



Rated by Experts

Leading the market in  
clarity and transparency





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## Overview

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

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 £750 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 £750 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.

### Red Line 3 – courtesy car

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 – 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 5 – hotel expenses

Policies must pay the cost of overnight accommodation if the customer breaks down or is involved in an accident and needs a place to stay. This may be necessary if an incident occurs late at night or far from their home or both.

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

Policies must offer at least £500 of cover for replacing original, manufacturer fitted audio/visual equipment. Most policies offer unlimited cover in this area, but £500 would be adequate in the vast majority of cases. It has been included because a small minority of policies does not cover it.

### Red Line 7 – added audio/visual equipment

Policies must offer at least £500 of cover for replacing audio/visual equipment that has been added to the car. Customers should reasonably expect to be able to install entertainment equipment in their cars and for it to be covered by their insurance. Entertainment systems can be very expensive, and we don't expect insurers to cover costs running into the thousands. We consider £500 to be a reasonable figure, which is both the median and the mode for the industry. The average is £586.

### Red Line 8 – 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 9 – 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 10 – 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 11 – damage by vermin, insects, mildew or fungus

Policies must cover damage caused by vermin, insects, 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 chew through their car's wiring. We see no reason why this kind of damage should be excluded.

### Red Line 12 – 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 13 – 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 14 – 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 15 – 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 16 – 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 17 – 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 does not cover it.

<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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