MOTOR

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Out of the red?

Insurers can no longer rely on their reserves to bolster profits: rates must rise

proximo forward thinking

contents

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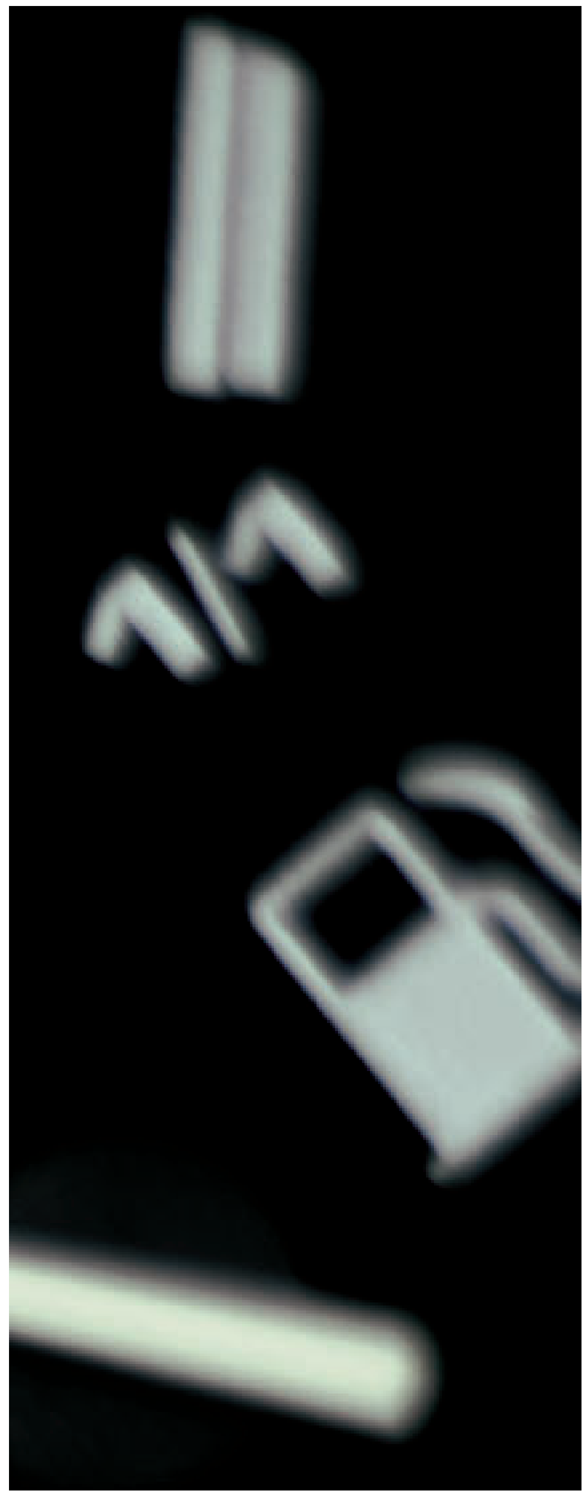

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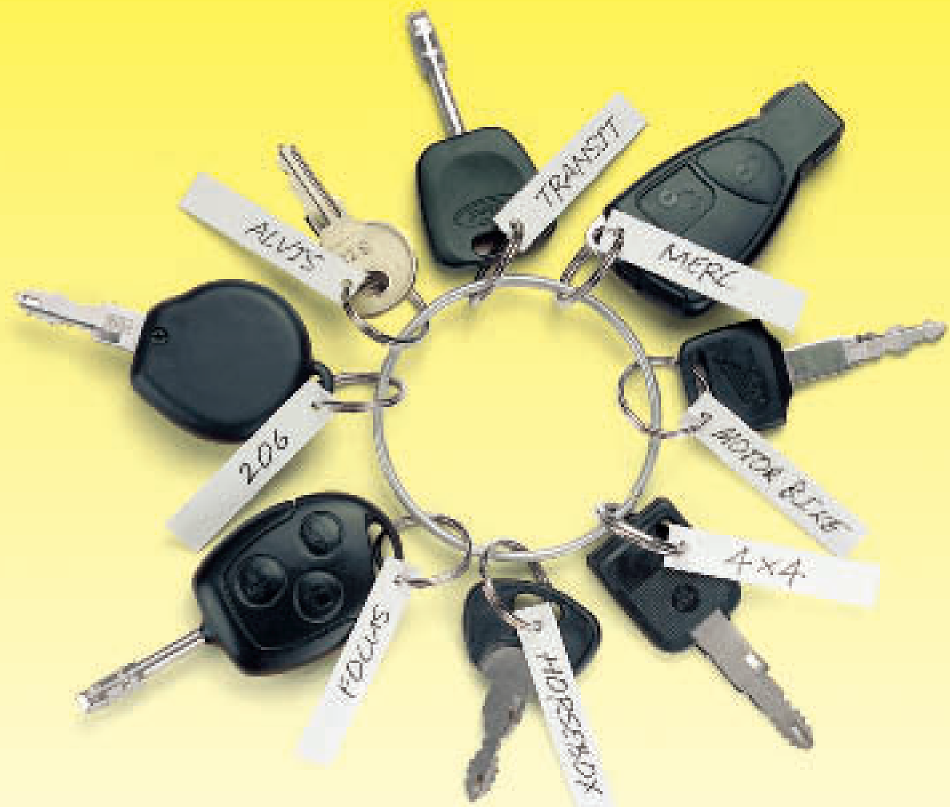

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The motor insurance market is an overcrowded highway. Brokers are continuing to face a torrid time, with aggregators and direct players reducing further the dwindling share brokers have in motor.

In response brokers are seeking to reduce their cut of commission, pay an aggregator or more likely, get out of motor altogether.

For insurers the biggest driver is fierce competition, which has consistently squeezed out much of the profit from motor insurance in recent years. So much so that, finally, insurers are trying to get back on the road by putting rates up. Norwich Union, Highway and Fortis have all increased rates, with the expectation of further rises to come in 2008.

Although the highway includes a crossroads in data, confusing further where the market will head.

Research from Sainsbury's Bank shows motor premiums have risen 4.2% over the past 12 months reinforcing data from the Deloitte motor insurance index, which showed a rise of 10% over 12 months.

Yet Insurancewide.com released figures which suggest that third quarter numbers showed a 9.5% drop in car insurance premiums since the second quarter.

Whatever the issue, insurers and brokers remain under considerable competitive pressure to retain and attract customers.

To confuse the picture further, the June floods have, despite expectations to the contrary, had little effect on motor premiums in the direct market during the third quarter.

The true impact of the floods is likely to manifest itself in premiums over the next few months when claims have been settled and insurers have been able to assess the real impact.

The present motor market cannot maintain so many occupants on the highway, some will have to get off. **IT**

introduction

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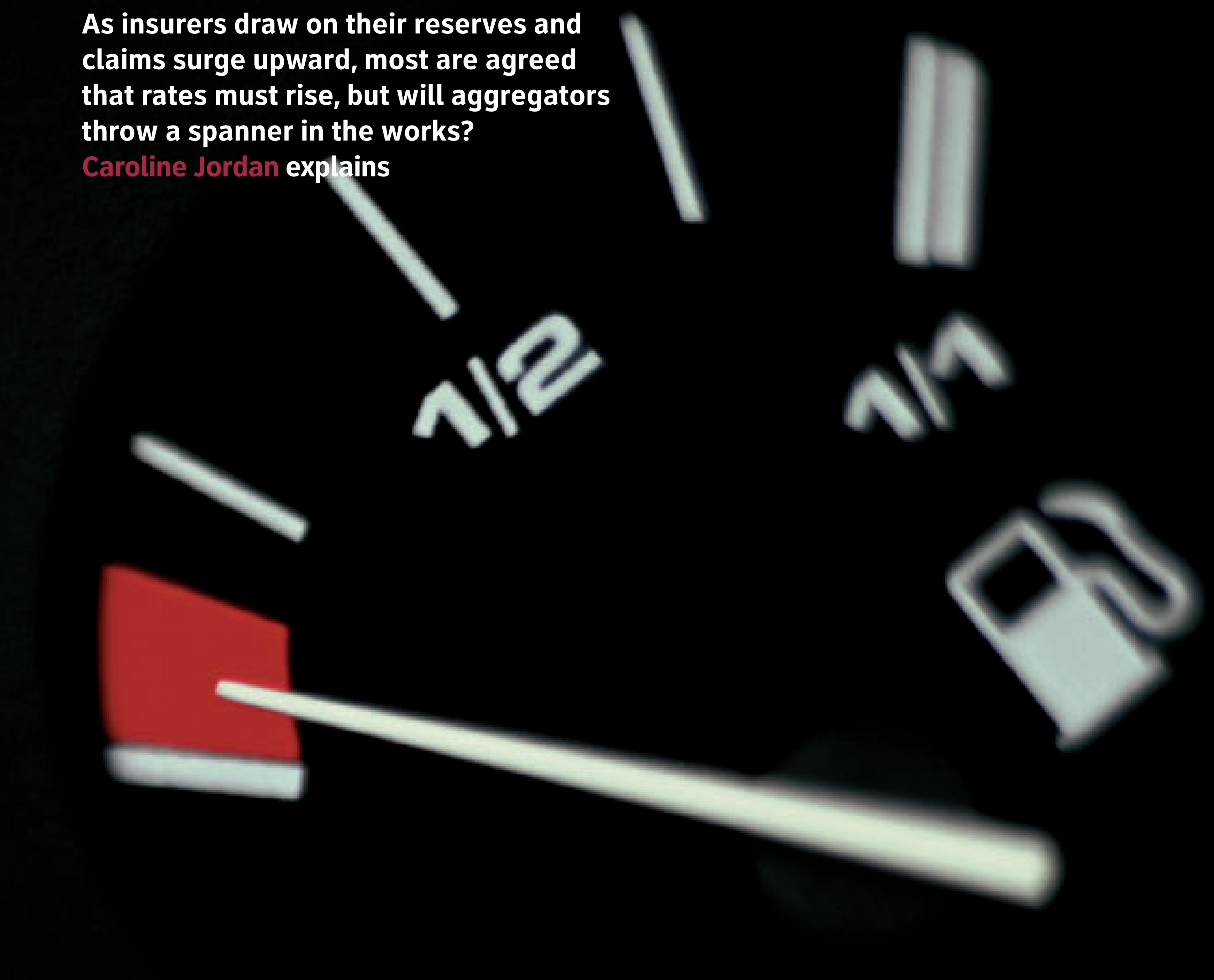
Struggling out of the red

