



# How new drivers can chop cost of cover

## Jonathan Hehir

**I**T'S no secret that young and first-time drivers pay through the nose for their car insurance.

They don't qualify for the no claims bonus or driving experience discounts that their more experienced counterparts do. There is also limited competition in the first-time market — a driver with a full no claims bonus could have 15 or more insurers willing to give him a quote; a first-time driver might only have five insurers prepared to offer a quote.

Despite this, there are seven steps which young or first-time drivers can take to chop the cost of their insurance.

**One:** Pass your driving test — you could cut the cost of your motor insurance by as much as 30pc by doing so. Passing your test is no mean feat — the national average is about 55pc, according to the most recent figures from the Road Safety Authority.

However, people often

forget the huge financial benefits of passing the test. No matter what age you are, you will receive a large reduction in your motor insurance premium once you move from a provisional licence to a full driving licence. You could save anywhere from €170 to more than €300 in one year.

Remember, if you passed your test since last August, you must now display the N-plate disc on your car for two years. The good news is that the advent of the N-plate has had little impact either way on the cost of car insurance.

While novice drivers and those on learner permits will be hit with a €60 fine if they don't display their 'N' or 'L' plates, no insurer has indicated any changes or new rates based on the new 'N' plate law.

**Two:** Get 10 driving lessons under your belt. Some insurers offer discounts to drivers who have completed 10 lessons with a qualified driving instructor.

**Three:** Plan ahead. Build up driving experience by

getting added to a parent's policy for between six months and a year. Some insurers offer discounts to young drivers who have six months' experience on a parent's motor insurance policy — though most will insist on a full year.

Parents who want to teach their teenager to drive should cost out the various insurance options, such as adding the child to their or their spouse's cover; or arranging separate cover for the child. Don't assume that one option will be cheaper than the other.

**Four:** Look at the model and engine size of the car you are planning to buy. Don't be afraid to ask insurers for different quotes for various cars — doing so should help you identify a car which will be cheaper to insure.

**Five:** Check if it works out cheaper to get third party, fire and theft cover rather than comprehensive insurance. It is typically more expensive to buy comprehensive cover (which includes cover for damage

to your own car) so it might not be worth your while to pay for it, depending on the value of your car.

**Six:** Tell your insurer or broker if you have an alarm, immobiliser or if your car is kept in a garage. You may be entitled to a discount for security features on your car — as well as having a secure place to keep it at night.

**Seven:** Ask your insurance company if you are eligible for a discount if you have more than one policy with the company. You may find that the more policies you have with them, the more money you save.

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