relevant liability" within the meaning of the definition clause of the M.I.B. agreement.

That this is in fact the only issue appears from clause 2 of the M.I.B. agreement which is in the following terms:

> "Satisfaction of claims by M.I.B. 2. If judgment in respect of any relevant liability is obtained against any person or persons in any court in Great Britain whether or not such a person or persons be in fact covered by a contract of insurance and any such judgment is not satisfied in full within seven days from the date upon which the person or persons in whose favour the judgment was given became entitled to enforce it then M.I.B. will, subject to the provisions of clauses 4, 5 and 6 hereof, pay or satisfy or cause to be paid or satisfied to or to the satisfaction of the person or persons in whose favour the judgment was given any sum payable or remaining payable thereunder in respect of the relevant liability including any sum awarded by the court in respect of interest on that sum and any taxed costs or any costs awarded by the court without taxation (or such proportion thereof as is attributable to the relevant liability) whatever may be the cause of the failure of the judgment debtor to satisfy the judgment."

Clauses 4, 5 and 6 of the agreement, to which clause 2 is subject, need not be cited at length. Clause 4 provides that nothing in the agreement shall prevent the recovery by the insurers or the M.I.B. (as the case may be) against the assured or any other person. Clauses 5 and 6 provide for various conditions precedent to and exemptions from any liability on the part of the M.I.B. which admittedly have no application to the instant appeal.

In order to decide the appeal it is accordingly necessary to look at the provisions of Part VI of the Road Traffic Act 1972. This was a consolidation Act passed some eight years after *Hardy v. Motor Insurers' Bureau* [1964] 2 Q.B. 745 which was decided under the earlier consolidation Act of 1960. The Act of 1972 was thus passed in the light of *Hardy's* case and without any attempt to amend the law as therein it was stated to be. Some argument was based on the legislative history underlying the Act of 1972, principally the Road Traffic Act 1930 (which may be read with the Third Parties (Rights against Insurers) Act 1930), and the amending Acts of 1934, and (after the consolidation Act of 1960) 1971. In my opinion, however, except as a matter of history, these previous Acts do not affect my judgment as to the construction of the present consolidating Act of 1972, except that it may be noted in passing, again as a matter of history, that the long title of the Act of 1930, referring in effect to Part II of that Act (Provision against Third Party Risks arising out of the use of Motor Vehicles) sections 35 and 36 of which correspond to sections 143 and 145 of the Act of 1972, describes the purpose as "to make provision for the protection of third parties against risks arising out of the use of motor vehicles. . ." This corresponds with the description of Part VI of the Act of 1972 as: "Third Party Liabilities. Compulsory insurance or security against third party risks."

In my opinion the two vital provisions of the Act of 1972 are respectively section 143(1) and section 145(1) to (3). These respectively read as follows (and are taken so far as material verbatim from the Act of 1930):

> "143. (1) Subject to the provisions of this Part of this Act, it shall not be lawful for a person to use, or to cause or permit any other person to use, a motor vehicle on a road unless there is in force in relation to the use of the vehicle by that person or that other person, as the case may be, such a policy of insurance or such a security in respect of third party risks as complies with the requirements of this Part of this Act; and if a person acts in contravention of this section he shall be guilty of an offence."
>
> "145. (1) In order to comply with the requirements of this Part of this Act, a policy of insurance must satisfy the following conditions. (2) The policy must be issued by an authorised insurer, that is to say, a person or body of persons carrying on motor vehicle insurance business in Great Britain. (3) Subject to subsection (4) below, the policy—(*a*) must insure such person, persons or classes of persons as may be specified in the policy in respect of any liability which may be incurred by him or them in respect of the death of or bodily injury