As insurers draw on their reserves and claims surge upward, most are agreed that rates must rise, but will aggregators throw a spanner in the works? Caroline Jordan explains



Stupendously fierce competition has squeezed out much of the profit from the motor market. So much so, that finally, insurers are talking with some credibility of putting up rates.

Norwich Union, Highway and Fortis all say they have increased rates with further rises to come in 2008. Actuary EMB believes a clear correction is in the offing with rates rising overall by some 10% by the end of this year.

But don't hold your breath since, at the same time, along comes Tesco Compare, yet another aggregator, claiming it could "save you money".

About 25% of the insurers on the Tesco site are from the RBS stable, namely Privilege and Churchill. RBS is also the underwriter behind Virgin Money, Lloyds TSB and Nationwide – all of whom will also be featured.

The sniping from other aggregators has already begun, with some saying Tesco has gone for brand over choice.

But, although rate increases are happening, will insurers make them stick?

Certainly for many brokers, as insurers raise rates, quotes could become less competitive. And, all the while, the aggregators are snaffling up clients.

Broker competition

Andy Lee, chief executive of broker Outright, says: "The insurer rises are due, but the question is, how much will be transferred to the customer? My expectation is that consumers can expect motor premiums to go up, but they will be protected to some extent by brokers competing through aggregators."

Brokers may seek to reduce their cut of commission, they may decide to pay an aggregator or they may pull out of motor altogether.

For insurers specialising in the broker market, conditions are, to say the least, challenging. Chris Hill, managing director of Highway, says: "We're profitable but we can't be complacent. We need to be strong in ancillary areas like motor trade, fleets, motorcycles and classic cars and work closely with brokers – those relationships have to be really strong."

Although Highway is broker friendly, this market is no intermediary picnic, particularly for smaller brokers. No wonder they are focusing less on motor and more on commercial lines.

They are paid measly commissions and increasing numbers are looking to outsource their motor books.

> 'The insurer rises are due, but the question is, how much will be transferred to the customer?'
>
> Andy Lee, Outright

The Only Group offers aggregator and broker facilities. Head of personal lines Ian Hall comments: "I'll be pleased to see rates rise, and I think brokers should support this. Pricing on aggregators should allow comparisons, but the amount of competition has been destabilising. It's time insurers showed some gumption."

He says he is aware of one "big name" broker which is undercutting net rates by around 5% on motor just to win business.

"It's not a wise strategy. The customers may think they are getting a cheap deal, but they are then bombarded with calls from the broker trying to cross-sell every other type of insurance to recoup its losses."

But can brokers be blamed for trying to win business?

Roger Ball, commercial motor manager at Allianz, says: "In terms of commercial, brokers are saying they can obtain a client a cheaper quote, but not always on a scientific basis."

He adds though that he is cheered the market is no longer softening and believes there will be sustained increases next year.

The need for insurers to raise motor rates was revealed in depth this August by EMB. Senior consultant Paul Moorshead says insurers have been caught out subsiding their customers, through releasing reserves from household insurance. But, this sector has taken a caning as a result of the floods.

EMB's annual motor report shows the motor market has been relying on reserves – in particular from household – to make a profit. In 2006, private car comprehensive premiums fell 2% year-on-year.

These show reserve releases hit a record level for the seventh year running, in both monetary and percentage terms. They amounted to an £821m cushion: equivalent to 10% of premium income overall, split 8% for personal and 14% for commercial motor.

The actuary says at slightly over 100%, the operating or combined ratios for 2005 and 2006 were respectable and better than the long-term average.

Without the releases, however, they would have been 108% and 111% respectively, which would have been unsustainable.

EMB senior consultant Paul Moorshead adds that the pool of reserves is now drying up and insurers must start underwriting for a real profit. "Insurance is too cheap," he concludes.

The analysis shows that for every £100 motor insurers took in motor insurance premiums last year, they paid out £111 in claims and expenses, although investment income from premiums cut this figure to £106.

Moorshead says the only way motor rates can go is up.

Wendy Seago, Norwich Union's director →

The rise of claims costs

Actuary EMB says insurers have been prudent in increasing their reserves in recent years, to take account of rising claims costs, in particular for personal injury.

But, this is not the only reason why they need to keep paying out. Accident management companies are out in force and credit hire is increasingly bumping up costs.

Paul Chaplain, underwriting director at Fortis, says: "In the past, most drivers would have been happy with a courtesy car, but now they want like for like and this has pushed up costs. Added to this are active ambulance chasers and a public which is far more aware of its ability to claim."

Improved technology and safety features in cars are also making repairs more expensive.

The British Retail Motor Industry Federation reports there is a skills shortage which is pushing up wages for repairs.

And uninsured driving is costing insurers a substantial amount in lost premium and claims.

Rates

➔ of underwriting for personal lines, says her company was first off the mark to raise rates in September 2006. "We had to take corrective action and I think we'll continue to see increases, but competition will keep these stable."

She says the market is tough. "Of course being a big brand helps, but there is not a lot of loyalty. Aggregators have had an impact on pushing rates down. As insurers, we're pleased that theft costs are down, but we have to balance this with rising personal injury and repair costs."

Paul Chaplain, underwriting director at Fortis says that the rate rise is welcome. "We increased our rates by around 7% at the end of June – we're happy because volume is still up. We'll need to make more rises through the year, it is about time prices went up."

Research from Sainsbury's Bank shows motor premiums have risen 4.2% over the past 12 months. The Sainsbury's Bank Car Insurance Index reveals that the average car insurance premium in July 2007 stood at £486.43 – a rise of 2.9% from December and of 4.2% since July 2006.

The average car insurance premium for a male driver now stands at £518.46 – up 5.2% – while women are paying £442.28, an increase of 3.1%.

Steepest rises

Young drivers face the steepest rises, with premiums for motorists under 25 up 11.2% to an average of £1,253.71. Drivers under 40 saw the cost of insurance increase 5.81% to an average of £609.56.

Catherine Barton, insurance partner at Deloitte, confirms: "In the past year we have seen premium increases in the motor market in nine out of 12 months. This is the first period of sustained premium increases since 2003. Third party premiums are rising faster than comprehensive premiums. We expect to see rises continuing for several months."

Barton says a rate increase of 10% should bring profitability, but adds: "We expect that the motor insurance market will continue to be the most competitive of the personal lines products with intense price competition remaining a feature."

> 'The insurer rises are due, but the question is, how much will be transferred to the customer?'
>
> Andy Lee, Outright

Avis Easteal, commercial director of Experian's insurance services division, says: "The strategy for many insurers is to gain market share by starting at a lower premium rate than everyone else, often undercutting most of the biggest providers. Then they increase this once a significant share has been gained."

However, she adds: "While prices are going up, they are still constrained by the number of people who are switching their insurance more regularly in the search for cheaper quotes. This has become a major contributor to pricing in this market as the number of 'switchers' increases year-on-year." **IT**

The rise of aggregators

Insurers seem to have a love/hate relationship with aggregators. They have played a part in ramming down prices – and for so many to proliferate, consumers must like them. They have created yet further commoditisation and have spawned basic products, such as Norwich Union Simple Cover and Tesco Value Car Insurance.

For some, they have been great news, helping win market share quickly. Software supplier Harlosh provides technology for Quinn-direct, which is known for its keen pricing, especially for higher risk young drivers.

