



Rated by Experts

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clarity and transparency





## Contents

Overview	3
Red Line Criteria	4
Contact Fairer Finance	8



## Overview

Our product ratings use a set of 'red line' criteria to calculate an underlying score for each product, which translates to a star rating.

Products can achieve between one and five stars. The more comprehensive the product, the more likely it is to be rated highly.

To achieve a five-star rating, products must meet all of our red line criteria. We focus on core product features, and don't give extra marks for unnecessary features or optional extras.

Our current red line criteria are contained in the following pages.

We do not consider price when calculating these ratings.

## Product features included

### Red Line 1 – cover for lost and stolen keys

Policies must offer at least £700 to cover the cost of replacement locks if keys are lost or stolen. The average price of a set of car locks is £689<sup>1</sup>, so £700 is a reasonable level of cover for a customer to expect in this situation. In addition, some policies provide cover for stolen keys but not lost. To pass this red line, a policy must offer cover for both.

### Red Line 2 – 24-hour telephone helpline

Policies must provide access to a 24-hour telephone helpline. If a customer is involved in a road accident, they should be able to contact their insurance immediately. This is particularly important if their car is undriveable after the accident. Customers should not be penalised or left stranded if this happens outside office hours. Policies must provide an alternative including a 24-hour helpline, claims helpline or accident recovery line.

### Red Line 3 – courtesy car - repair

Policies must offer customers the use of a replacement car whilst theirs is being repaired or if it has been stolen. Many people rely on their car for daily activities and this need should be provided for by their insurance.

### Red Line 4 – courtesy car - total loss or stolen

Policies must offer customers the use of a replacement car to get around in the event that their car is deemed a total loss or is stolen. Many people rely on their car for daily activities and this need should be provided for by their insurance.

### Red Line 5 – storage charges

Policies must cover storage charges whilst the customer's car is waiting to be repaired. This is a cost that all customers should reasonably expect to be

covered by their insurance, and is in fact covered by a vast majority of policies. It has been included because a small minority of policies does not cover it.

### Red Line 6 – original audio/visual equipment

Policies must offer at least £750 of cover for replacing original, manufacturer fitted audio/visual equipment. Most policies offer unlimited cover in this area, but £750 would be adequate in the vast majority of cases. It has been included because a small minority of policies do not cover it.

### Red Line 7 – windscreen repair excess

Policies must have a windscreen repair excess of £15 or less. A majority of policies do not charge an excess for windscreen repairs. Of those that do, however, the median is £15.

### Red Line 8 – windscreen replacement excess

Policies must have a windscreen replacement excess of £75 or less. We believe £75 to be a reasonable contribution for the customer to make towards this cost. It is also the median, mode and average for the industry.

### Red Line 9 – child car seats

Policies must cover the cost of replacing child car seats if the customer's car is involved in an accident. Child safety is a hugely important consideration for any parent, and customers should have peace of mind in this regard. We believe it is reasonable for the customer to expect their insurance to cover the cost of a replacement car seat.

### Red Line 10 – damage by vermin & insects

Policies must cover damage caused by mildew or fungus. This has been included as a red line because it is an exclusion found in a very small proportion of policies. We believe it is reasonable for a customer to expect their insurance to cover, for example, damage caused by mice chewing

through their car's wiring. We see no reason why this kind of damage should be excluded.

### Red Line 11 – legal expenses for defending a case of death by dangerous driving

Policies must offer at least £1million cover for legal expenses when defending a case of death by dangerous driving. Although this type of claim is rare, legal costs can be incredibly expensive and it is important the customer is adequately covered. Most policies offer unlimited cover in this area.

### Red Line 12 – uninsured driver promise

Policies must offer an uninsured driver promise. This means the customer won't lose their no claims discount or have to pay an excess if they are involved in an accident with an uninsured driver. Provided the accident was not their fault. We don't believe customers should be penalised because another driver doesn't have insurance.

### Red Line 13 – amendment fee

Policies must have an amendment fee less than £30. We don't believe customers should be penalised by their insurance if, for example, they move house and need to update their address details. We do understand, however, that marketing and acquisition costs are relatively high in this sector. As a result, we have set our red line slightly above the industry average of £23. The median and mode are both £25.

### Red Line 14 – cancellation fee

Policies must have a cancellation fee less than £55. Again, we understand that marketing and acquisition costs are relatively high in this sector. But we don't believe cancellation fees should be so high as to appear to penalise the customer. £55 is the mode for the industry and above the average, which is £48. In order to pass this red line, policies must also offer the customer a pro-rata refund.

### Red Line 15 – repairs guarantee

Policies must guarantee any repairs to your car for a minimum of 3 years. Customers should have peace of mind of knowing they won't be stuck with the bill if their car is not repaired to a satisfactory standard. We believe 3 years to be a reasonable length of time to expect any repairs to last. It is also below the industry mode of 5 years.

### Red Line 16 – towing costs

Policies must cover the cost of towing your car from the scene of an accident. This is another cost that all customers should reasonably expect to be covered by their insurance, and is covered by a vast majority of policies. It has been included because a small minority of policies do not cover it.

### Red Line 17 – new car replacement

Policies must offer customers a new car replacement of a similar make, model and specification in the event that their vehicle has been stolen and not found or damaged to a certain extent within the first year of owning the vehicle.

<sup>1</sup><http://blog.greenflag.com/2016/cost-of-replacing-lost-car-keys-goes-up-by-nearly-a-third-in-two-years/>

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