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CRASH, BANG, WALLOPED

Insurers are not always arranging the level of repair motorists believe they deserve

When we buy insurance, there are some things we take for granted. The most fundamental is that the insurer will put things back to how they were before they went wrong. Yet sometimes this doesn't appear to apply with car insurance.

Let's assume your vehicle is damaged. You'd like to think that it will be properly repaired, perhaps to a regulated standard. Insurers will say it's the British Standard. What they might not mention is that this doesn't say that the repairer has to use proper parts, known as Original Equipment (OE) in the trade.

Tim Kelly worked in insurance for 18 years and has now started a company called Motor Claim Guru to help customers through their dealings with insurers. He told me: "I once saw a Mazda that had been repaired with a steel bonnet, not an aluminium one like it was originally fitted with. This could have huge safety implications for pedestrians."

The British Standard also ratifies the use of what the trade calls green parts. These are components that have been salvaged from vehicles that have been written off.

In addition, many insurers have contracts guaranteeing repairer networks a certain number of jobs for an average price per job. Some jobs will be cheaper than that average, some a lot more expensive. To ensure they're not left out of pocket, repairers obviously need to keep costs low across the board by using cheaper parts. So if you want to guarantee OE parts by using a company other than the insurer's choice you'll likely have to pay hundreds of pounds in charges.

Category C and D write-offs are another area in which insurers can benefit. An insurer declares a vehicle a total loss when repairs



Written off: the number of damaged cars declared a total loss continues to grow

exceed, give or take, 70 per cent of its value. Now let's consider that "insured value". It's usually about four-fifths of the sum that used car valuers assign to the vehicle. Throw in the increasing number of cars with numerous expensive airbags that can deploy in crashes, and more and more vehicles are being written off. Trade magazine *Collision Repair Industry Insight* claims the number of damaged cars declared a total loss was 22 per cent at the end of the last decade. In 2003 it was 16 per cent and in 1995 just seven per cent.

Insurers aren't that fussed about the increasing number of vehicles being written off because many have

deals with the salvage yards which allow them to buy the green parts at a cheap rate. However, for many drivers, having a vehicle declared a total loss means they end up with no car and insufficient money to replace it with a like-for-like vehicle.

Fortunately, you can kick back. When many insurers decide to write off a car, they will send the driver a cheque as a means of prompt settlement. The hope is the driver will settle for the lowest amount the insurer thinks it can get away with. In the terms and conditions it will say that by cashing the cheque you've agreed to that valuation. So if you think the sum is low, refuse it.

DEAL OF THE WEEK

Electric cars are still selling in much smaller numbers than some major manufacturers expected, which means they have a lot of unsold stock to clear and big discounts are available to potential buyers.

For example, online broker Drivethedeal.com is offering the Nissan Leaf in Tekna Flex trim for £14,890. That's £10,700 (or 42 per cent) off the list price of this practical, five-seat family car which is exempt from road tax and the London congestion charge.

Drivers aren't the only ones losing out. The number of repairers is shrinking because insurers either run their own bodyshops or only deal with those that play to their rules. Kelly explained: "There's a big fear among bodyshops of reprisals. Knowing that, insurers will try to screw the bodyshop to the floor on price. If, for example, a customer insists on using a VW repairer in London, the insurer will insist that the repairer discounts its parts and labour, usually down to £25 an hour. If the repairer says no, as it is likely to considering the average main dealer charges nearly four times that, the insurer will send the customer a settlement for the equivalent amount." Both customers and repairers suffer.

Following last year's Competition and Markets Authority's report into the industry, the National Association of Bodyshops concluded: "The behaviour of some insurers represents a barrier to new entrants, restricting competition and thus inflating the price of motor insurance." Some insurers, it seems, appear to have forgotten that the reason people buy insurance is for protection. Happy new year!

GO OUT AND CONQUER YOUR FEAR

Some time ago, I went on Radio 4's *Woman's Hour* to discuss "the gender politics of driving". It's an old canard: most arguments between couples take place in the car, and most of those are over asking for directions or parking. I talked about how you'd think

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part of learning to drive would quite deal with it.

And so, I can quite see how women who don't drive long distances, or commute by car in the rush-hour can lose confidence – and vital skills – very quickly. Cars seem unwieldy creatures to