Harlosh commercial director Martin Earley says: "You have tons of aggregators out there now. A no-frills insurer like Quinn, which has a low cost base and has focused on reducing its administration costs, can capitalise on this.

"It is usually in the top three if someone gets a quote from an aggregator. More and more people prefer a screen to a call centre."

But Joanne Mallon, car insurance business manager at Sainsbury's Bank, questions whether aggregators are always the consumer's friend. "We use Esure but have our own bespoke product and systems.

"Because we have more control, we can offer, stable, sustainable low costs. And, we maintain quality which is vital for our brand."

She adds that the basic products may confuse consumers and, in particular, she rails against some of the high excesses being charged – these can be as much as £500.

"People won't necessarily be aware of what's been stripped out, they will just think they are saving a few pounds. This approach could be dangerous."

Meanwhile, pundits are pondering whether Direct Line will maintain its stance and remain outside the ruthless aggregator arena.

One source says: "It is only a matter of time before Direct Line starts popping up on aggregators. It has spent a lot of money saying aggregator sites are a rip-off, but it's losing out. As soon as its current ads run their course, we may well see a change of heart."

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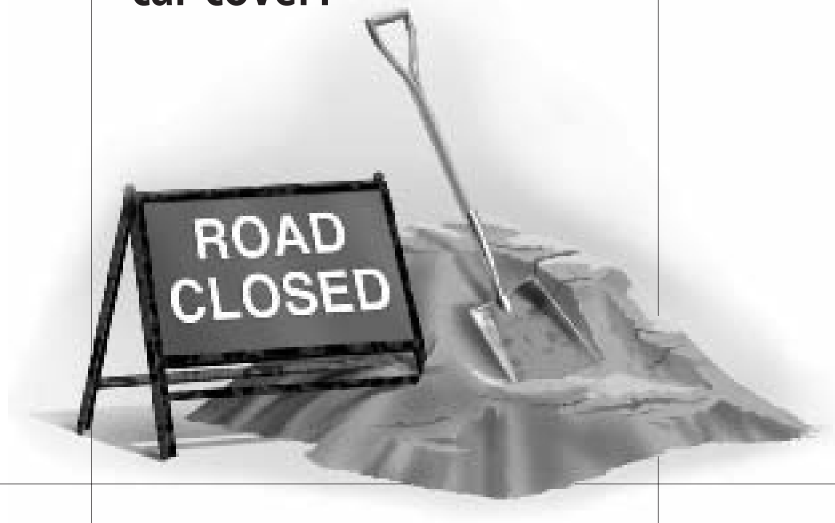

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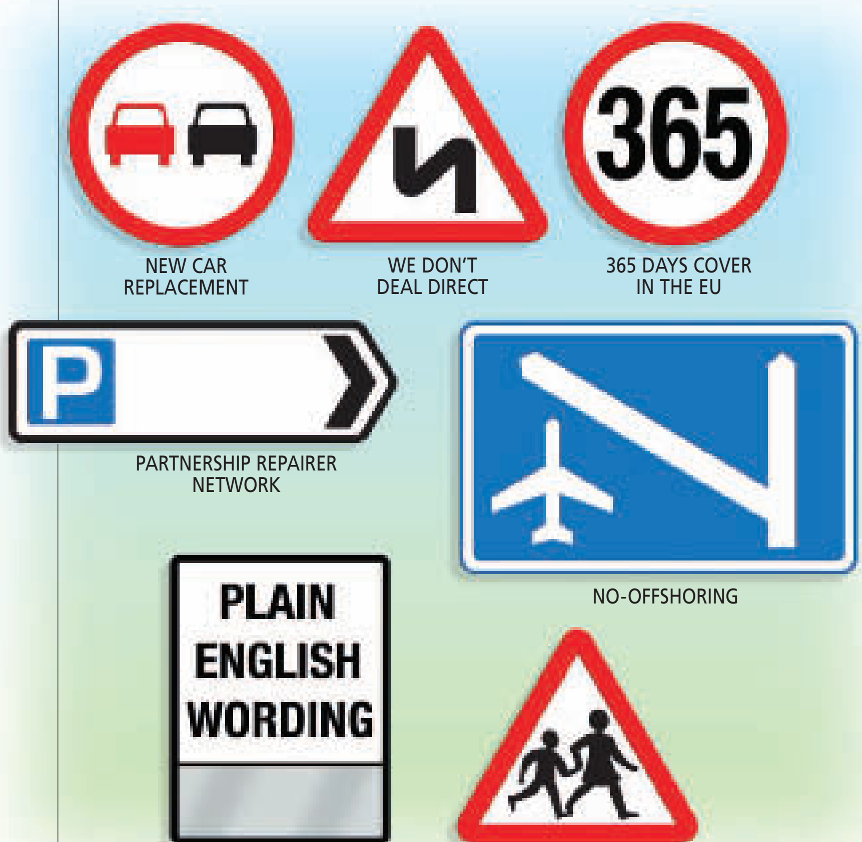

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Man on a mission

The MIB's Ashton West tells Anita Anandarajah about his attempts to eradicate the 'social ill' of uninsured driving

Ashton West may be a quiet, considered individual, but he speaks with missionary zeal in his role as chief executive of the Motor Insurers' Bureau (MIB). He wants to do nothing less than eradicate the "social ill" of uninsured driving.

This is in line with the bureau's overall strategy, which is to slash the cost of uninsured driving.

This costs the UK in excess of £0.5bn a year. West tags as "totally unacceptable" this year's figure, standing at £388m, or as he says: "£30 per policy per annum to the honest drivers' premium." This puts the figure into some perspective.

Legal obligations

West will work with recently-appointed MIB chairman Keith Morris. "Our long term objective is to stabilise and reduce the levy, while fulfilling our legal obligation to victims of uninsured driving," he says.

Running the motor insurance database (MID), on which all insured motorists could be listed with their policy details, is an important ongoing task.

The introduction of the Fourth EU Motor Directive, requiring insurers of all UK vehicles to be traceable, has increased the visibility of the MID.

This has all added up to an exciting and important time for the MID. But if West is to achieve his aim, there are hurdles to jump first.

The police, the MID's number one client, and the Driver and Vehicle Licensing Agency (DVLA) are increasing their use of the database. It is crucial for this to continue for it to be a success.

West's ambition is for the database to be used as legal proof of ownership of insurance. ➔

'It is no longer enough to ensure that vehicles are insured because the first thing the police will do, when they stop you, is to check the database'
Ashton West

Profile

➔"In practice the police are already using the database as a first line of checking whether a vehicle is insured. If it is not on the database they will then follow up with a call to the MIB hotline," says West.

The police are expected to clock in 30 million hits this year – or one hit every second. The DVLA will follow the same practice next year.

"We know the government is keen to move towards e-commerce. Utilising the database is a logical move," says West. "Whether it is practical and cost effective is to be seen."

The bureau is bracing itself for something of a crunch time come 1 January, when insurers will have to conform to the new seven-day window for updating the database with policy information. The target has been 14 days since October 2005.

The MIB hopes to achieve 95% compliance of all data by seven days by the time the new rules come into place. At the end of August 2007, the figures for personal vehicles were 95.4% compliant within seven days, four months ahead of schedule.

Wrong vehicle

It's all about "compliance, compliance, compliance" as West leads the MIB in ensuring the police do not seize the wrong vehicle simply because the data contained in the MID is not up-to-date.

The bureau set up a dedicated helpline for the police to contact insurers via the MID, which will be fully rolled out to the 40-odd police forces around Great Britain in October.

The turnaround time for each inquiry is 15 minutes. The database is now taking between 700 and 800 calls a week from 29 out of 54 police forces in Great Britain.

In July, a weakness in the system was highlighted when a woman in Llandudno had her car wrongly confiscated as Direct Line had failed to report to the MIB within the stipulated time frame.

> 'Utilising the database is a logical move. Whether it is practicable and cost effective remains to be seen'
>
> Ashton West

West is confident that that by the end of the year that will be a thing of the past. "It [compliance] is already hovering at the 95% level," he says.

While the focus is on personal cars, which are classified as MID-1, commercial fleet vehicles, or MID-2, will also come under scrutiny next year.

The timetable for commercial vehicles differs whereby policy data is to be submitted within 14 days and vehicle data within 21 days.

The targeted compliance level is 95% but currently that figure is in the mid 80s.

Check database

West is less confident about getting MID-2 to get into the database on time. "The biggest problem here has been getting policyholders to get their information into our database. It is no longer enough to ensure that vehicles are insured because the first thing the police will do when they stop you is to check the database," West explains.

This will of course lead to problems when the vehicle is confiscated.

Hence the MIB's three-pronged approach to create awareness among policy holders.

The first is a campaign launched in March bearing the very lengthy title of 'You might be insured but if your car is not on the MID, today could be a bad day at the office'. The second is the website www.askmid.com against which one can check whether one's vehicle is registered at the MID.

Next month will see the third, a petrol pump advertising campaign to reach out to commercial vehicle drivers.

West says the response from insurers has largely been good. Insurers failing to meet the 95% compliance for uploading information on the database will incur a fine, dependent on their premium income and the degree to which they missed their target.

The MIB has already fined 14 companies since October 2005. Most insurers don't want to be seen as not complying because it is a regulatory function that they will be flouting. "That is what motivates them, rather than money," says West.

New offence

But there is a financial cost as well, a single fine can run up to £250,000. Next year, the Department for Transport will introduce a new offence of keeping a vehicle without insurance, which was established in the Road Safety Act 2006.

The regulations will also enforce continuous insurance enforcement, so that gaps in insurance cover are not permitted.

This will mean that if a registered keeper of a vehicle is found to not have cover, he will first be a given a warning, followed by a fine and finally the vehicle will be clamped. Even vehicles that are parked and not actively used will theoretically be subject to a fine.

The ultimate success of the MIB's campaigns among policyholders to input their policy details into its database will be measured by the all-important 95% in the new year.

Until then, West will continue his on-going battle to rid the roads of the scourge of uninsured drivers. **IT**

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The deadly age crisis

James Sullivan examines how insurers, the government, and the legal profession are tackling the problem of rising fatalities among young drivers

It doesn't pay to be young and British at the moment. Whether it's promiscuity, binge-drinking, or anti-social behaviour, it seems that the youth of today are doing it to excess, and giving rise to more outraged column inches in the press than ever before.

Scorned and disparaged, teenagers and young adults are sometimes painted as the scourge of our society.

At this rate, pretty much all deterioration will eventually be linked to this cross section of society.

So it is not surprising that young drivers have come under the spotlight, with the latest report of the Commons' transport select committee, which focused specifically on this issue.

According to the report, the situation is far from encouraging, The statistics show that young ➔

Young drivers

➔ driver have a disproportionate number of accidents. While one in every eight driving licence holders was aged under 25, one in three drivers who died in collisions was under 25. And almost one in two drivers killed at night was under 25.

And according to the government's estimates nearly 38,800 people are killed or injured each year in collisions involving at least one driver with less than two years' post-test experience.

Government response

As result of such statistics, significant reforms have been suggested, including raising the minimum driving age from 17 to 18 in a bid to reduce the number of road deaths by 1,000 a year.

Ministers are considering a year-long training period for novice drivers.

The report has also called for newly-qualified drivers to be subject to a zero alcohol drink-drive limit for a year after they pass their test, until they gain more experience.

Naturally insurance plays a crucial role in this whole dilemma, yet it is unsure exactly what can be done by the industry in order to solve what everybody seems to accept is a continuing and worrying problem.

Insurance Times asked the three main parties with a vested interest: insurers, the government, and the legal profession what they would like happen. **IT**

The legal profession

Royston Smith is managing partner of North-West law firm Scott Rees & Co, which specialises in motor claims. He feels that blaming underwriters over the issue is missing the point. He says that some sort of legislation is needed if we are to seriously expect to improve road safety among young drivers.

"I fail to see how trying to price young drivers out of certain types of car will make the issue any better," he comments. "What we need is legislation to make sure that people can only drive, say, a one-litre vehicle with anti-lock brakes for a certain period."

Smith says that what is needed is a cultural shift in attitudes. "In the US people can drive at a younger age to places of education. That seems to me a better way of going about it than what's being suggested at the moment. Raising the age for driving will only serve to criminalise a new age group."

The insurance industry

Naturally UK insurers feel that they have long taken the issue of young drivers as a problem category very seriously. Some of the country's biggest insurers have recently unveiled sophisticated schemes to target the safety aspects in this age group.

Norwich Union offers an insurance package for drivers aged 18-23, encouraging them not to drive at night. Policyholders are charged up to 20 times more per mile driven at night when the crash risk is highest (11pm.-6am) than at other lower-risk times of the day.

The pilot was launched in January 2005 and has been a substantial success, according to a spokesman for the company. "Our research has found that there has been a reduction of 20% for claims on the two-tier policy, which shows that financial incentives can change driving behaviour. For our young drivers we have a policy that helps them control their premiums," he adds.

Parliament

According to the Commons' transport select committee, the UK insurance industry deserves some praise for its attempts to address the issue of dangerous driving among the young, and as such has introduced some innovative schemes which offer discounts designed to encourage young drivers to modify their driving behaviour.

In addition, it recognises the part that several companies have played by offering lower premiums to novice drivers who have completed the Pass Plus post-licence training scheme.

Despite such encouragements, however, according to the committee, the UK insurance industry is far from off the hook. It says: "It remains to be seen whether companies will continue to offer these discounts following emerging evidence from the ABI that the safety benefit of such schemes is marginal."

It adds that reduced premiums for participation in training schemes could act as an alternative.

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Formula for insurance

Anita Anandarajah looks at the various covers for Formula One

The deafening squeal of tyres, the smell of burnt rubber and, of course Lewis Hamilton, conjure up the dangers and glamour of the world's most expensive sport, Formula One (F1).

But with the thrills come the spills, and they show up as catastrophic accidents with wreckage littered across tracks. So it is little wonder that insurers are interested in this high risk event. Paul Dudley, managing director of Towergate TLC says: "Formula One presents fantastic risks to underwrite. The sport is well-funded, the factories don't fall into disrepair and they work quickly to remedy problems."

The paradox is that F1 is one of the safest sports. This is in part due to stringent rules put in place by the Federation Internationale de l'Automobiles (FIA), the international governing body for motor sports.

So how do underwriters assess the assortment of risks posed by the drivers, the cars and the venues where they race? Here we take a look:

The team, property and equipment

Towergate TLC managing director Paul Dudley says: " Everything is insured from the factory to the cars, plant, gearboxes, engines and IT equipment, which is extremely valuable." He estimates that a single F1 team could be insured for property damage for £70m–£80m.

Aon motor sports director Richard Rainbow says: "In the case of Ferrari, how cars are constructed, the number of trucks, number of cars in the fleet, staff numbers, wages, turnover and business interruption risks all contribute to the overall premium."

The car

Dudley says: "One risk that is not insured is damage to the car while on the track, referred to as "cars under their own power". This is because the cost of the premium would be too high.

But the market to cover cars does exist. Paul Buckle, director of motor sports insurance at Lockton, says: "With premiums typically charged as a percentage of the vehicle value and high levels of deductible, it is often cheaper for teams to put new parts on the car.

"Due to the high values involved in F1, this is not an attractive risk for insurers."

He reiterated that cars are insured provided they are not being driven, so for instance if there is a fire at the factory the cars would typically be insured for their replacement value.

The driver

There is no compulsory insurance for drivers. Dudley explains: "Each driver buys his own personal accident insurance. Very occasionally teams will buy cover for their drivers. This is due to commercial pressures where teams now pay their drivers less and exclude insurance."

Drivers buy cover for death, permanent disability and races missed. A driver's annual salary is divided by the 17 races a season. He can insure himself for loss of salary if a race is cancelled or for accidents, or loss of income from merchandise rights. Lloyd's insurers predominantly deal with driver insurance.

Dudley points out that no one would take a risk on one driver. "If the exposure gets too high, the underwriter will ask the broker to share the risk with other insurers."

With only 22 drivers in a race, rates change dramatically as a result of large pay-outs. The triple disaster at the San Marino grand prix in May 1994 had insurers saying that unless rates double they would exit the market.

This was where Rubens Barrichello crashed during the qualifying round, followed by Roland Ratzenberger's death during a practice session, and finally the death of Ayrton Senna.

The pay-out on Senna's accidental death policy alone was $20m. Rates for accidental death, permanent total disability and temporary total disability sky-rocketed to between 200% and 300% that year. The biggest personal accident policy placed so far by Hiscox is $50m.

Formula One

proximo forward thinking

The circuit

Paul Buckle says: "There are no pitfalls when it comes to insuring tracks." Circuits are insured in accordance with strict criteria from the championship organiser.

Mike Patchett, managing director of SLE Worldwide, says the stringent rules laid out by the FIA and the Motor Sports Association in the UK ensure that circuits are a lot safer than previously.

The more spectators, the greater the risk of more people getting injured. Spectator numbers vary – in Australia the number could reach 130,000, whereas in Hungary it may be only 60,000.

The type of circuit insurance will depend on whether it is a temporary or purpose-built structure.

Aon's Rainbow explains: "Although this has not happened in Formula One races, there have been incidents of temporary grandstands collapsing."

Premiums in this area are driven by spectator numbers, the type of circuit, safety considerations and the limit on indemnity bought. Rainbow says that track insurance is a niche area and bespoke cover is provided via the Lloyd's market.

"Premiums have been fairly static in track and look to stay that way. This is a niche area and therefore fluctuations are less severe, unlike in general insurance because we are protecting against a one-off catastrophe.

Cancellation cover

Event cancellation insurance provides protection for event organisers, sponsors, broadcasters and individuals against unanticipated disruptions to the race.

Rates hit sky-high post-9/11 for events and cancellations which saw a 300%–400% increase. Rates have since come down due to interest from new underwriting entrants.

Routes to profit

John Hancock says the fleet market is due for a rate rise, but brokers have to be able to justify it to their customers

There are a number of factors at play when insurers talk about fleets. As in other markets, there is potential for good quality advice and underwriting to justify the premiums customers pay. So what are the strengths and weaknesses of the fleet market and what is the outlook?

Mark Bacon, chief underwriting officer for corporate motor at Zurich, sums up the present position: "Premium levels for the UK motor market have been declining for at least the past three years. Allowing for the effects of inflation, premium levels are something like 14% lower in real terms than they were three years ago.

"This situation is not sustainable and will inevitably lead to a correction in pricing."

At the same time that premiums have been in decline, costs have risen, particularly third party costs. Fleets suffer more third party costs possibly because individuals see corporations as rich and unlikely to contest reasonable claims. But it is more likely that fleet customers may well self-insure non-third party risks, or accept a high excess on non-third party losses.

Upward pressure

Then there is the cost of regulation and factors such as ambulance costs being charged to insurers, all putting upward pressure on costs. While larger players may be protecting their books, this will not be at any cost. And the increasing use of management information is enabling insurers to more carefully match cost and premium to the risk.

Also good use of management information is enabling smaller players to find profit in the market, even if they may not have great experience. There is a general acceptance that premium increases are on the way. But at the same time it is recognised that insurers and advisers will need to differentiate themselves through the quality of service they offer and the value they bring to their customers' businesses.

That said, while some may start to increase premiums this year, most will likely wait until 2008 to implement any changes. ➔

➔ Some insurers may have used surpluses from previous years to prop up this year's results. While this could flatter the current position, it does run the risk of depleting reserves so that future results may have to allow for rebuilding adequate prior year reserves.

Current data suggests that up to 14% of current premium may have been allocated from previous years' surpluses and that had this not taken place the market would have run a fairly unhealthy 111% combined operating ratio.

The prospective hardening of the market and increase in premiums is seen in many quarters as presenting an opportunity for service quality and value improvements. It should also provide an opportunity for fleet owners to look at the way they run their fleets and manage risks.

Reduce premiums

Tim Rankin, managing director of WNS Assistance, says: "Fleet owners are getting more switched on to managing their fleets in a way that could reduce their premiums. They are training drivers and, with help from their insurers and claims managers, are using third party capture to manage the third party claims for which they are liable."

Insurers must ensure that they continue to underwrite based on material risk factors and not simply apply blanket rating increases.

They should avoid disaffecting good customers by applying excessive and unjustified increases, while setting premium costs at an appropriate level for customers whose claims history may not be so good – just to keep that business profitable.

Brokers have an important part to play in this process by ensuring that they provide insurers with as much information as possible to assess the risk and an appropriate cost.

The UK economy remains strong which means that the fleet market continues to grow. Increasing regulation means that fleet owners are thinking more carefully about health and safety and risk issues. And they need to.

The trade and fleet markets still have some scope to improve the speed with which they populate the . This could prove costly as the police increase their use of this database to identify and take off the road apparently 'uninsured' vehicles.

Also, next year when the Corporate Manslaughter Act comes into force, in the event of an accident, a fleet owner will need to be able to prove that the driver was not under scheduling pressure or working excessive hours, either of which could have contributed to the accident.

The floods suffered in parts of the UK earlier on this year did have an impact on the motor fleet market although not in an obvious way. Unless an entire fleet was kept in one of the flood areas, it is unlikely that losses will have significantly altered claim rates.

Driving conditions

But, the changing weather patterns may have a longer term impact. Roger Ball, head of commercial motor and motor trade at Allianz Insurance, says: "Incessant rain for six weeks created driving conditions that had adversely affected accident claims.

"Not only were the roads wet for more of the time, but also sudden rain often caught drivers unawares."

The UK market is efficient compared with other European markets partly because, by insuring the group and then the vehicles, cover for several thousand vehicles can be incorporated into one policy.

There are some weaknesses. A lot of fleet business is still conducted in a traditional manner and not all

> 'In this hardening market, some players may take underwriting risks, concentrating on price rather than service or risk'
>
> Alan Horemans, Arista

insurers have up-to-date management information on which to base costs and premiums.

Also claims backlogs mean that some costs will not yet have been crystallised and therefore might not be taken into account when setting future rates.

Alan Horemans, head of motor underwriting at Arista Insurance, explains: "In this hardening market, some players may take underwriting risks, concentrating on price rather than service or risk."

Increased services

It is so important to ensure that where prices have to rise, customers can match those increased costs with perceived increased services and value. And this is an area where brokers can be of particular help, offering the kind of traditional relationship-based advice on which their appeal in the market has been built.

Not only can brokers advise on insurance issues such as what type of cover is appropriate and what levels of excess best suits a client, but they can explain the reasoning behind whatever premiums are offered.

They can also advise customers on the steps they can take to manage the risks in their fleet better, their position regarding the law and the kind of management information that will best serve those ends. IT

AUTOWINDSHIELDS WINS TWO MAJOR INSURANCE CONTRACTS

AutoWindshields, one of the UK's fastest growing independent windscreen repair and replacement companies, has won two major insurance contracts.

The Preston-based firm, which operates through a 60-strong nationwide van fleet, has been appointed sole recommended supplier by Gibraltar-based motor insurance companies **Zenith Insurance plc** and **Link Insurance Company Limited** until December 2008.

It was awarded the contracts, worth £750,000, after achieving a consistently high response rate in a trial period for Link Insurance Company Limited last year.

Zenith Insurance plc and Link Insurance Company Limited both provide policies solely through brokers, and support owners of private cars, motorcycles, vans, taxis and the car fleet market.

Richard Perry, Head of Damage & Supplier Management for GHL Insurance Services UK Ltd, an appointed UK service provider for Zenith and Link, said:

" We were impressed by AutoWindshields' excellent price package and the friendly efficient service of its fitters. The benefits of being able to rely on a highly motivated directly employed workforce fitted our profile perfectly and we are confident that the relationship will enhance the level of service that policyholders receive."

Barry Donaldson, a Director of AutoWindshields, said:

" These two major contracts by sister companies are testament to our industry leading response times and our excellent standards of service. For the convenience of our customers, we guarantee a unique next-day windscreen repair and replacement service provided at their own home or workplace by our highly trained mobile fitters."

Barry Donaldson, a director of AutoWindshields (left) and Richard Perry, Head of Damage & Supplier Management for GHL Insurance Services UK Ltd, celebrate the appointment of AutoWindshields as sole recommended supplier of windscreen repair and replacement services to Zenith and Link.

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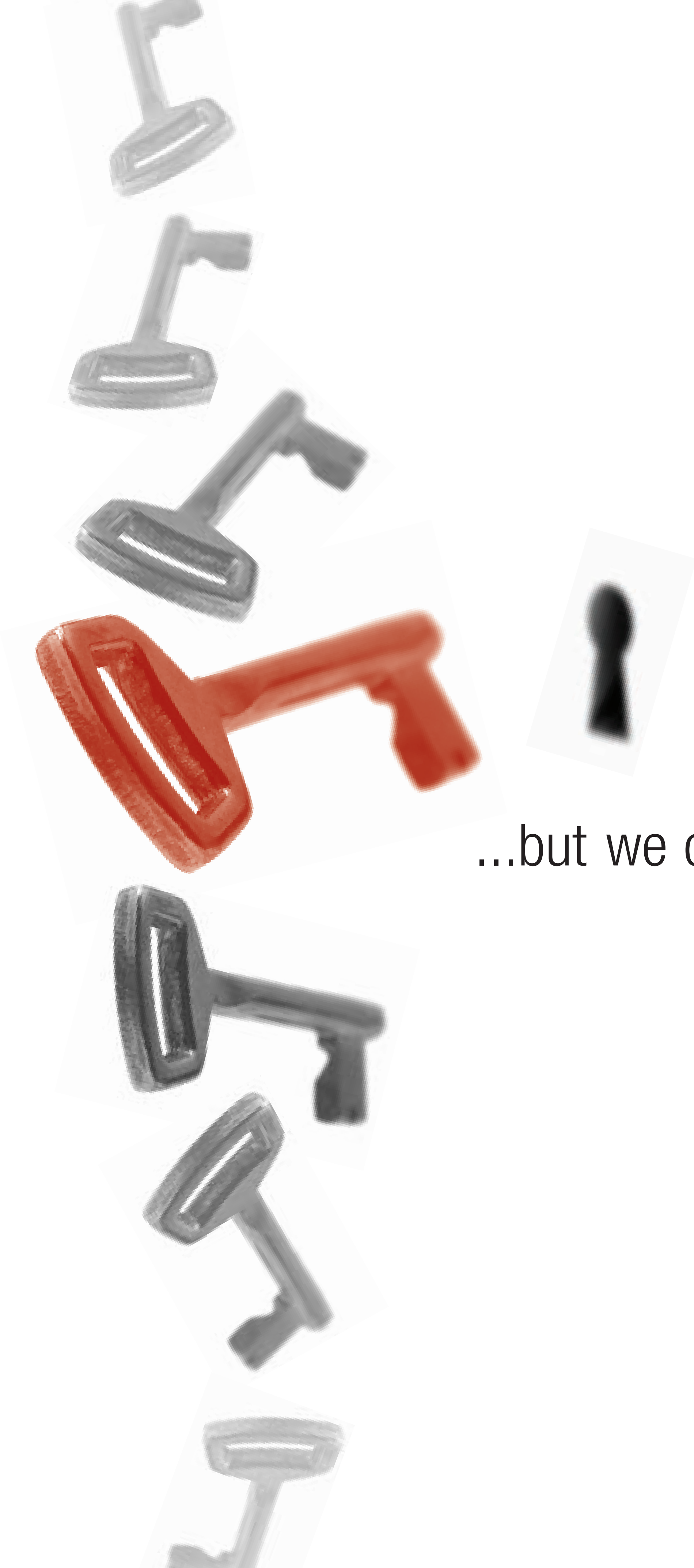

...but we can

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Change of policy

There is considerable variation in the fees insurance companies charge for adjustments to motor policies. Michael Powell explains

In previous years, it was always the intermediary that charged 'policy fees' to supplement the commission paid by insurers. The direct market made a point of advertising this fact as a differentiator between its products and the products offered by intermediaries.

However,there has been a change over the past two years with policy fees being charged both in the intermediary and direct markets.

Nearly all direct insurers now apply policy fees for any adjustments made by the policyholder or requesting a duplicate certificate of motor insurance. The most noticeable change though is the addition of a cancellation fee now being charged to cover the insurer's set up costs.

Arrangement fes

The following tables analyse a selection of the direct and major intermediary market and the policy fees that are charged.

In general, most direct insurers and intermediaries do not include an additional set up or arrangement fee at the inception or the renewal of the policy, however, there are a few providers who do make this type of charge and this could be as much as £20.

The direct market has over the past two years started to make administration charges for adjustments that are made by policyholders.

This fee is also added to any normal additional premium that would be charged for the change in the annual premium. The charges range from no charge all to a maximum of £25.

If the policyholder requires a duplicate certificate – previously most direct insurers would have not made a charge to provide this service. Again the charges now can range from no charges being made to a maximum of £25.

Significant change

The most significant change in the direct market is the addition of cancellation fees, created to cover policy set-up costs.

Cancellation fees can include a charge made by the insurer for the cancellation of the policy and/or a charge for the claw-back of the commission paid to intermediary.

Some other insurers do not specify the exact fee. This is because their cancellation terms are based on a pro-rata refund plus one month's additional charge.

Therefore, the charge applicable is obviously based on the annual premium – this has been noted as a potentially "unlimited" charge.

As the motor insurance market is still incredibly competitive, insurers have as yet, been unable to increase rates to a level that would return a profitable book of business. The introduction of policy fees is a way of obtaining extra income throughout the policy year.

> The most significant change in the direct market is the addition of cancellation fees, created to cover policy set-up costs

However, is introducing policy fees a fair and valid way of raising extra premium that would not be available at the inception or renewal of the policy?

The FSA may well have a different view as to whether the fees currently being charged are fair and relevant, bearing in mind the Office of Fair Trading action against unfair bank charges.

Defaqto believes that it is reasonable to charge policy fees to cover any costs involved in the arranging and servicing of a policy.

However, the amounts currently being charged within the motor market vary considerably and are not necessarily fair in comparison to the work involved.

It is quite likely that the FSA will look at whether the amounts being charged are fair within the Treating Customers Fairly (TCF) environment, and that some level of uniformity may be imposed. IT

➔ **Michael Powell is a researcher at Defaqto**

What insurers charge for policy

Provider	Product	Set up fee
AA	Car Insurance (Non Members)	£0
Admiral	Motor Insurance	£0
AIG Direct	Motor Insurance	£12.50
Argos	Car Insurance	£0
ASDA	Car Insurance	£0
Barclays	Motor Insurance	£0
Bell	Motor Insurance	£0
Budget Insurance Services	Private Car Policy	£0
Churchill	Car Insurance	£0
CIS	Motor Car Insurance	£0
Cornhill Direct	Motor Insurance	£0
Debenhams	Motor Insurance	£20
Dial Direct	Private Car Policy	£20
Diamond	Motor Insurance	£0
Direct Line	Private Car Policy	£0
easyMoney.com	Motor Insurance	£0
Ecar	Car Insurance	£0
Elephant.co.uk	Private Car Insurance	£0
Endsleigh	Motor Insurance	£0
Esure	Standard Car Insurance	£0
First Alternative	Standard Car Insurance	£0
First Direct	Motor Insurance	£0
Halifax	Car Insurance	£0
Hastings Direct	Car Insurance (Panel)	£0
HSBC	Car Insurance	£0
ibuyeco	Car Insurance	£0
Insure.co.uk	Motor Insurance	£0
Kwik-Fit	Private Motor	£0
Lloyds TSB	Car Insurance	£0
LV=	Motor Insurance	£0
Marks & Spencer	Car Insurance	£0
More Th>n	Car Insurance	£0
More Th>n	DriveTime	£0
Nationwide Building Society	Motor Insurance	£0
NatWest	Car Insurance	£0
NFU Mutual	Car Policy	£0
Norwich Union Direct	Motor Insurance	£0
Pearl	Car Insurance	£0
Post Office Ltd	Private Car Policy	£0
Privilege	Motor Insurance	£0
Prudential	Car Insurance	£0
Quinn-Direct	Car Insurance	£0
RAC Direct Insurance	Car Insurance	£0
Royal Bank of Scotland	Car Insurance	£0
Saga	Private Motor Insurance	£0
Sainsbury's Bank	Standard Car Insurance	£0
Screentrade	Car Insurance	£0
Sheilas Wheels	Standard Car Insurance	£0
Simple Cover	Car Insurance	£0
Swiftcover.com	Car Insurance	£19.99
Tesco	Motor Insurance	£0
Tesco	Value Motor Insurance	£0
The Green Insurance Company	Motor Insurance	£0
Virgin	Car Insurance	£0
yesinsurance.co.uk	Car Insurance	£20
Yorkshire Bank	Car Insurance	£0
Zurich	Car Solutions (Direct)	£0

adjustments

Key Guide:
ul* (refers to a potentiallyul* charge, as the insurer's cancellation fee is based on a pro-rata charge plus 1 months premium, or 10% or the insurers cancellation return of premium)
ns = not stated

defaqto

Renewal fee	Adjustment fee	Duplicate documents fee	Cancellation fee
£0	£25	£25	£50
£0	£14.50	£14.50	£45
£12.50	£12.50	£12.50	ul*
£0	£15	£15	£15
£0	£20	£10	£30
£0	£0	£0	£26.25
£0	£14.50	£14.50	£45
£0	£20	£15	£55
£0	£21	£9	ul*
£0	£12.50	£12.50	£0
£0	£0	£0	£50
£0	£15	£12	£35
£20	£20	£15	£35
£0	£14.50	£14.50	£45
£0	£15.75	£0	ul*
£0	£15.75	£15.75	£52.50
£0	£15	£0	£30
£0	£14.50	£14.50	£45
£0	£0	£0	£0
£0	£15	£15	£40
£0	£15	£15	£40
£0	£0	£0	£21
£0	£15	£15	£40
£0	£0	£0	£0
£0	£0	£0	£0
£0	£25	£10	£55
£0	£21	£21	£21
£0	£25	£25	£60
£0	£15.75	£0	£0
£0	£15	£0	£50
£0	£0	£0	£0
£0	£25	£25	£55
£0	£25	£25	£55
£0	£15.75	£0	ul*
£0	£15.75	£0	£0
£0	£0	£0	£0
£0	£12	£0	£52.50
£0	£15	£15	£15
£0	£20	£20	£35
£0	£15.75	£0	£0
£0	£15.75	£0	ul*
£0	£20	£0	£40
£0	£12	£0	£30.45
£0	£15.75	£0	ul*
£0	ns	£0	£0
£0	£15	£15	£40
£0	£15	£15	£15
£0	£15	£15	£40
£0	£21	£10.50	£52.50
£0	£9.99	£9.99	£9.99
£0	£15.75	£0	ul*
£0	£15.75	£0	ul*
£0	£12.50	£5	ul*
£0	£15.75	£0	ul*
£0	£15	£12	£35
£0	£0	£0	£0
£0	£0	£0	£50

Product analysis

How accident management featu

Provider	Product	Helplines	Rescue cover	Rescue cover basis	Accident transport	Maximum hotel expenses
AA	Car Insurance (Non Members)	yes	service	repairer/home	yes	£0
Admiral	Motor Insurance	yes	service	repairer	no	£0
Advantage Insurance Company	Car Insurance	yes	no	not applicable	no	£0
Age Concern	Private Car Insurance	yes	service	repairer	yes	£75
AIG Direct	Motor Insurance	yes	cost	repairer	no	£0
Alfa Romeo Motor Insurance	Motor Insurance	yes	cost	cost	no	£0
Allianz	Horizon	yes	cost	cost	no	£0
American Express	Motor Insurance	no	cost	cost	no	£0
Ansvar	Private Car	yes	cost	cost	no	£150
Argos	Car Insurance	yes	cost	cost	no	£0
ASDA	Car Insurance	yes	cost	repairer	no	£0
Audi Insurance	Annual Car Insurance	yes	cost	repairer	yes	unlimited
AXA Insurance	Conwy	yes	cost	cost	no	£0
Barclays	Motor Insurance	yes	service	repairer	yes	£0
Bell	Motor Insurance	yes	service	repairer/home	no	£0
BMW Insurance	Motor Insurance	yes	service	repairer	no	£0
Brit Insurance	Private Car Insurance	yes	no	not applicable	no	£0
Budget Insurance Services	Private Car Policy	yes	cost	cost	no	£0
Chaucer Insurance	Mota-Marque	yes	cost	cost	no	£0
Chrysler	Motor Insurance	yes	service	repairer	no	£150
Churchill	Car Insurance	yes	service	repairer	no	£80
CIS	Motor Car Insurance	yes	service	repairer/home	yes	£280
Cornhill Direct	Motor Insurance	yes	service	repairer	yes	£250
Debenhams	Motor Insurance	yes	cost	cost	no	£0
Dial Direct	Private Car Policy	yes	cost	cost	no	£0
Diamond	Motor Insurance	yes	service	repairer/home	no	£0
Direct Line	Private Car Policy	yes	service	repairer	yes	£250
easyMoney.com	Motor Insurance	yes	cost	cost	no	£0
Ecar	Car Insurance	yes	cost	cost	no	£0
Elephant.co.uk	Private Car Insurance	yes	service	repairer	no	£0
Endsleigh	Motor Insurance	yes	service	repairer	yes	£0
Ensign	Private Car	yes	cost	cost	no	£0
Equity Red Star	Private Car	yes	cost	cost	no	£0
Equity Red Star	Sapphire	yes	cost	cost	no	£0
Esure	Standard Car Insurance	yes	service	repairer	no	£100
First Alternative	Standard Car Insurance	yes	cost	cost	no	£100
First Direct	Motor Insurance	yes	cost	cost	no	£0
Ford Insure	Motor Insurance Policy	yes	service	repairer	yes	£150
Fortis	Motor Guard	yes	service	repairer	yes	£250
Groupama	Optima Car	yes	cost	cost	no	£100
Halifax	Car Insurance	yes	cost	cost	no	£80
Hastings Direct	Car Insurance (Advantage)	yes	no	not applicable	no	£0
Highway Insurance	Choice Private Car	yes	cost	cost	no	£0
Honda	Hondacare Insurance	yes	cost	repairer	no	unlimited
HSBC	Car Insurance	yes	cost	repairer	no	£0
HSBC Insurance (UK) Ltd	Corinthian	yes	service	repairer	no	£0
ibuyeco	Car Insurance	yes	cost	repairer	no	£0
Insure.co.uk	Motor Insurance	yes	cost	cost	no	£0
Jaguar Insurance	Motor Insurance	yes	service	repairer	yes	£150
KGM Motor Insurance	Private Car Insurance	no	cost	cost	no	£0
Kwik-Fit	Private Motor	yes	service	repairer	no	£0
Land Rover Insurance	Motor Insurance	yes	cost	cost	yes	£150
Landmark Insurance	Motor Insurance	ns	cost	cost	no	£0
Lexus Insurance	Motor Insurance	yes	service	repairer	yes	£150
Link Insurance	Standard	yes	cost	cost	no	£0
Lloyds TSB	Car Insurance	yes	cost	cost	no	£80
LV=	Motor Insurance	yes	service	repairer	yes	£400
Markerstudy	Motor Insurance	yes	cost	cost	no	£200
Marks & Spencer	Car Insurance	yes	service	repairer	yes	£500
Masterquote	Car Insurance	yes	cost	cost	no	£0
Mazda Motor Insurance	Motor Insurance	yes	no	not applicable	yes	unlimited
Mercedes Benz Insurance	Motor Insurance	yes	service	repairer	no	£150
Mini Insurance	Mini Cover	yes	cost	cost	no	£0
Mitsubishi Insurance	Motor Insurance	yes	cost	cost	no	£0
MMA Insurance	Standard Motor	yes	service	repairer	yes	£250
More Th>n	Car Insurance	yes	cost	cost	no	£250
MRL Insurance Direct	Car Insurance	yes	cost	cost	no	£0
Nationwide Building Society	Motor Insurance	yes	cost	cost	no	£100
NatWest	Car Insurance	yes	cost	cost	yes	£0
NFU Mutual	Car Policy	yes	cost	cost	yes	£200
NIG	Sovereign	yes	cost	cost	no	£0
Norwich Union	Private Car	yes	service	repairer	yes	£0
Norwich Union Direct	Motor Insurance	yes	service	repairer	yes	£0
Pearl	Car Insurance	yes	cost	cost	no	£0
Peugeot Insurance	Motor Insurance	yes	cost	cost	no	£0
Post Office Ltd	Private Car Policy	yes	cost	cost	no	£0
Privilege	Motor Insurance	yes	service	repairer	no	£250
Provident Insurance	Standard	yes	cost	cost	no	£0
Prudential	Car Insurance	yes	cost	cost	no	£80
Quinn-Direct	Car Insurance	yes	cost	cost	no	£100
RAC Direct Insurance	Car Insurance	yes	service	repairer	yes	£0
Renault Insurance	Motor Insurance	yes	cost	cost	no	£0
Roland Smith Ltd	Motor Insurance	yes	service	repairer	yes	£150
Royal & SunAlliance	Drive	yes	service	repairer	yes	£100
Royal Bank of Scotland	Car Insurance	yes	cost	cost	no	£0
Sabre	Car Insurance	yes	cost	cost	no	£0
Saga	Private Motor Insurance	no	cost	cost	no	£300
Sainsbury's Bank	Standard Car Insurance	yes	cost	cost	no	£200
Screentrade	Car Insurance	yes	cost	cost	no	£80
Seat	Annual Car Insurance	yes	cost	repairer	yes	unlimited
Service	Motor Insurance	no	cost	cost	no	£0
Sheilas Wheels	Standard Car Insurance	yes	cost	cost	no	£200
Simple Cover	Car Insurance	yes	service	repairer	no	£0
Swiftcover.com	Car Insurance	yes	no	not applicable	no	£0
Tesco	Motor Insurance	yes	service	repairer	no	£0
Tesco	Value Motor Insurance	yes	service	repairer	no	£0
The Green Insurance Company	Motor Insurance	yes	service	repairer	yes	£250
Towergate Risk Solutions	Wheels Private Car	yes	service	repairer	no	£0
Toyota Insurance	Motor Insurance	yes	service	repairer	yes	£150
Vauxhall Motors	Motor Insurance	yes	cost	cost	no	£0
Virgin	Car Insurance	yes	cost	cost	no	£0
Volkswagen Insurance	Annual Car Insurance	yes	cost	repairer	yes	unlimited
Volvo Owners Insurance	Motor Insurance	yes	cost	cost	yes	£250
yesinsurance.co.uk	Car Insurance	yes	cost	cost	no	£0
Yorkshire Building Society	Private Car Policy	yes	service	repairer	yes	£150
Zenith Insurance Plc	Private Car Insurance	yes	cost	cost	no	£0
Zurich	Car Solutions	yes	service	repairer	yes	unlimited

ures compare

Key Guide:
not defined: type of courtesy car not defined in policy wording
na: not applicable
ul:ul*

Courtesy car	Class of courtesy	Courtesy car period	Enhanced courtesy car	Total loss courtesy car	Total loss car period (days)	Repairs guarantee	Repairs G'te period (years)
standard	small hatchback	during repair	no	no	0	no	0
standard	not defined	during repair	no	optional	21	all	3
optional	small hatchback	during repair	no	no	0	no	0
standard	small hatchback	during repair	no	no	0	all	3
standard	small hatchback	during repair	no	no	0	all	3
standard	not defined	during repair	no	no	0	no	0
standard	small hatchback	during repair	no	no	0	all	3
standard	not defined	during repair	no	no	0	no	0
standard	not defined	during repair	no	no	0	no	0
standard	not defined	during repair	no	no	0	no	0
optional	small hatchback	14 days	no	optional	14	no	0
standard	medium hatchback	during repair	no	standard	14	all	3
standard	not defined	during repair	no	no	0	all	3
optional	small hatchback	during repair	optional	optional	14	all	3
standard	not defined	during repair	no	optional	21	no	0
standard	not defined	during repair	no	no	0	all	3
standard	small hatchback	during repair	no	no	0	all	1
standard	not defined	during repair	no	optional	7	all	3
standard	small hatchback	during repair	no	no	0	all	3
standard	small hatchback	during repair	no	no	0	no	0
standard	small hatchback	during repair	optional	optional	28	all	5
standard	not defined	during repair	no	no	0	no	0
standard	small hatchback	during repair	no	optional	14	all	2
standard	not defined	during repair	no	optional	2	all	3
standard	not defined	during repair	no	optional	7	all	3
standard	not defined	during repair	no	optional	21	all	3
optional	small hatchback	14 days	no	optional	14	all	5
no	not applicable	none	no	no	0	all	3
standard	not defined	during repair	no	no	0	no	0
standard	not defined	during repair	no	optional	21	all	3
standard	medium hatchback	during repair	no	no	0	all	5
standard	small hatchback	during repair	no	no	0	no	0
standard	not defined	during repair	no	no	0	all	3
standard	not defined	during repair	no	no	0	all	3
standard	small hatchback	during repair	no	no	0	all	5
standard	small hatchback	during repair	no	no	0	all	5
standard	small hatchback	during repair	no	optional	21	all	3
standard	small hatchback	during repair	no	standard	21	all	3
standard	small hatchback	during repair	no	no	0	all	3
standard	small hatchback	28 days	no	no	0	all	3
standard	small hatchback	during repair	no	no	0	all	5
no	not applicable	none	no	no	0	no	0
standard	small hatchback	during repair	no	optional	14	all	3
standard	medium hatchback	during repair	no	standard	4	all	3
standard	not defined	during repair	no	no	0	all	2
standard	not defined	during repair	no	no	0	all	2
standard	not defined	during repair	no	optional	2	all	3
standard	not defined	during repair	no	no	0	all	1
standard	small hatchback	during repair	optional	standard	21	all	3
standard	small hatchback	during repair	no	no	0	all	3
standard	not defined	during repair	no	no	0	all	3
standard	not defined	during repair	no	standard	2	all	3
no	not applicable	none	no	no	0	no	0
standard	not defined	during repair	no	standard	2	bodywork	unlimited
standard	small hatchback	during repair	no	no	0	all	3
standard	not defined	during repair	no	no	0	all	5
optional	small hatchback	during repair	no	optional	14	all	5
standard	not defined	during repair	no	no	0	all	5
standard	not defined	during repair	no	standard	2	all	3
standard	not defined	during repair	no	no	0	no	0
standard	small hatchback	during repair	no	standard	5	all	3
standard	small hatchback	during repair	optional	optional	18	all	3
standard	not defined	during repair	no	no	0	all	3
standard	not defined	during repair	no	no	0	no	0
standard	not defined	during repair	no	no	0	all	3
standard	small hatchback	during repair	no	no	0	bodywork	unlimited
standard	small hatchback	during repair	no	no	0	all	unlimited
standard	not defined	during repair	no	no	0	all	5
standard	not defined	during repair	no	no	0	all	3
standard	small hatchback	during repair	optional	standard	14	all	3
standard	not defined	during repair	no	no	0	all	5
standard	small hatchback	during repair	optional	standard	14	all	3
optional	small hatchback	during repair	optional	optional	14	all	3
standard	not defined	during repair	no	no	0	no	0
standard	not defined	during repair	no	no	0	all	3
standard	not defined	during repair	no	optional	2	all	3
standard	small hatchback	during repair	optional	optional	14	all	5
standard	not defined	during repair	no	no	0	all	3
standard	not defined	during repair	no	no	0	all	5
standard	not defined	during repair	no	no	0	no	0
optional	small hatchback	during repair	optional	optional	14	all	3
standard	not defined	during repair	no	no	0	no	0
standard	small hatchback	during repair	optional	standard	14	bodywork	unlimited
standard	not defined	during repair	no	standard	2	all	unlimited
standard	not defined	during repair	no	no	0	all	3
standard	not defined	during repair	no	no	0	no	0
standard	not defined	14 days	no	optional	21	all	3
standard	small hatchback	during repair	no	no	0	all	5
standard	not defined	during repair	no	no	0	no	0
standard	medium hatchback	during repair	no	standard	14	all	3
no	not applicable	none	no	no	0	no	0
standard	small hatchback	during repair	no	no	0	all	5
optional	small hatchback	during repair	no	optional	14	all	3
optional	small hatchback	14 days	optional	optional	14	all	5
optional	small hatchback	14 days	no	optional	14	all	3
no	not applicable	none	no	no	0	all	1
standard	small hatchback	during repair	no	optional	14	all	3
standard	not defined	during repair	no	no	0	all	3
standard	not defined	during repair	no	standard	2	all	3
standard	not defined	during repair	no	no	0	all	3
standard	small hatchback	during repair	no	no	0	all	3
standard	small hatchback	during repair	no	standard	14	all	3
standard	not defined	during repair	no	standard	2	all	3
standard	not defined	during repair	no	optional	2	all	3
standard	not defined	during repair	no	standard	2	all	3
standard	not defined	during repair	no	no	0	all	3
standard	small hatchback	during repair	no	standard	4	all	3

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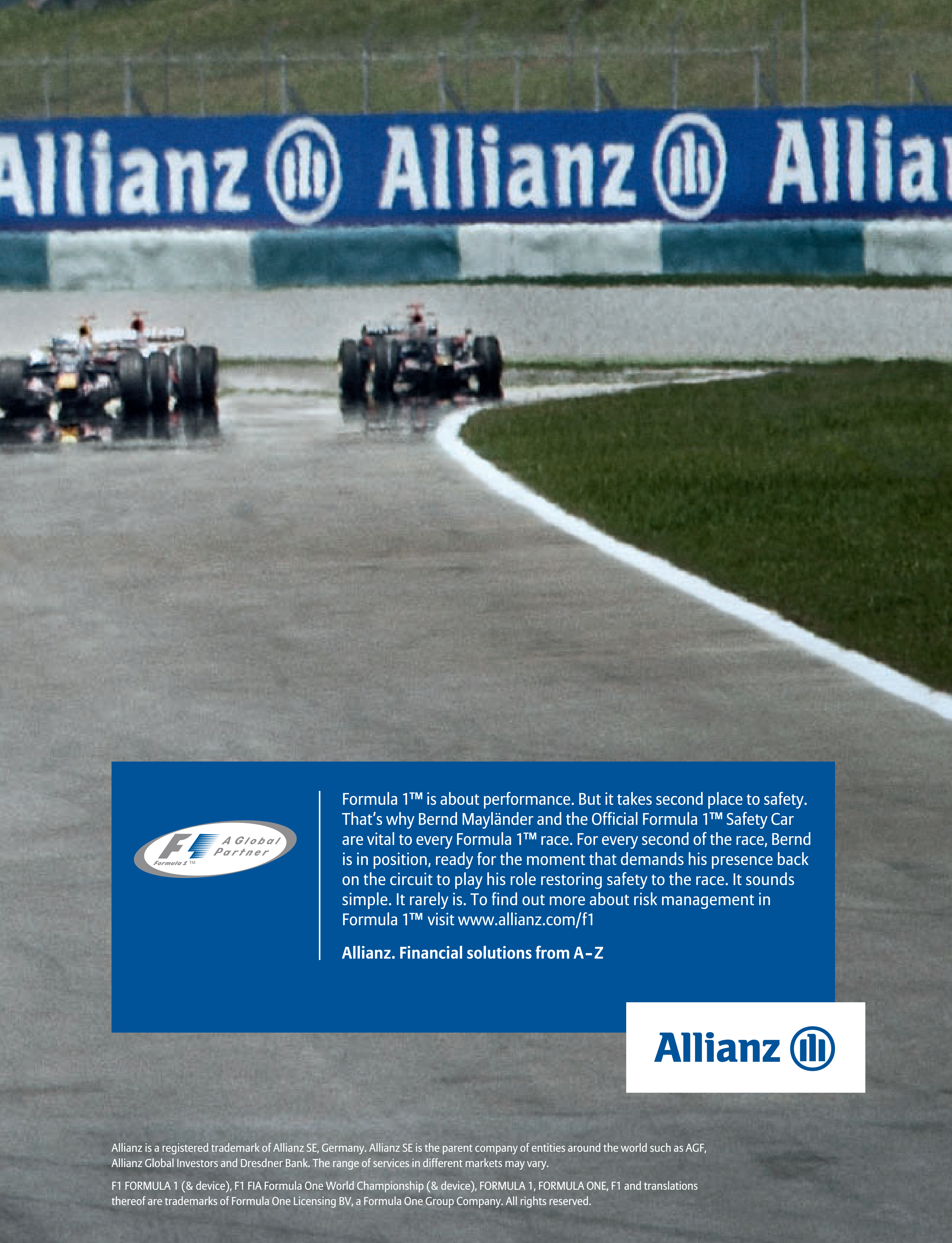
Risk management at work.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